

The Role of Ethics in 21st Century Organizations

By Darrin A. Reinke



The technological advances in surveillance software and hardware, in the 21st century, are having an impact on how organizations see themselves. This article focuses on the role that ethics play in 21st century organizations. In order to prevent unethical behavior, the organizational culture, through a variety of methods, must be identified. Policies and procedures that clearly identify ethical boundaries and organizational values must be documented and published. Standardized practices can prevent misunderstandings. The results of a well-documented ethical policy will help prevent legal action. In the 21st century, ethical behavior will be as much recognized as unethical behavior is publicized. If we do not understand the role ethics play in 21st century organizations, we run the risk of being judged by global opinion.

Article

Like most people on vacation, we try to ignore as much of the news around us as possible; however, while I was flipping through the channels on the TV, I found myself listening to a news channel. The American military had just been dealt a severe blow in the war on terror and, oddly enough, it stemmed from unethical behavior on the part of the commander of all U.S. and NATO forces in Afghanistan, Gen. Stanley McChrystal and his advisors. In America, we pride ourselves on individuality and uniqueness. We believe our own personal privacy should be protected while we uncover information on others. Technology has changed all that. It has become more intrusive in the lives of employees and will continue to do so for many years to come. Therefore, understanding the roles and consequences of unethical behavior and its far reaching effect on both our personal lives and organizational goals is paramount. Take it from Gen. Stanley McChrystal, unethical behavior can ruin your career. What is the role that ethics play in 21st century organizations, and how can they help

develop career minded leaders and individuals today?

Ethics Can Change Organizational Culture

Most organizations are unaware of their culture as it pertains to ethics. Most employees would ask their leadership to define ethical behavior, and today's leadership would avoid such a question or give what they perceive is a politically correct answer. Dr. Ergun Caner (2004) said that, "If something is politically correct it is usually morally corrupt". What he meant is, we are so obsessed with the correct response that we allow corruption to exist that may have an impact on others to avoid personal implication. This obsession is having a direct impact on our culture today. Management Today (2008) stated that, "surveillance at work is becoming a contentious issue, with new technology creating ever more sophisticated methods of electronic snooping". Ethical behavior is now taking center stage in the 21st century. This is due in large part to our ability, through technology, to record conversations that were, up until now, impossible to obtain without being detected. Whispers are now heard loud and clear. Small recording and listening devices are now in the hands of everyday people. Big brother is watching. These technological advances are pushing organizations to take a closer look at their employees and their ethical standards that could have an impact on the organization, not only inside the walls, but outside as well. Hoteling is not another word for vacation. More and more employees are conducting business from home. How can companies control the ethical conduct of their employees working from home? "Graduates, in a recessionary economy or not, must understand that ethical dilemmas and choices are an unavoidable part of one's work life," claims Hanson (2010). Ethical issues stem from the culture in which we live. According to Green (2008), "a large portion of an individual's values are formed in the early stages of life through parents, teachers, family, friends, and his or her environment"(p.96). If unethical behavior is tolerated, it will spread; if not, it will subside. For example, the types of video games children and adults play are having an effect on our culture. Grand theft auto games can instill in children the illusion that stealing a car is just a joy ride. If the player gets caught, they just end the game and start over. Ethical behavior in the 21st century will be affected by these and other types of influences on our culture. According to Gentile (2010), "for most people, speaking up about an ethical issue is more difficult than, say, disagreeing with colleagues about whether to raise prices or change suppliers (p.115). Therefore, policies and procedures must be instilled from the beginning of employment; and those who violate them must be punished quickly in order to set precedence. If not, the game will start all over again.

Ethics Can Formulate Standardized Practices

According to Waller (2010), "a business that does not provide specific ethics guidance to its employees is inviting its personnel to decide what is best for the business based upon each

individual's own ethics, rather than the business' core values". Most organizations would say that they promote ethical behavior; however, ethical behavior is sometimes misunderstood by management. Positions of power can lead to double standards. In an age where power and money seems to influence courts, powerful organizational leaders are becoming more accustomed to special treatment. Employees are watching their leaders more closely since Enron. This means that ethical behavior that is published by upper management is not just a list of things they require of their employees but a mandate for all organizational members to follow.

Kennedy (2010) pointed out that, "one of the key aspects of developing a high performance organization is the creation of organizational values. These are learned throughout a person's life and in order for an organization to succeed, the employees, as well as the key leaders in the organization, must have the same values" (p. 146). Policies and procedures are one avenue that can be used to document the definitions of ethical actions within an organization; however, these have a limited affect. Policies provide the legal documentation needed for disciplinary action, but they tend to be more of a reaction rather than a proactive approach to the problem. This is not to say that documentation is not needed. The question should be, what can be done to prevent someone from being disciplined for unethical behavior?

Ethical Behavior Can Avoid Misunderstandings and Legal Action

In our ever-changing global economy, the need for bi-lingual employees is becoming more important. The need for such qualifications seems to stem from our need to communicate; however, there is another reason that is sometimes overlooked. For example, when a language barrier exists, misunderstandings likely will occur. Trust begins to be of great concern when an employee is aware of a conversation that he or she is unable to interpret; they begin to hear words that sound like ones they know. At this point, seeds of misunderstandings are planted and mistrust can bring down an organization. According to Huang (2010), "as business has turned more and more to an integrated world market to meet its needs, the difficulties of communicating at a global level have become increasingly widespread" (p. 196). Therefore, many organizations have adopted the policy of speaking the native language no matter how broken their words in order to bring about a more open and trusting environment.

Ethical behavior will avoid legal issues, but there are times when perfectly acceptable behavior in one country can be unethical in another. Understanding the legal implications of doing business, in an ethical manner, is paramount to avoiding legal action against your organization. Stay in touch with your legal councils in the countries where you are conducting business. If your organization is

operating globally, then perhaps you should consider retaining legal counsel with a concentration on international business law.

Conclusion

Since the days of President Nixon's resignation; to Enron; and now to Gen. McCrystal, there is no simple way to avoid the topic of ethics. The people of this nation and the world are demanding ethical behavior. The desire to obtain information to police organizations will continue to push technological advances in monitoring software and hardware. In turn, organizations will find it necessary to review and update policies and procedures in order to discourage unethical behavior. The consequences of organizational ethics in the 21st century will have a far-reaching impact as languages and cultural barriers continue to cause confusion. The results of these misunderstandings can ultimately lead to legal action, not only here in the United States, but on a global scale. In the 21st century, organizations will be judged by the people of the world.

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