



SWANSEA METROPOLITAN UNIVERSITY

PRIFYSGOL FETROPOLITAN ABERTAWE

Swansea Business School, Swansea Metropolitan University

HRM Ethics:

**“Get the buggers working”
or**

**“Sensitively assess and manage
people to enhance personal
development and achieve
organisational goals”?**

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"Human Resource Management" ... provides the means by which the fullest potential of employees can be developed and used for the benefit of both themselves and their employers. Good HR practice will ensure that every employee knows that they matter as an individual and a human being while the employer will have the confidence that the workforce will perform to the levels needed and beyond for success in today's competitive world." (Farrance 1992: xv, and quoted in Storey 1995: 23)

"I believe HR to be amoral and anti-social, unprofessional, reactive, uneconomic and ecologically destructive" (Hart 1993: 29, and quoted in Storey 1995: 23).

Quoted in

D. Winstanley, J. Woodall & E. Heery

(1996)

The Agenda for Ethics in HRM,

Business Ethics: A European Review,

Vol 5 No 4.

Elizabeth Vallance (1995) Business Ethics at Work

Principles for HRM Processes

1. RELEVANCE

2. OPENNESS

3. SOUNDNESS

4. RESPECT

"the role of ethics is to apply general ethical value ... not to particular situations but in particular situations"

CHANGES IN THE WORKPLACE

1. INCREASE IN TECHNICAL HAZARDS TO EMPLOYEES

2. WORKPLACE INVASION OF THE COMPUTER

3. DIVIDED LOYALTIES OF PROFESSIONALS

4. INCREASED MOBILITY OF EMPLOYEES

K Chilton & M Weidenbaum (1994) A New Social Contract For The American Workplace: From Paternalism To Partnering , Washington University

A NEW SOCIAL CONTRACT

1. GLOBAL COMPETITION

2. TECHNOLOGICAL ADVANCES

3. DEREGULATION

Security-Loyalty-Paternalism....an entitlement mentality is being replaced by employee responsibility for their own success, need to make a contribution to "value added" and the organisation's mission statement, in return the employer provides learning opportunities, meaningful work and honest communications.

Although employee rights movements will continue to press for further fair dealing , will employers use (legitimately?) the economic, social and technological forces impacting on them to deny rights or improvements?

FIGURE 14-2 The Changing Social Contract Between Employer and Employees

Old Social Contract	New Social Contract
Job security; long, stable career and employment relationships	Few tenure arrangements; jobs constantly "at risk"; employment as long as you "add value" to the organization
Life careers with one employer	Fewer life careers; employer changes common; careers more dynamic
Stable positions/job assignments	Temporary project assignments
Loyalty to employer; identification with employer	Loyalty to self and profession; diminished identification with employer
Paternalism; family-type relationships	Relationships far less warm and familial; no more parent-child relationships
Employee sense of entitlement	Personal responsibility for one's own career/job future
Stable, rising income	Pay that reflects contributions; pay for "value added"
Job-related skill training	Learning opportunities; employees in charge of their own education and updating
Focus on individual job accomplishments	Focus on team building and projects

FIGURE 14-4 Three Models of Management Morality and Their Orientations Toward Employee Stakeholders

Model of Management Morality	Orientation Toward Employee Stakeholders
Moral Management	Employees are a human resource that must be treated with dignity and respect. Employees' rights to due process, privacy, freedom of speech, and safety are maximally considered in all decisions. Management seeks fair dealings with employees. The goal is to use a leadership style, such as consultative/participative, that will result in mutual confidence and trust. Commitment is a recurring theme.
Amoral Management	Employees are treated as the law requires. Attempts to motivate focus on increasing productivity rather than satisfying employees' growing maturity needs. Employees are still seen as factors of production, but a remunerative approach is used. The organization sees self-interest in treating employees with minimal respect. Organization structure, pay incentives, and rewards are all geared toward short- and medium-term productivity.
Immoral Management	Employees are viewed as factors of production to be used, exploited, and manipulated for gain of individual manager or company. No concern is shown for employees' needs/rights/expectations. Short-term focus. Coercive, controlling, alienating environment.

FIGURE 14-3

View of the New Social Contract Between Employers and Employees

Outline for A New Social Contract	
Employer Expectations of Employees	Employee Expectations of Employers
• Performance to the best of one's ability • Commitment to the objectives of the firm • Participation (suggestions) • Willingness to take training to improve productivity • Ethical and honest behavior	• "Fair" pay and benefits proportionate to contribution to company success • Security tied to fortunes of the company and ability to perform • Respect, recognition, and participation • Opportunities for growth • Access to timely information and openness by candid leaders • Safe and healthy workplace
• Joint Expectations • Partnering replaces paternalism • Employees are value-adding resources, not merely costs to be cut • Employee and employer must focus on customer needs and desires	

SOURCE: Kenneth Chilton and Murray Weidenbaum, *A New Social Contract for the American Workplace: From Paternalism to Partnering* (St. Louis: Center for the Study of American Business, Washington University, 1994), 43. Used with permission.

HRM ISSUES

1. EMPLOYEE RIGHTS (LEGITIMATE INTERNAL STAKEHOLDER CLAIMS)
2. THE RIGHT TO DUE PROCESS AND FAIR TREATMENT
3. FREEDOM OF SPEECH IN THE WORKPLACE
4. ALTERNATIVE DISPUTE RESOLUTION SYSTEMS
5. EMPLOYEE PRIVACY, SAFETY AND HEALTH
6. DISCRIMINATION AND AFFIRMATIVE ACTION IN RECRUITMENT AND TRAINING

Archie Carroll & A. R. Buchholtz (2000)
Business & Society, Cincinnati, S-W College.

Rhetoric	Reality
'New working patterns'	Part-time instead of full-time jobs
'Flexibility'	Management can do what it wants
'Empowerment'	Making someone else take the risk and responsibility
'Training and development'	Manipulation
'Recognizing the contribution of the individual'	Undermining the trade union and collective bargaining
'Teamworking'	Reducing the individual's discretion

Rhetoric and reality in HRM

Employee rights	Issues involved
Right to freedom from discrimination	• Equal opportunities • Affirmative action • Reverse discrimination • Sexual and racial harassment
Right to privacy	• Health and drug testing • Work-life balance • Presenteeism • Electronic privacy and data protection
Right to due process	• Promotion • Firing • Disciplinary proceedings
Right to participation and association	• Organization of workers in works councils and trade unions • Participation in the company's decision
Right to healthy and safe working conditions	• Working conditions • Occupational health and safety
Right to fair wages	• Pay • Industrial action • New forms of work
Right to freedom of conscience and speech	• Whistleblowing
Right to work	• Fair treatment in the interview • Non-discriminatory rules for recruitment
Employee duties	Issues involved
Duty to comply with labour contract	• Acceptable level of performance • Work quality • Loyalty to the firm
Duty to comply with the law	• Bribery
Duty to respect the employer's property	• Working time • Unauthorized use of company resources for private purposes • Fraud, theft, embezzlement

Rights and duties of employees as stakeholders of the firm.

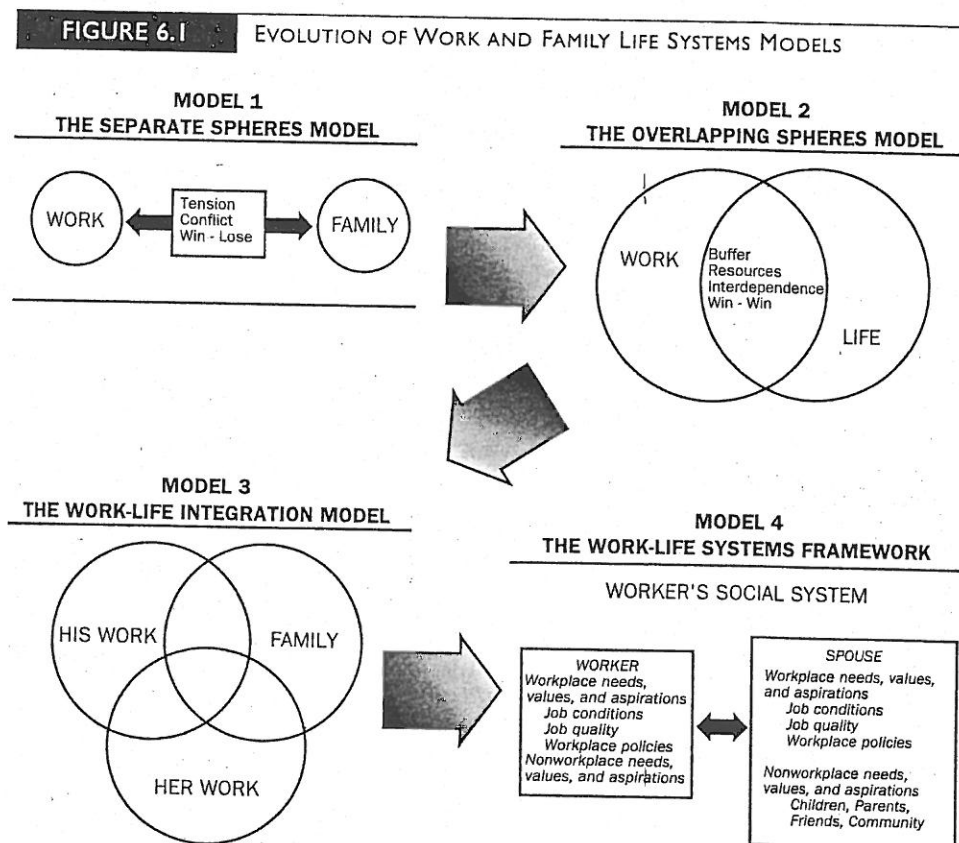
HARVARD ANALYTICAL FRAMEWORK

The triple “bottom line”

- ORGANISATIONAL WELL-BEING
- INDIVIDUAL WELL-BEING
- SOCIETAL WELL-BEING

little influence on managers' reported ethical decision making. The perceived behaviour of managers' colleagues is far more important in predicting attitudes towards decision making of managers across the nationalities surveyed. This has implications for the efficacy of the growing popularity of corporate codes across Europe. Companies should place more emphasis on intervening in peer dynamics rather than trying to legislate for managers' ethical conduct.

Weiss J. (2003) *Business Ethics, Cincinnati, South Western, Thomson.*



SOURCE: Adapted with permission from Barnett, R. (Mar. 1999). A new work-life model for the twenty-first century. *Annals of the American Academy of Political and Social Science*, 562, 143-158.

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