Confronted with an Ethical Dilemma: What will you do?

Abstract |
The impact of addressing unethical activities can lead to individuals who are chastised, isolated, retaliated against, and more. These potential consequences can be powerful motivations to prevent impacted individuals and others from taking action to resolve questionable and/or unethical issues.

Individuals, organizations, companies, and societies have a responsibility to encourage and enforce ethical actions / behaviors --- while also ensuring that those who review, report, or resolve ethical situations are protected from unwanted, unwelcomed, and unnecessary attacks.

This paper details the impact of beliefs on an individual's willingness to be ethical, components of ethical behavior, the effect of choices on someone's future ethical behavior, reasons that individuals don't get involved with ethical violations, and ways to support those who choose to be ethical.

Key words | ethics, decision-making, leadership

Introduction

It's easier to speculate about something that might be done in the future than to actually act --- especially if it's a difficult decision that has personal implications or direct impacts. This type of mental positioning can often be shortsighted, misguided, and self-serving if there aren't full considerations (versus a cursory review) about potential outcomes that might occur due to a failure to prevent wrongful activities. Notwithstanding, one of the biggest factors in ethical decision-making is personal beliefs, which aren't always fully considered, evaluated, or processed.

Beliefs aren't always considered while making decisions; even though, personal beliefs effect the way someone processes a situation, considers options, or acts. During an ethical evaluation, beliefs represent a culmination of direct and indirect experiences throughout someone's life. If someone is unethical --- even a little bit, then this behavior can negatively impact their future ethical decision-making. The rationale for this is that once someone acts or behaves inappropriately, then it can be easier to do it again. Moreover, if someone's morals and values directs them to behave a certain way and then the person acts differently dependent on a situation, then what might this suggest about their character?! The answer to this question isn't simple because a bad choice at a moment doesn't mean that someone will make the same type of decision again.

Generally, the manner in which someone makes a decision is more complicated than a 'yes or no' response. Arguably, the greater the potential for personal gains or negative impacts, the more likely it can be for someone to make a decision that's more aligned with punitive avoidance.

Beliefs and decision-making are collectively driven by three components:

- <u>Concept</u> - something that's generally accepted to be true;
    - Is this considered to be true?
- <u>Consideration</u> - a determination as to whether something is true for an individual;
    - Is this true for me?
- <u>Convenience</u> - a decision made for personal risk reduction, benefit, or gain.
    - Is this true for me at this moment?

Ethical decision-making goes beyond the often used and limited evaluation as to whether something is "good or bad" or "right or wrong". Therefore, these three components drive individuals to test their considerations to determine if their choices and subsequent decisions are made for convenience reasons. The challenge is that tough or heart-wrenching decisions can cause individuals to analyze too much or be paralyzed by perceived personal risk(s) of making an ethical decision verses the value of doing the right thing(s). If the former is used as the criteria, then too many times those who engage in questionable or unethical behavior are (unfortunately) allowed to continue their actions because of someone's unnecessary complicity due to inaction. As a result, individuals who are involved in malfeasance are given implicit approval to prolong their self-serving actions.

Individuals don't always prevent questionable or unethical activities or behaviors due to:

- the potential impact to personal earnings;
- an inability to take care of family;
- the fear of retaliation;
- the potential of lost opportunities;
- the perceptions of others;
- learned behavior that those who speak-up are harassed, punished, scrutinized, forced to resign, or terminated;
- undocumented or misunderstood processes;
- a mistaken belief that it's none of their business;

- a lack of safeguards to protect those who report wrongdoings.

Individuals usually know if their or others' behaviors are questionable or unethical. Nevertheless, ethical decisions sometimes require additional information to fully consider a situation or make a subsequent choice. The challenge – at times – can be associated with incidents that fall within an uncertain classification or someone's determination as to whether or not to get involved. During these types of considerations, there can be significant internal conflicts to contend with while attempting to act or behave ethically.

Choosing to take a stand against questionable or unethical activities isn't always easy. However, it's better than at best being complicit or at worst being an accomplice to activities that can have negative impacts to individuals, organizations, companies, and societies. Moreover, there must be societal support, training reinforcement, corporate policies, and laws to ensure that those who report illicit activities are protected. Consequently, there will be reduced misgivings about reporting those who breach their personal, fiduciary, and societal responsibilities.

Without prudent leadership and strength of character, the answer to the question "Confronted with an Ethical Dilemma: What will you do?" will unfortunately and unnecessarily (too often) be silence due to practices of convenience versus having the fortitude to do the right thing(s).

About the Author

S. L. Young is an author, program leader, professor, inspirational speaker, and radio host. Mr. Young's materials provide solution-oriented guidance to address life and business challenges. Mr. Young is also the founder of a non-profit organization - Saving Our Communities at Risk Through Educational Services (SOCARTES), which teaches individuals in at-risk communities about life, business, and soft skills. Mr. Young's for-profit company (Beyond SPRH, LLC) provides solution-oriented services to help individuals and organizations maximize output potential.

References

Beyond SPRH, LLC. (2014 - 2016). *Ethical Opportunity Cost: It's a matter of choice* – Version 1.3. Arlington, VA: S. L. Young.

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What will you do?

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Global Congress 2016
North America

MY BACKGROUND

- Graduate of the American and The George Washington Universities

- Over 10 years work experience with Fortune 500 companies in the areas of: Billing, Education, Engineering, Finance, Marketing, Operations, Product Development, and more

- Founder of "Saving Our Communities at Risk Through Educational Services (SOCARTES)" and "Beyond SPRH, LLC"

- Author of 14 books, blogger on The Huffington Post, and an inspirational speaker
  - Topics: Overcoming challenges, ethics, and workplace bullying

- Radio host "Beyond Just Talk with S. L. Young"

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SESSION EXPECTIONS

- Participants should:

  - Be engaged with the discussions

  - Identify takeaways

  - Support each others' learning

  - Be excited to learn!

  - Have fun!

SESSION OVERVIEW

- <u>This session will help attendees:</u>
  - Define ethics and its importance

  - Identify components of ethical behavior

  - Understand variables that influence ethical behavior

  - Discuss factors in personal ethical decision making

  - Review types of ethical violations

  - Identify drivers for unethical behavior

  - Discuss impacts and costs of ethical violations

LET'S GET STARTED!

- Everyone please stand-up.

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PLEASE REMAIN STANDING

- If you've witnessed unethical activities anywhere
  - e.g., work, school, elsewhere

Note: The word "activities" throughout this presentation refers to actions or behaviors

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PLEASE REMAIN STANDING

- If you have questioned or taken action against unethical activities.

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QUESTION

What caused you to question or take action

to prevent an unethical activity?

QUESTIONS

What was / were your consideration(s) prior to "taking a stand?"

How did it make you feel?

REMAIN STANDING

- If you were retaliated against for "taking a stand."

QUESTIONS

What type of retaliation did you experience?

How did it make you feel?

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QUESTIONS

Based on your experiences being retaliated against,

would you do it again?

Why or why not?

MY PERSPECTIVE

- This session is based on theory --- and my experiences addressing and refusing to be complicit to unethical activities.

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REASONS UNETHICAL BEHAVIOR IS UNDERREPORTED

- <u>Questionable or unethical activities might not be reported due to:</u>
  - Fear
  - Job Loss Potential
  - Perception
  - Reporting Process
  - Retaliation --- including workplace bullying
  - Lack of Clarity About Rights

ETHICAL VIOLATIONS STATISTICS

- Ethics & Compliance Initiative's – 2013 National Business Ethics Survey (NBES) results:
  - 41% of respondents observed some type of misconduct

  - 63% of those who observed misconduct reported it

  - More than 20% of those who reported misconduct experienced retaliation

  - 53% of misconduct is related to: multiple individuals (41%) or a company wide issue (12%)

  - The majority of issues (over 50%) resulted from: bribes, gift-giving, and political contributions

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RETALIATION EXPERIENCED AFTER REPORTING VIOLATIONS

- Ethics & Compliance Initiative's – 2013 National Business Ethics Survey (NBES) results:
  - Treated differently or ignored by supervisors or other employees

  - Excluded from decisions and work activities

  - Verbally abused by a manager or co-worker

  - Almost fired, hours reduced, or experienced a base-pay reduction

Source: Ethics & Compliance Initiative's (ECI). "National Business Ethics Survey of the U. S. Workforce" (2014). Used with ECI's permission. Retrieved: 3/14/14

ETHICAL COMPLIANCE CHALLENGES

- Ethical compliance is at a critical time due to challenges with:
  - Greed
  - Fraud
  - Competition
  - Win at any cost mentality
  - Good ole' boy network
  - Nepotism
  - Potential for financial gain
  - Reduced risk of a business loss

QUESTION

What are some recent ethical violations?

QUESTION

Is there a standard definition of ethics?

- – If so, what is it?
- – If not, why not?

ETHICS DEFINED

- <u>Ethics</u> – an ability to make a correct or moral decision despite an opportunity, pressure, or temporary desire to do otherwise

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Does this definition give you enough information to act or behave ethically?

QUESTION

What factors might influence someone's ethical decisions?

RATIONALE FOR UNETHICAL BEHAVIOR

- Advancement

- Follower

- Monetary Gain

- Opportunity

- Pressure

- Recuperation

- Reputation / Status

- Retaliation

- Sampling

- Superstar

ETHICAL BEHAVIOR DEFINED

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  - e.g., "right or wrong", "good and bad"

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Is this a good definition?

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ETHICAL BEHAVIOR DEFINED

- <u>Ethical Behavior</u> – activities that are considered socially acceptable based on established standards or norms
  - e.g., "right or wrong", "good and bad"

Does this definition provide enough information to understand, process, or make an ethical decision?

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ETHICAL BEHAVIOR DEFINED

- <u>Ethical Behavior</u> – activities that are considered socially acceptable based on established standards or norms
  - e.g., "right or wrong", "good and bad"

Is there more to making ethical decisions than the information included in this definition?

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ETHICAL BEHAVIOR DEFINITION EXPANDED

- Ethical Behavior – actions or activities that are considered socially acceptable based on established standards or norms
  - e.g., "right or wrong", "good and bad"

- However, an individual's core beliefs are an important factor in their:
  - determination as to whether something is ethical
  - decision to be ethical

ETHICS DISASSEMBLED

- <u>Components of ethics:</u>
    - Ethics
    - Ethical Activities
    - Ethical Decision Making
    - Ethical Decision

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ETHICS CONSIDERATIONS

- <u>Considerations in ethical decisions:</u>
    - Honest
    - Truthful
    - Compliant
    - Responsible

FACTORS THAT INFLUENCE SOMEONE'S ETHICS

- Choices
- Consistency
- Controls
- Enforcement
- Family and Friends
- Fear
- Laws

- Leadership
- Morals / Values
- Opportunity
- Peer Pressure
- Retaliation
- Policy and Procedures
- And more…

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FOR CONSIDERATION

- A compromise on ethical or moral philosophies is a slippery slope, once the slide down the slope has started… it's very difficult to go back up.

    --- S. L. Young

ETHICS PERSONALIZED

- <u>Components of an individual's ethics:</u>

  - Beliefs

  - Culture

  - Expectations

  - Management

  - Morals

  - Experiences

  - Peer Pressure

  - Role Model

  - Values

ETHICS VIOLATIONS

- <u>Types of ethical violations:</u>

  - Character

  - Cultural

  - Illegal

  - Intentional

  - Moral

  - Organizational

  - Relational

  - Societal

  - Unintentional

FOR CONSIDERATION

- The greater the potential for personal gain or negative impacts, the more likely it can be for someone to make decisions that align with punitive avoidance.

Decisions should be based on "doing the right thing" versus "potential consequences"

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QUESTION

How does someone's core beliefs

impact their ethical decision making?

COMPONENTS OF ETHICAL BELIEFS

- Ethical beliefs are developed based on:
  - Concept
  - Consideration
  - Convenience

COMPANY RESPONSIBILITY

- <u>Ways companies minimize unethical activities:</u>

  - Demonstrate ethical activities in all transactions, interactions, and communication

  - Create ethics policies and standards related to appropriate ethical activities

  - Discuss behavioral expectations within each manager's team at least twice a year

  - Review policies and standards annually to determine if updates are required

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INDIVIDUAL RESPONSIBILITY

- <u>Individuals address unethical activities by:</u>
  - Becoming familiar with types of unethical violations

  - Reviewing policies or standards to understand the way unethical activities are addressed

  - Demonstrating ethical activities to be a role model

  - Keeping a record of any unethical activities --- including dates, times, and incident descriptions

  - Reporting (even anonymously) any unethical activities to someone with authority to create a formal record about or resolve any incidents

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ETHICAL VIOLATIONS IMPACT

- Conflict
- Duress
- Employee Dissatisfaction
- Gossip
- Impact on Morale
- Job Change
- Individual Impact
- Loss of Productivity

- Name Calling
- Relationship Changes
- Resignation
- Self-Doubt
- Stress
- Transference
- Weight Loss / Gain
- And more…

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UNETHICAL ACTIVITES AREN'T ALWAYS ADDRESSED (1 of 2)

- Unethical activities aren't prevented due to:

  – The potential impact to personal earnings

  – An ability to take care of family

  – The fear of retaliation

  – The potential of lost opportunities

  – The perceptions of others

UNETHICAL ACTIVITES AREN'T ALWAYS ADDRESSED (2 of 2)

- <u>Unethical activities aren't prevented due to:</u>
    - Learned behavior

    - Undocumented or misunderstood processes

    - A mistaken belief that it's none of their business

COSTS OF NOT REPORTING UNETHICAL ACTIVITIES

- Impacts of not reporting unethical activities:
  - Actual / Replacement Cost

  - Company / Organization / Team

  - Productivity / Morale

  - Trust

  - Unintended Consequences

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HELPING THE ETHICALLY CHALLENGED

- Unethical individuals can be helped by:

  - Counseling

  - Mentoring

  - Training

  - Terminating

EXERCISES

DO YOU WANT TO BE COMPLICIT?

- Anyone who knowingly ignores, allows, or doesn't report (even anonymously) questionable or unethical behavior is complicit.

<u>Complicit</u> – allowing wrongful or illegal activity to go unchecked, unquestioned, unreported, or unresolved

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FOR CONSIDERATION

The highest courage is to dare to be yourself in the face of adversity. Choosing right over wrong, ethics over convenience, and truth over popularity.

These are the choices that measure your life. Travel the path of integrity without looking back for there is never a wrong time to do the right thing.

--- Unknown

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FOR CONSIDERATION

- Ethical behavior is generally pretty clear; the part that's grey is individual interpretation.

                                                            --- S. L. Young

PMI'S "CODE OF ETHICS AND PROFESSIONAL CONDUCT"

This code "…describes the expectations that we have of ourselves and our fellow practitioners in the global project management community. It articulates the ideals to which we aspire as well as the behaviors that are mandatory in our professional and volunteer roles.

The purpose of this Code is to instill confidence in the project management profession and to help an individual become a better practitioner. We do this by establishing a profession-wide understanding of appropriate behavior. We believe that the credibility and reputation of the project management profession is shaped by the collective conduct of individual practitioners".

Source: Project Management Institute's (PMI) "Code of Ethics and Professional Conduct". Website: http://www.pmi.org/-/media/pmi/documents/public/pdf/governance/code-of-ethics-and-professional-conduct.pdf?la=en,   Retrieved: 8/20/16

ADDITIONAL MATERIAL

- Articles on The Huffington Post and my blog:
  - Ethical Behavior – Individual Responsibility
  - Are You Really Committed to Your Beliefs?
  - Belief – An Underutilized Tool
  - Ethical Behavior – Individual Responsibility
  - Unexpected Cost of Ethical Behavior
  - What If?!?!
- Book:
  - Ethical Opportunity Cost: It's a matter of choice

Thank you!

Please rate my session in the mobile app!

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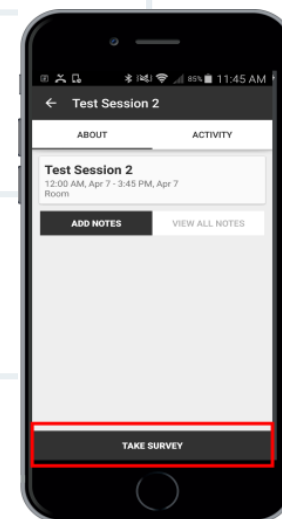
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