



Unit 2

BBM 208/05

Business Ethics

Employee Ethics



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Wawasan Open University is Malaysia's first private not-for-profit tertiary institution dedicated to adult learners. It is funded by the Wawasan Education Foundation, a tax-exempt entity established by the Malaysian People's Movement Party (Gerakan) and supported by the Yeap Chor Ee Charitable and Endowment Trusts, other charities, corporations, members of the public and occasional grants from the Government of Malaysia.

The course material development of the university is funded by Yeap Chor Ee Charitable and Endowment Trusts.

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First Revision 2012, Second Revision 2015



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ACKNOWLEDGEMENT

Published by Wawasan Open University 2015. This edition has been revised by Wawasan Open University from the course *The Business Ethics Workshop*, version 1.0 developed by Flat World with the permission of the owner.

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Unit Overview

Employee ethics examines some ethical decisions facing employees. It considers the values that underlie and guide choices about the kind of work you choose to pursue.

It seems that ever more people are hiring a résumé writer. But if you think about it, that is no more ethical than hiring someone to write your college application essay. In fact, hiring a résumé writer is worse because the effects are worse. For most professional-level jobs, employers use résumés not just to see applicants' work history but to assess their ability to organise their thoughts, write well and produce an error-free document. An applicant who chooses to do his or her own work for ethical reasons or because he or she cannot afford to hire a résumé writer is unfairly penalised. And if that candidate ends up getting hired, not only is that unfair to the superior applicants, it is unfair to the employer and the co-workers who are thus saddled with an inferior employee. And inferior employees result in worse products and services and so, indirectly, it is unfair to society.

The foundational ethical question in our job: Even if we do our job ethically, if we aspire to a high ethical standard, might we want to ask if our talents might do more good in some other pursuit? We can, of course, elevate our workplace ethics by treating people well. Amid the pressures, many employers do not even send rejection letters to applicants. Other employers do not praise employees lest it cause complacency or a request for a salary increase. Employees desiring promotions or fearing being laid off too often bad-mouth co-workers, withhold key information from them, etc. Suffusing your work and personal life with non-random acts of kindness help ensure that your time on the planet yields the most good possible.

Unit Objectives

By the end of Unit 2, you should be able to:

1. Examine the ethical dilemmas, values and considerations in job search.
2. Discuss the possibility of working for an ethically complicated organisation.
3. Identify the dilemmas of crafting a resume.
4. Determining the justification for the wages of demand.
5. Evaluate the responsibilities of seeking job promotions and resignation.
6. Explain gifts giving and its relationship with conflict of interest.

7. Elaborate third party obligations
8. Probe the requirements and justifications of whistle-blowing.

2.1 Finding Jobs You Want

Objectives

By the end of this section, you should be able to:

1. Describe ethical dilemmas and considerations in job seeking.
2. Discuss how values guide the search for a job.
3. Define job sequencing.
4. Define reasons why an organisation's work may be viewed as unethical.
5. Consider how working for ethically troubling organisations can be managed.

Introduction

You may find yourself faced with ethical dilemma while searching for a job. Whenever you are involved in a job search, whether through Internet job postings or your school's on-campus recruiting programme, your behaviour has a direct impact on employers' perceptions of you as a candidate. Ethical behaviour becomes even more important during interviewing when your behaviour not only affects employers' perceptions of you, but also that of your fellow colleagues and your organisation as a whole.

What kind of work is out there?

A question posed on a web discussion board: *What Is Your Nightmare Job?* Here are some answers:

1. Lung gunner (in a poultry processing plant: ram a nozzle down the chopped neck of a chicken and suck out the lungs).
2. Roofer (Miami, summertime).
3. Urinalysis monitor (watch guys pee for eight hours, making sure no one's switching their own for some friend's who hasn't been using drugs).
4. Toll booth operator (apparently evil drivers heat quarters with cigarette lighters and drop them into the hands of unsuspecting operators).

Froomkin, M (2007) 'What is your nightmare job?,' *Discourse.net*, 19 July http://www.discourse.net/archives/2007/07/what_is_your_nightmare_job.html (Accessed 16 May 2011).

That last part about hot coins may be urban legend, but no matter what, there are jobs on the list that are going to make you cringe.

The *Wall Street Journal* has a similar list, but theirs includes both a top and bottom twenty — the best and worst jobs you can try to get or struggle to avoid.

Examples of best jobs to get:

- Child-care worker
- Lumberjack
- Butcher
- Seaman
- Nuclear decontamination tech
- Nurse
- Firefighter

Examples of worst jobs to avoid:

- Actuary
- Parole officer
- Accountant
- Medical laboratory technician
- Paralegal assistant
- Meteorologist
- Historian

Source: Needleman, S E (2009) 'Doing the math to find the good jobs,' *Wall Street Journal*, 6 January <http://online.wsj.com/article/SB123119236117055127.html> (Accessed 16 May 2011)

Can you tell which jobs belong in the twenty best and which are among the twenty worst? You might have a fix on the answer, but probably there is one or two on each list that do not seem to fit. That is because once you get away from *the extremes — the horribly bad and enviously good jobs* — it is difficult to define exactly what counts as good work.

Let us take a look at two jobs: child-care worker and actuary. It is probably true that no one really likes changing diapers at the day care centre, and certainly it is smellier and dirtier than being an actuary, which is a statistical job. Actuaries take a calculator and reams of data and try to figure out how old people are likely to be when they die. This is important information for companies selling life insurance since they have got to make sure their clients live long enough — and *pay* long enough — to more than cover the lump sum that gets doled out at the end. Now there is a fair amount of money at stake here, and that is why good actuaries get paid big money. The money is one reason being an actuary gets ranked as one of the best jobs by the *Wall Street Journal*. So the actuary advantages are the money, it is not stinky work, and also it is worth noting that there is not much stress since no one will know for sure whether your calculations are right or wrong for decades. Add it all up and you have got a potentially desirable job and career path, the kind you may want to put at the center of your working life.

Still, is it *really* better than a bottom-twenty job as a day care worker? If you go the day care route, it is true that you have got to wash your hands constantly, but the rest of the day, being with excited children, helping them take their first steps, recite the alphabet, and learn how to play with one another, that must be *worth something*; there must be a human, emotional reward in it. Undeniably, when you punch out from the day care centre on Friday night you will not have as much money to spend as your friend who is charting future death rates, but it is also true that when you come back on Monday you will be engaged with young lives instead of death. You will be human for the day instead of a calculator.

On the other hand, no one likes poop under the fingernails. It is hard to get away from that.

Finally, what is really curious about that first list taken from the Internet discussion board is that for almost all of them, there is some lone voice speaking up in favour in the comments part of the web page. A toll booth operator, for example, wrote in to say that he likes his job because there is no boss staring over his shoulder. And roads do not go out of business, so he does not have to worry too much about corporate downsizing or economic recessions. Nearly every job, it seems, looks acceptable to someone. Even in the worlds of lung gunners and urinalysis monitors, there are people who are decently happy with what they are doing.

Why is a career decision ethical instead of just a personal decision about jobs?

Normally we think of ethics as providing guidelines for how to treat other people — do not steal, do not lie. But *ethics* is also about *how we treat ourselves and the responsibilities we have to ourselves*. One of the deepest of the responsibilities is *making thoughtful and independent decisions about what is worth doing and what is not*. Narrowing this to economic reality, the most tangible choice you are going to have to make is *where am I going to go to work when I wake up in the morning?* This decision — choosing a job and a career path — is about value. Every time the alarm goes off, you affirm what definitely matters in your life and what is really not so important.

These value judgements are rehearsed in comparing the so-called bottom-twenty job in the day care center with the so-called top-twenty job of an actuary. There are big advantages to being an actuary: money and relatively fixed hours (no parents get stuck in traffic and leave you with a screeching three-year-old until 8:00 p.m.). But day care also has advantages: you work in a life-affirming profession while reaping the human reward of helping children learn.

It is true that on paper being an actuary probably looks better. But life does not happen on paper. That is why, every day, people make the decision to go work at the day care centre, despite everything. Or to be a teacher at an inner-city junior high school. Or to be a lumberjack because the opportunity to work outdoors outweighs the sore muscles. The possibilities are nearly endless.

In the end, you are the only one who can decide what to do when the alarm goes off, and you have an ethical responsibility to yourself to make the best decision you can.

Seven values for ranking jobs

To start thinking about jobs in terms of the values they respond to, these questions are pivotal. For me, how important is it that my work:

1. is meaningful;
2. allows leisure time;
3. accumulates money;
4. bestows power;
5. radiates prestige;
6. is comfortable;
7. provides security?

The question about **meaningful** work is the hardest to cleanly answer. Even defining exactly what counts as “meaningful” is not easy. Definitely, it is work that holds significance for you or the larger community apart from how much you are paid, how big your office is, how long your vacations stretch. Still, it is difficult to pin down exactly what counts as a meaningful job. Unlike money, which you can just add up, meaning is more like a colour: hard to describe, changes a bit depending on the light, and people tend to have their own palettes of good and bad.

Look at the Greenpeace recruitment page: <http://greenpeace.org/international/about/jobs>. Their job openings read like anti-ads, like they are trying to *discourage* your application. There are some uplifting parts about “challenging work,” but nothing about the potential for huge, year-end bonuses, or rapid advancement, or generous

health insurance, or comfortable working conditions. In all those terms, working for Greenpeace sounds pretty bleak. Which is part of the reason it is so clear that this is a job for people who want meaning in their professional lives, a purpose separate from their own comfort, and one involving the environment.

Not all meaningful work has to be based on faith or tied to internationally known advocacy organisations. Chances are there is a woman not too far from where you live who is in the music business at the grassroots level: she offers piano lessons. Knock on her door and ask why she does it year after year; she may say she believes in music, its beauty, and its contribution to what she considers a full life. Your college athletic director might say something similar about sports. Or go to the nearest farmer's market — you will not find a lot of money changing hands; it is definitely not big business, but you will probably run into someone eager to discuss the virtues of organic food in terms that sound more like a crusade than a menu choice.

Actually, organic food is big business. Beyond seeds in the fields and the scattered crates of the farmers' market, there is a growing, and growingly profitable business in the massification of the organic. Anyone walking through the local Whole Foods will see a lot of the colour green. What will not be seen — but what is definitely up above — is an impressive corporate structure with big-salary managers making million-dollar stocking decisions every day. As far as money goes, they are doing well for themselves — like any multibillion-dollar corporation, Whole Foods pays its leading executives big money.

Clark, H (2011) *Whole Foods: Spinning CEO Pay* http://www.forbes.com/2006/04/20/john-mackey-pay_cx_hc_06ceo_0420wholefoods.html (Accessed 16 May 2015).

But hunched over a desk and tapping on a keypad, has not their work been bleached of the meaning and devotion that abides with the vegan wearing dirty overalls and trying to sell strawberries in an empty parking lot Saturday mornings? Maybe. Or maybe not. Meaningful work does not require that the only jobs you will accept are low paying.

More jobs and kinds of work could be added here, but whatever you believe in, you should be able to find some employment that lets you approach it. As for how close you can get to truly meaningful work, that will probably depend to some extent on trade-offs, on how much you are willing to give up in terms of leisure time, job security, and other comforts. Regardless, the real key is that meaningful work sets a specific purpose before everything else. With respect to lining up a career path, you do not start with a list of jobs and then find one that suits your interests; it is the opposite: you start with your deep interest and then find a job that lets you pursue it.

Finally, two cautionary points: While it is true that people devoted to meaningful work frequently sacrifice money, leisure time, and job security, the logic does not work the other way. Most of the time, low pay, short vacations, and a constant threat of unemployment do not mean you have chosen a noble career; they just mean you have got a crappy job.

In a different direction, Michael Jordan loved basketball and also ended up getting paid handsomely to play. The photographer Annie Leibovitz loves and is dedicated to photography, but she is not making many sacrifices to do it: travelling to exotic places, living well, meeting interesting people. Former vice president Al Gore believes in saving the planet as much as any sweating deckhand on the Greenpeace boat; the difference is he wrote a book about it that sold millions of copies and made him millions of dollars.

Conclusion

Dedicating your professional life to a cause or activity that you believe in does not mean low wages and long hours. A lot of times it does, but that is not the point.

Another question shaping job seeking is **leisure time**. How important is it? In a sense, this is the mirror image of meaningful work. If you believe in something like promoting organic food, playing basketball, taking pictures, saving the planet, or even watching game shows on TV, *it is perfectly reasonable to find a job in some other field that provides the income you need in the fewest hours possible and then lets you get out and do what you really want with the rest of your time.* More or less, what you say here is I am just going to X out that part of my life where I am working. In the extreme case, the attitude is “I don’t care how bad it is, I just want to get through it.”

The Discovery Channel series *The Deadliest Catch* about crab fishing in the Arctic shows how cold, smelly, and ugly work can be; but a few months of it and you get a year’s worth of wages and the free time to spend it. One important concept here is instrumentalism, which means that work becomes an instrument — a tool allowing you to get or do something else.

The third question about jobs and values involves **money**. Like sacrificing hours of work to get leisure, punching the clock to accumulate cash makes your job an instrument. Money is also the easiest way to organise your professional life. You can count it; if one job pays more than another, it is better.

But this easiness can also be a trap. For anyone just out of college and facing a hazy and unclear world where all the decisions seem so difficult, it is easy to get tempted by the smoothest route: just check the possibilities out there and go for whatever pays the most. At least that way you know you are not messing things up completely. So there is something to be said for going that safe route, but this also needs to get underlined. From the perspective of your responsibilities to yourself, the better-paying job is only the better job *if you have already made the decision to value career options in terms of how much they pay.*

There is nothing necessarily wrong with that decision. Of course the Hollywood movies and the Habitat for Humanity volunteers hanging around campus looking for recruits are all going to tell you that you have got to follow your heart, do meaningful work, contribute to society. And if you face them up and flat out say you are just in it for the money, there are always going to be whispers about greed and accusations like being a sellout.

In defense of money, though, dedicating your career to getting it makes a lot of sense, and it can do a lot of good, too:

1. If you have got student loans, it is good to be able to pay them back, as it is the fulfillment of a duty to fidelity.
2. If you do feel a need to support causes like protecting the planet, most advocacy organisations will be happy to receive a cash donation. The truth is, they would probably rather have the money than a few volunteer hours.
3. Making money means participating in an economy that is getting richer, and does not that end up making life better for everyone? Faced with Habitat for Humanity volunteers who ask you to join them in building shelter for the needy, could you not even make the case that contributing to an economy that functions well actually helps people more — at least in the long run — by producing jobs so they can purchase their own home instead of relying on volunteers to build one?
4. You may have children. Clothes are expensive. Summer camp is expensive. The holidays are expensive. True, little ones might still be a long way off, but when they come, a new set of responsibilities arrive, too, and just about the only way you can begin preparing for them now is by making sure that, on the money side at least, the house is in order.

There is more to this list, but when it comes to choosing a job with an eye on the salary factor, it is important to spend some time with this question: *Why is it, exactly, that money has value for me?*

If you are looking for **power**, you could do a lot worse than being a judge. True, you spend your days listening to lame excuses for shoplifting and the bogus assurances of repentance from drug dealers, but with the pound of a (little wooden) hammer, you get a police officer to rumble over and haul people off to jail. In court, even someone mouthing off is enough to slap them with contempt and assign them to a few hours of lockup.

The military, politics, policing: all these fields will appeal to anyone who sets the possession of power as one of the most valuable aspects of a job. Less directly, people in the news media can decide which issues center popular attention by mentioning them on the radio broadcast, the TV news show, or the current affairs blog. That is serious influence, shaping what people are thinking and talking about in our shared world.

Obviously, bosses in most fields of work have power. Usually they like to say that they have “responsibilities,” but frequently part of holding the responsibility to carry out a project is having the ability to hire and fire the people participating. Advertising is also about power. It is not as explicit as the ability to get someone hauled off to jail or sent to the unemployment line, but masters of the craft can get people to believe that they really *need* some electronic device that they did not even

know existed thirty seconds ago. There is power in schools, too. If you are in this class as a distribution requirement, that means someone has decided for you what you are supposed to know.

The bottom line is that power — and the various jobs that grant it — exists in many places, and some are more transparent holders of force than others. So one of the keys to understanding power as a career option is being sensitive to the different ways it works. Commanding a platoon of soldiers fits the bill, but so does sending out an army of TV commercials.

Even more than money, power is vilified as a career goal. If you tell your friends that all you care about is money, they might think you are greedy, but they will probably keep in touch over the years, figuring you could invite them to your Hamptons beach house for a great weekend. If you tell everyone that all you care about is power, though, they will probably think you are weird and drop you off their Facebook friends list.

The image we get from popular culture of a power-hungry careerist is a drooling madman with clenched fists, too much caffeine, and maybe a copy of Machiavelli's *The Prince* on the nightstand. And it is not just the movies. Deborah Gruenfeld, a professor in the Stanford Graduate School of Business and expert in the psychology of power in the workplace believes: "Those in positions of power can be observed to act in a manner that is peculiar and that often has no connection to reality."

Psychology of Power http://businessethicsworkshop.com/Chapter_5/Power_in_business.html (Accessed 16 May 2011).

Ouch.

There must be something there, though. If power were really so bad, we would not have to worry about it since no one would want it. But people do want it; it is just that hardly anyone wants to admit it.

In a sense, **prestige** is the opposite of power. Almost everyone says they would love a job granting prestige, but not many are willing to give up much for it. Going all the way back to the *Wall Street Journal* article, "historian" is on the top-twenty list of desirable jobs, and "philosopher" is there, too, on the longer, uncut version of the story. Salary is not the reason they are included among the twenty best, and there is not much direct power to those jobs either. (Despite what you think, professors do not get any rush out of failing people. Only rarely, anyway.) There is job security if you are a tenured university professor, but the main benefit of a prestigious job is the "wow" factor:

"What do you do for a living?"

"I'm a historian."

"Wow."

After a few minutes in which everyone in the conversation acknowledges that this is very interesting, the talk switches back to more normal topics. Later on, people quietly wonder why anyone would choose to spend more or less his or her entire life in school. That does not detract from the prestige of the career path, though.

Being a doctor is prestigious, and (even if we hate to admit it) being a lawyer is, too, although it is also true that part of the prestige accrues from the fact that you know people who have these jobs probably have some money too.

One of the thorny parts of prestige as a career goal is the *difficulty in finding jobs that straight-out specialise in that*. Frequently, what makes this kind of job attractive is not purely prestige, usually there is something else mixed in. Being a judge is prestigious, but partially because you know there is some real power there. Being a struggling rock musician is pretty good in terms of prestige, but only if there is some sober hope that one day you will convert into a legitimate star and not just end up with no money and damaged eardrums. On the other end of the musical spectrum, a jazz musician who tells people that is what he does for a living can usually count on getting a few people to say “that’s cool” or “that’s so interesting,” but again, part of the reason is the mixing of the music with the sense that this person has found meaningful work, something they would probably be doing for free if no one was paying.

Finally, the signature difference between prestige and meaningful work is that prestigious jobs by definition *demand an audience*. People dedicated to a meaningful cause like protecting the welfare of animals can labour in obscurity all their lives doing simple things that virtually no one notices, like running a kennel for out-of-town dog owners where the pets get treated with extraordinary levels of respect. But for this work to cross from meaningful into prestige, someone at some point has to look and say, “Wow.”

Comfort *on the job comes in all forms, spanning from the size of your desk, to how often you need to travel in cramped airplanes, to the clothes you need to wear while on the clock. The Wall Street Journal* article grades jobs to some extent on comfort, though they call the category “Environment.” Here are some components of an (un)comfortable workday:

1. Physical demands (crawling, stooping, bending, etc.).
2. Work conditions (toxic fumes, noise, etc.).
3. Physical environment extremes.
4. Stamina required.
5. Degree of confinement.

This is a good list of factors that move the needle on the comfort scale, but there is something very important missing from it. On the comfort scale, Arctic fishermen are not going to score highly in terms of physical working conditions; they are cold and wet and living in a cramped space. The food is bad. On the other hand, it takes a certain type of person to sign up for a job like that — a very, very specific kind of person. And if you are seriously thinking about it, there is a decent chance you are going to hit it off with — you are going to feel comfortable with — the other people who are doing it. The boat, consequently, will be uncomfortable, but the company of people you are with may be comforting.

Looking not just at the physical characteristics of the job but the other characters who will be there doing it with you is important for the obvious reason: you spend a lot of time at work. (“I spend more time with you guys than with my husband/wife” is a constant refrain in some offices.) So if your sense of humour works well with a bunch of people you happen to know, and it turns out that many of them are nurses, that tells you something about how you are going to feel about seeing them bright and early every morning, Monday through Friday.

In his book *Vital Friends: The People You Can't Afford to Live Without*, Tom Rath organises data from Gallup polls and studies to show that employees who have good friends in the office tend to stay longer in a job. It is difficult to prove things about happiness, of course. It is even hard to know exactly what happiness is, but it seems fair to suspect that there might be a connection between duration in a job and happiness with the job. And if there is, then feeling comfortable with the people you work with — laughing when they laugh, watching the same TV shows, whatever — should be a job consideration.

Pushing the importance of workmates in a different direction, in a blog post, a woman calling herself Penelope (she does not give a last name) makes a point about flourishing at work: “You’ll learn the most on a job by having a great mentor looking after you.”

‘How to pick the people you work with,’ Penelope Trunk (blog), 6 May 2009 <http://blog.penelopetrunk.com/2009/05/06/how-to-pick-the-people-you-work-with> (Accessed 16 May 2011).

If that is true, then if you choose to work in a profession that is full of the kind of people you respect, admire, understand, and get along with, you are likely to do better for yourself than working with the kind of people you do not take seriously (or who do not take you seriously).

Fitting in, the point is, with the people at work is not just a fringe benefit; it is a critical value to factor into the selection of one or another career line.

For the young, **job security** seems like a distant virtue, a fuddy-duddy aspiration for the over-the-hill crowd. In fact, even for the not-so-young it is fuddy-duddy. *It is also one of the most volatile of the values you can assign to your job search, one of the most prone to surges and retreats.*

When you wake up at 3 a.m. and then cannot get back to sleep because there is a recession and you know cutbacks are coming, all of a sudden holding a position that maybe is not too glamorous but is certainly necessary — like being a day care worker — does not seem so bad.

The day you learn your family will be growing by one is another of those moments when security's importance blows up. And the day your husband loses his job, that will be another security surge.

Then there is *age*. It is a delicate subject — for legal reasons no employer wants to go on record saying they will not hire people older than fifty — but *there comes a point when years become a disadvantage for job seekers, which explains why an entire subfield of the résumé-writing business has now sprung up to manage the problem*. Jeanne Knight, a certified career coach and résumé expert, says, “What candidates can do to make themselves look younger in a résumé is only list ten to fifteen years of work experience. Also, drop graduation dates and make sure you list any seminars or workshops that focus on new technology.”

Romero, R (2008) “Get the job’ Pt. 4: De-Aging Resumes,’ *ABC7*, 3 September http://abclocal.go.com/kabc/story?section=news/7_on_your_side&id=6369394 (Accessed 16 May 2011).

So you can figure that if older people are going that far to camouflage their overabundant experience, it must be hard to get hired after fifty. And if that is true, you better have good job security at forty-nine.

Finally, the easiest way to define job security is just the *confidence* that you will not be fired next week, but the discussion broadens very naturally. For example, demographic trends tell us that the American population is aging, so if you are deciding between studying to be an athletic trainer or a nurse, you may well figure that over the next twenty years it is probably going to be easier to find work in the nursing home than the gymnasium, and that holds regardless of how secure any single job may appear right now. Or again, computer technologies keep entering our lives faster and from more directions, and that is a good clue about future job prospects.

In any case, if you are reading this, it is possible that you are what marketers are calling a millennial, meaning someone born between 1980 and 1995, more or less. If you fit the category, the TV show *60 Minutes* believes you think this: “We have options. We can keep hopping jobs. No longer is it bad to have four jobs on your résumé in a year. Whereas for our parents or even generation X, that was terrible. But that’s the new reality for us. And we’re going to keep adapting and switching and trying new things until we figure out what it is.”

CBS News.com (2008) ‘The Millennials are coming,’ *60 Minutes*, 23 May <http://www.cbsnews.com/stories/2007/11/08/60minutes/main3475200.shtml> (Accessed 16 May 2011).

Probably, the value of **job security** arrives along with the realisation that companies can say the same thing about employees. A lot of them do.

Table 2.1 summarises the seven values of ranking jobs.

Values	Description
Meaningful	Dedicating your professional life to a cause or activity that you believe in does not mean low wages and long hours.
Leisure time	If you believe in something, it's perfectly reasonable to find a job in some other field that provides the income you need in the fewest hours possible and then lets you get out and do what you really want with the rest of your time.
Money	The decision to value career options in terms of how much they pay.
Power	The responsibility to carry out a project is having the ability to hire and fire the people participating.
Prestige	Prestigious jobs demand an audience. People dedicated to a meaningful cause like protecting a cause and someone has to look and say 'wow'.
Comfort	Comfort on the job comes in all forms, spanning from the size of your desk, to how often you need to travel in cramped airplanes, to the clothes you need to wear while on the clock.
Job security	It is also one of the most volatile of the values one assigns to the job search, which is prone to surges and retreats. Confidence.

Table 2.1 Seven values of ranking jobs

Balancing the values

One factor can be chosen to weigh more heavily than everything else combined when sorting out the values for initiating a job search. The imbalance would go a long way toward efficiently filtering career possibilities. For many, however, the priorities will not sort out so easily: it will be necessary to balance competing values, to trade one against another when considering specific jobs and career paths. Someone may, for example, value both money and comfort, but that does not help answer the question about whether a job on an Alaskan crabbing ship is more or less attractive than a summer on the beach in the lifeguard stand. In the longer term, holding the two values will not help to decide between the career of an undersea welder or an office worker.

How can individuals get a grip on what their own priorities are, and how much each weighs? In his essay "Strategic Planning — For the Good Life," Robert Solomon offers a provocative question: "Looking back over your life from a rocking chair, what would you like to remember — and how would you like to be remembered?"

Ciulla, J B, Martin, C and Solomon, R (eds) (2007) 'Strategic planning — for the good life,' in *Honest Work: A Business Ethics Reader*, Oxford: Oxford University Press, 106–107.

Of course, the idea is not to lock yourself into a life plan based on how things might look in the distant future. You have no way of knowing how things will be, and if you are a millennial, we know you do not like life plans anyway. Instead, the idea is to try to get a revealing angle on the question of what values in work really matter for you. The aim is to step away from everything and get a different perspective, a fresh look at the problem.

That is important because real life, moving along fast as it does, can narrow your perspective, get you caught seeing things more or less the way everyone around you does. Faced with a career centre job board filled with interview schedules of visiting corporate recruiters, is not it easiest just to sign up for the ones your friends are signing up for? If everyone in your sorority is talking about going to work at one agency or another, or if half the people you know are getting teaching degrees, the temptation is there to just follow along.

When looking at things from extreme or unusual angles, those herding forces recede. At least for a bit you can make yourself turn away from what everyone else is doing, leaving you no choice but to arrange your own priorities for determining the kind of work you want to get involved with. Importantly, the idea is not to eliminate other people from consideration but to eliminate consideration that just imitates what other people are thinking.

Here is the beginning of a list of questions aiming to do that, aiming to shake up thinking about the career choice and force some sorting of the basic values determining which way the choice is going to go:

- Of the seven discussed values — meaning, leisure time, money, power, prestige, comfort, security — can you rank them, or at least group them, from the most to least important for you? Can you take some of the jobs or careers you have been considering and loosely rank them in terms of how well they fit with your list of values?
- To make the list of values more manageable, can you cut it down by just eliminating some concerns that you really do not share?
- Are there any values you think should be added to the list?
- Can you make a short list of other people whose opinions are important to you, and then loosely imagine how they would rank the seven values for evaluating jobs? If you can, is their ranking similar to yours or different? If it is similar, are you sure you are thinking for yourself? If it is different, are you sure your values for work align with the kind of life that you respect?
- What would you like to tell your parents you have decided to do for a living?
- Career day at the elementary school. You are standing in front of your own child's class talking about your work. What kinds of things would

you like to report and be proud to say? Looking back at your original list of values for jobs, does it correspond with the classroom scene?

- You have got six months to live: what do you do? Is it something that might be related to work or is it a pure leisure activity? (Can you imagine any job that would allow you to do that activity, whatever it is, throughout your career?)
- You will live 600 years — and have to work during 550 of them — does that change your work priorities? Should it?
- You will live 600 years — and have to work during 55 of them — does that change your work priorities? Should it?
- For you, is the term couch potato a slur or just the name of a comfortable lifestyle? Are there anti-couch potato and pro-couch potato career tracks?
- Your rich uncle dies and leaves you a sum of money and private instructions to use it to put poor children through school in Mexico. It is also enough to pay your college and leave a good amount left over for whatever. No one is watching — no one will ever know. What do you do? What does this tell you about the place money has in your life?
- Madonna and Mick Jagger are among the world's two richest rock stars. Imagine you could have all their money, but be a complete unknown and have no sense of rhythm. Would you prefer that or would you trade all the money to have their success, voice, and rhythm for one year on a world tour? Does the decision correspond with your original ranking of the seven values?
- For you, which would be better: spending big money or having people know you have got big money to spend? If it is the second, is there a way to command respect from others that is easier to achieve than wealth?
- Friday night, you are with a new group of people who know little about you. Would you rather tell them you have been invited to a dinner at the White House for notable citizens or you will be having dinner tomorrow at your own expansive beach house?
- You sign up for a blind dating service, hoping to meet someone to marry. The only thing you get to choose about the man or woman you will be paired with is his or her job. What job would you choose to match you? Next, imagine that you are not ready for marriage, still exploring, and you go to the same service. What is the job this time? If the two jobs are really different, does that reflect anything about where you are at with respect to the kind of work you want for yourself?
- Do you like being in charge, no one is telling you what to do, even telling other people what to do? Be honest, no one is listening. By the way, would your answer change if people were listening?

- A brutally long Friday at work comes to an end at 9 p.m. On the elevator ride down with some people in the office, there is a power outage. No one is around to fix the machinery or let you out. What kind of people would you like to have in the elevator with you? Is it possible to match these people up with the kind of people frequently involved in one or another profession? (Alternatively, what kind of people would lead you to investigate how your keys or the pen in your pocket could be used as a suicide implement?)
- If you could wear anything you wanted to work every day, nose rings included, what would it be? Is there really an office anywhere where people do dress that way? What would you be willing to give up to work there, and what does that tell you about the importance of environment (or comfort in the broad sense) for your work?
- At the end of every month, your boss gives you a choice. You can have your \$4,000 check or you can spin a lottery wheel with a range of numbers from \$1 to \$8,000. Would you take the \$4,000 check or spin? Does this tell you anything about the importance of job security?
- If you have had time to read through this entire list of questions, do the answers you gave more or less correspond with the ranking of the seven values — meaning, leisure time, money, power, prestige, comfort, security — that you set up at the beginning?

Whose job is it, anyway?

No one can decide for you what line of work to start down; it is a decision only you can make and that you have to make for yourself. This does not mean, however, that your life is the only one involved in the decision. Here is a blog post:

“I think people need to find the right job for them, the one that will make them happy. My parents are always telling me to get a successful and well paying job, however the job that I really want to do probably isn’t the best paying job, but it would make me happy if I fulfill my dream. I think people need to go out and do what they want and they will be successful in different ways.”

Sternheimer, K (2009) ‘How great is being a sociologist?’, *Everyday Sociology* (blog), 24 January <http://nortonbooks.typepad.com/everydaysociology/2009/01/how-great-is-being-a-sociologist.html> (Accessed 16 May 2011).

Sounds good, but is it right? If you have adopted egoism (morality = self-interest) as your ethical compass, then it is. Egoism makes the job search relatively easy; just find the one that will make you most happy.

On the other hand, if you think of yourself as more of a utilitarian — someone guided by the conviction that the morally recommendable act is the one bringing

the greatest good to the greatest number — then it is not clear whether this is the right way to go or not. On one side, it is true that pursuing your dream of professional satisfaction is good, but your parents' satisfaction — everyone's satisfaction — has to be factored in too. It could be that your parents' wishes — and the happiness they enjoy if you follow their advice — outweigh the happiness and welfare you take from a career they recommend against.

Staying with the parents, and taking their side, what kind of ethical arguments can they launch against your career choice? One of the strongest is going to be obligation in the sense of gratitude, in the sense that we have a duty to repay those who have given to us. Most of us sense this as the courtesy of returning favours. Sometimes we feel it in an inverted form as the desire to decline a gift that seems so great we will not be able to pay it back. The case could be made that this sense of obligation and gratitude is a virtue, the result of a proper upbringing. Or it may be more like a duty, a sense of fairness inherent in the idea of ethics in the first place. Regardless, it is too late to go back now for you and your parents. All you can do is add up everything they have done for you and everything you have done for them. It is doubtful that there is any kind of balance.

In Portuguese, the word commonly used to say “thank you” is *obrigado*, meaning I am obligated, and there are not many instances where the word is more apt than the parental relation with children. Faced with the obligation, these are possible responses:

- I accept my obligation and will follow the career path my parents desire.
- I accept my obligation, but I will pay it off by bringing up my own children and letting them off the hook when they hit adulthood (or through some other mechanism of repayment).
- I accept my obligation, but I will not respect it.

Of course people are always free to pursue that last course, to say the obligation is there and I do not care. But if you want to continue acting ethically, that shifts the burden onto you to build a structure for justifying walking away.

Moving from parents to others, what kind of ethical responsibilities do you hold to your spouse if you are married and to children if they arrive? There is nothing wrong with being, say, a starving actor working for that one break on the way to fame. But it is a different thing entirely when you are asking someone else to starve too so that you can go on trying to be the next Johnny Depp.

Do you owe anything to that math teacher who saw that you had exceptional ability with numbers and used her own time after class to patiently tutor you on the subject? She probably would not have bothered if she knew you were going to end up working at something that does not involve math-related skills. She did bother, though, so does that create a responsibility — even if it is only a small one — to use that ability in your professional life, to find a job that exploits your skill with numbers that she helped you acquire?

Finally, at the broadest level, what obligations do you have to the impersonal community around you, to all those people you barely know or have never met — the woman behind the counter at the gas station, the plant worker in Germany who helped assemble your car, some taxi driver in Thailand whose life will never touch yours in any way? Do you owe anything to them when thinking about your long, eight-hour days?

This is the perfect job for me...right now

One way of dividing up the responsibility felt to yourself and to the others who share your world is career sequencing — that is, defining zones of life and evaluating each separately in terms of work priorities and aspirations. Meaningful labour — signing up for a rugged, low-paying trip on the Greenpeace ship — may fit with your values right out of school. The trip allows a broad ethical vision of work, one seeking to incorporate the welfare of others at a good time for you, while your own needs are limited. Later on, lucrative work — signing up for a desk job administering a tourist cruise ship where the hours are fewer and the pay higher — might prove the better fit.

Making the move from meaningful work to a more salary-centered vision of the workplace may simply correspond to the realisation that walking around in ripped jeans and a t-shirt does not work with a receding hairline. Or it may be that the others you hope to benefit with your time have come closer to home: it is not that you want to make the world a better place anymore so much as make the world better for your family.

The Tuck School of Business has published a report on sequencing in today's world.

Tuck Executive Education (2011) *Changing the Career Ladder: Paving Flexible Pathways for Today's Talent*, Hanover, NH: Dartmouth <http://worklifefit.com/pdf/TuckSurveysummary.pdf> (Accessed 16 May 2011).

Among the findings: employees, led by women especially, are *professionalising* the movement in and out of the workplace. Exiting the daily grind to have a child is no longer understood so universally as leaving work so much as a planned interruption to pursue personal goals. The difference between leaving and interrupting is that many women now step off the career track fully intending to return in the not-so-distant future and to resume the professional trajectory already established. It is not putting on the brakes so much as taking a detour.

Men, the study finds, are following suit. Some are taking paternity leaves, more or less along the lines pioneered by women, but the study also finds workers interested in professional detouring for the following reasons:

1. An avocation outside of work.
2. Stress and burnout.
3. Entrepreneurship.

In all three cases, space along the career's way is being pried open for different values to enter and at least temporarily redefine the relation with work.

Why do people not sequence? What keeps them in jobs they would like to get away from, at least temporarily? Fear that they will not be able to get their jobs back leads the list. The study also shows, though, that many employees in essence think that sequencing is wimpy, and it will mark them as unreliable and, therefore, unpromotable. That perception may not be right, though. The study is a snapshot of a changing situation, so it is difficult to draw too many conclusions, but the authors do sense that the direction of evolution is toward sequencing, not away. More and more higher-level managers are willing to accommodate employees who want to take detours; they are willing to make space for them to come and go (as long as the coming and going is not constant).

To the extent that is right, the ethical relation with job selection transforms. It is no longer the formation of values for choosing a career track leading into the indefinite future; instead it is a process. The ethical question about your work, "What is the right kind of job for me?," is now a lingering concern, and answering is a constant responsibility.

Do I have to decide?

Some millennials are big on job hopping, on experimenting with work first and then deciding on a path instead of doing all the ethical considering up front. This is an attractive option. There is a risk here, though: it is the trivialisation of professional life. If you are just going to take whatever job comes along and see how it works out, then why bother even thinking about it at all? In fact, why bother switching? If you are not going to do the work beforehand to get a grip on the kind of employment, on the general direction of professional interest that supports the values you have decided to live by, then how are you going to know the right job when you find it? Why switch jobs, in other words, when you do not know what you are looking for?

This was one of Saint Augustine's (AD 400) durable pieces of wisdom. It is very simple: if you do not know what you are seeking before you start looking, then how are you going to know when you have found it? Trial and error, in other words, when you are looking for the right kind of job (or the right romantic partner, or the right beer, or whatever) only works if you already know what is going to count as an error and what counts as success.

Of course no one is going to get everything down perfectly at the beginning. Ethically, there is a kind of bind here paralleling the first job and experience catch (you cannot get your first job without experience, and you cannot get experience without your first job). Similarly, you cannot know exactly what kind of work fits your values and outlook until you have learnt how things really are out there in the nine-to-five world, but that is not a convincing reason to fall off the other extreme and just spin the wheel, take whatever comes your way, and switch jobs without thinking.



Activity 2.1

1. What are some of the differences between a job that provides meaningful work, and one that provides prestige?
2. If money is selected as the prime value a job seeker decides to pursue, what other values may become easier to reach because of the money, and which values may be pushed further away?
3. What responsibilities to others may a job seeker consider when looking for a job?

Working for ethically complicated organisations

Consider the following case ...

The Psilocybin project

The Harvard Psilocybin Project began in 1960 and included some of the university's leading and most innovative professors, especially from the psychology and related departments. One of their projects — the Concord Prison Experiment — used the newly developed drug psilocybin on inmates. Professors wanted to discover whether the medication could reduce antisocial behavior and recidivism. Another project, this one carried out in tandem with the Harvard Divinity School, used the same drug to experiment with the bond felt between young theology students and their chosen profession. In both cases, significant, even mind-blowing success was initially reported.

The experiments didn't last. Other Harvard professors raised questions about the ethics of using this drug on humans. An intense conflict erupted in the university. The ethical propriety of the entire Psilocybin Project, the decision came down, was, in fact doubtful. That quickly led to the project's shuttering and then to the dismissal of several well-known professors who protested too loudly in favor of their work and its value, both scientific and moral.

Not all of those fired professors just went away. Outside the university some continued defending their work with principled stands and meticulous arguments. One of those defenders, Dr. Leary, achieved such broad public recognition that he ended up being mentioned in a song by The Who.

Not only did Timothy Leary defend the Psilocybin Project from outside university walls, he also continued with his avid experimentation. Pretty soon the experiments weren't only outside the university, they were also outside the law because psilocybin, like its close relative LSD (lysergic acid diethylamide), was categorized as an illegal substance.

Source: http://www.isites.harvard.edu/icb/icb.do?keyword=k3007&panel=icb.pagecontent44003%3Ar%241%3Fname%3Dhistoricprofs.html&pageid=icb.page19708&pageContentId=icb.pagecontent44003&view=view.do&viewParam_name=learyandalpert.html

Is it immoral to experiment on people — especially on prisoners who may feel pressured to participate — with psychedelic drugs, concretely with magic mushrooms (the organic source of psilocybin)? Assume just for the sake of argument that it is wrong and the experiments were immoral. Now who should feel guilty? The leaders of the Psilocybin Project seem like good candidates since they knew exactly what was going on, and they were the ones handing the doses over. What about the graduate students who followed their professor's lead and joined in the distribution and application of the drugs? Or the administrators at the university who financed the project but maybe did not know exactly what the experiments involved? What about the undergrads whose tuition money paid for all this? What about the chemists who derived the substance from mushrooms? Or the lab techs who actually made the stuff? What about the secretary who happened to be assigned to work in the psych department and processed some of the paperwork? Where do we draw the line?

One of the most difficult constellations of questions facing conscientious job seekers is: what kind of organisation is it acceptable to work for? Specifically, to what extent am I personally responsible for the things my company does? There are the two questions here:

1. What makes a company's work — or a university's, or a non-profit organisation's — unethical?
2. I've got an attractive job offer from an unethical organisation: can I work there anyway?

What makes an organisation's work unethical?

In a world spattered with poverty and desperation, exploitation of workers is one of the most frequently cited areas of corporate abuse. Advocacy organisations peopled by volunteers who enjoy travelling have proven very effective at locating and drawing attention to overseas sweatshops. The Nike company pays athletes millions to break a sweat for a few hours so they can get some good action video for commercials selling athletic shoes, but they pay sewers in Asia only a few dollars to sweat all day long making those shoes. And what about the cameraman hired to shoot the commercial? He is earning a lot more than the sewer, but his wages are still closer to the sweatshop level than the NBA star level.

In *An Economic Analysis of a Drug-Selling Gang's Finances*, authors Steve Levitt and Sudhir Alladi Venkatesh report on a drug gang studied over the course of several years. It turned out that the street dealers weren't even getting minimum wage for their dangerous efforts: about \$200 a month for dealing. Above them, however, the gang leader made between \$4,000 and \$11,000 a month. It is unclear whether he paid taxes.

Levitt, S D and Sudhir Alladi Venkatesh (2000) 'An economic analysis of a drug-selling gang's finances,' *Quarterly Journal of Economics* 115 (August 3, 2000): 755–789.

Questions about wages and sweatshops will be pursued more fully in later sections, but here it is enough to note that vast discrepancies in wages throughout a company raise concerns that the organisation is exploiting employees. That may lead job seekers to think twice before signing on, even if they are not the ones being exploited.

Exploitation of consumers is another murky direction. It is true that many immigrants from Asia, Latin America, and elsewhere received interest-only home loans in the early 2000s with repayment schedules beginning low but later ballooning to monstrous levels. It is also true that no one forced them to sign the contract; they hold responsibility for their acts, no doubt. However, considering their imperfect English and little knowledge of the American world, is it fair for the mortgage company to even offer these kinds of loans, which seem more predatory than cooperative?

Tobacco companies selling addiction sticks, which sometimes become cancer sticks, are not clearly removed from charges of exploiting their own buyers. Breakfast cereals aimed at children frequently boast on the box that the nuggets or the puffs contain 100 percent of the recommended daily allowance of various vitamins and minerals. They do not say anything about sugar highs and crashes. In all these cases, questions about whether consumers are being respected may lead potential employees to question whether they want to get involved in the operation.

Environmental exploitation is frequently invisible in the sense that few people suffer direct consequences of pollution, deforestation, and poisoned water and soil. There are orange alert days in many cities now when children are told not to play outside. But for the most part, companies that pollute may carry on without being held directly responsible for harmful consequences. Of course there are extreme cases like the Love Canal, the neighborhood constructed on a landfill covering thousands of rusting steel barrels of industrial waste. Families living there reported acid slicks running down the street during rains, puddles of rancid chemicals forming in their yards, and birth defects at astronomical levels. Whether, finally, an organisation exploits the environment in obvious or not-so-obvious ways, workers may ask if ethical obstacles stand between them and continued employment.

Ethically dubious missions and connections is another category of corporate irresponsibility. The case of Harvard experimenting with acid fits here. So too the drug gang studied by Levitt and Venkatesh. Questions could also be directed toward organisations specialising in reuniting families across borders (people smuggling).

Almost any social hot-button issue is going to double as a source of ethically challenged industries; there will be people for it and others against it, but either way the questions are there. Circles of controversy surround:

1. abortion doctors;
2. judges sending inmates to death row;
3. advocates of assisted suicide.

One thing all these people, professions, and institutions have in common (besides inciting ethical debates) is that they need to hire workers — telephone operators, assistants and administrators, marketers and finance people — just like any other business. You can work for them. You could also work for a specific kind of lawyering outfit, the one specialising in clients who are very wealthy and very guilty: there will always be law firms — especially in the field of tax law — specialising in raising a reasonable doubt where there really is not any.

Massage parlors need receptionists and janitors just like every other business. The horse racetrack hires a small army of diverse workers to keep taking bets. The state lottery contracts actors, directors, film editors, and media experts to make and run ads showing jubilant winners tossing money in the air; on the other hand, they do not spend much time hiring statisticians to explain to the public what the small print on the back of their ticket means: “Really, the chances you will haul in the Super Magnum Jackpot are about zero.”

Conclusion

Ethically conscientious individuals do not have to look too hard to find jobs that make them ask, am I participating in something that is wrong?

I have got a job offer at an unethical company; can I work there anyway?
Yes. The question is how.

Ignore it all is one option, pretend like the ethical stain is not there or at least that you do not see it. Here is an example of what that strategy can look like. Most cities have at least one free and local alternative culture publication, usually published on newspaper-grade paper; it comes out on Thursdays and is called *The Observer* or something like that. Their reporters hit the street to get the latest on the alternative music scene and idealistic political grassroots operations and government abuses and, above all, altruistic, principled causes. *The Dallas Observer* is the Dallas version. In the November 5, 2008 publication, there is an article called “Pole Dancing — Good for the Body, But What About a Woman’s Soul?” It comes with an honest and thoughtful objection to the caricature of femininity that was developed and mass produced with the express goal of turning on a male audience.

Feldman, M (2008) ‘Pole dancing — Good for the body, but what about a woman’s soul?’, *Dallas Observer*, 6 November <http://www.dallasobserver.com/2008-11-06/news/pole-dancing-classes-mdash-good-for-the-body-but-what-about-a-woman-s-soul> (Accessed 16 May 2011).

A few pages after the author finishes making a strong moral case against the exploitation of this caricature, the full-page spread devoted to Debbie comes. She is looking tight in her white bikini. She wants to talk to you, and her phone number is right there on the page. In little print it says it costs \$1.49 per minute. On the next page there is Robert. He is wearing even less. The phone call costs the same.

It is not anybody's fault that Debbie and Robert (or whatever their real names are) figure so prominently on the advertising pages of a newspaper that is so set against stereotypes like Debbie and Robert. It is only a fact that that is where the money comes from to keep the otherwise idealistic and ethically elevated paper in business. So what can the reporters do? They can object to the ads; but without them and their revenue, there will not be any publication left to print their articles decrying these kinds of ads. It is a tough spot. There is no clear way out, which is why it is understandable to go forward pretending you do not see the contradiction.

There are pacifists working for Boeing, the same company that makes warplanes. Somewhere there must be a volunteer at the Society for the Prevention of Cruelty to Animals who holds down a day job at L'Oreal, a company vilified on Internet petitions for its animal testing.

Marrone, C (undated) 'Stop L'Oreal's animal testing,' *Care 2 Petition Site* <http://www.thepetitionsite.com/1/stop-loreals-animal-testing> (Accessed 16 May 2011).

There are parents working at General Mills who would die before giving their kids Cocoa Puffs. There are strict Catholics working for the pharmaceutical company that manufactures birth control pills. The list will never end because it is always possible to pretend you do not see the conflict between your own moral convictions on one side and the actions of the company you work for on the other.

But the decision to remain blind is difficult because pretending you do not see essentially means you are lying — lying to yourself. The question raised here is this: can that lying be justified ethically?

If you are a strict believer in the standard duties, which normally include the duty to honesty, you are going to have problems. You can, however, argue that you have a still more compelling duty to provide for your family and loved ones. So if the job you have is the best one you can get, then you can make the case that your responsibility to them is greater than your responsibility to be honest with yourself. Making a similar argument but from a slightly different direction, a utilitarian can point out the benefits a paycheck brings — not just for the worker but also for the family and the economy generally — and from there say that lying to yourself is good because it produces a greater general good.

Of course there are arguments that could be raised against these justifications and so the debate rolls on. What is important is that pretending an ethical conflict between your convictions and your company simply is not there may be justifiable.

Explicitly accepting employment at an ethically difficult workplace

Another option for accepting a job offer in an organisation you consider to be morally stained is to explicitly accept that I work at an ethically difficult company and go on to justify the decision. There are two directions for consideration here:

1. How seriously wrong do I believe the company's actions are?
2. How close is my work to those actions I believe wrong?

There is a difference between working for a firm that experiments on animals (L'Oreal) and working for one that experiments on humans (the Harvard psychedelic drug project). Most ethically challenged jobs are more like the former than the latter. That is not a license to simply discount the reality that the work may participate in a larger and objectionable process, but it does open the way to a move from an absolute to a balanced ethical stance: it is not that “something’s going on there that’s wrong and therefore I can’t be involved at all”; instead “something’s going on there that’s wrong, but things could be a lot worse, plus, the right and good things I can achieve by taking this job are pretty significant.” So start with the idea that even if you think experimenting on animals is wrong, it is not as bad as experimenting on humans. Then add the good things that could come from working for an animal-abusing company. Here are two possibilities:

1. The post allows me to maximise the use of my personal strengths. Ethics is not only about duties to others; there are also duties to you. Maximising your own potential is one of them.
2. The post allows me to better equip myself to get an improved job further down the line. If you really want to avoid touching unethical work, then your best option may be to do whatever that is necessary to build the strongest résumé possible. Once you have done that, your options for working will increase and correspondingly the possibilities for ethically satisfying employment.

Moving to the next question — how close is my work to those actions I believe are wrong? — there is a difference between experimenting on animals and preparing the tax return for a company that experiments on animals. Making this point sharper, if you adamantly refused to participate in any company that has anything to do with animal testing, then you are not going to be able to participate in anything. You are not going to be able to buy paper from the company that sells paper to the animal testers. You are not going to be able to use Google because people at the animal testing company buy advertisements on Google search pages. The list is endless in an economy that is totally interlinked, and our economy is pretty close to totally interlinked.

Now, if that is right, then the relationship between you and the immorality that indisputably exists in the economic world — and probably in the company you work for in one way or another — is not an issue of right and wrong so much as a question of distance. In other words, when you’re contemplating a job, the question is not whether something bad is happening there; it’s “how close does the stink get to my office?”

More, it may even be that accepting a job at a company can be a route to changing that company’s policy. Of course that is going to be more than difficult at a giant concern like L'Oreal, but if you are interested in the environment, you may end up at a small local firm that sells plastic (not biodegradable) bottles of water, and you can advocate the forming of a company recycling programme. It is a small thing. Almost absurd. But it is no closer to absurd than the other choice, which is

the big thing: simply refusing to work for any company that acts objectionably in the world in one way or another.



Activity 2.2

1. What are four reasons an organisation's actions may be viewed as ethically troubling?
2. If someone were working for an organisation involved in ethically troubling activities, what questions may they ask themselves as they consider whether they should continue working there?



Summary

We conclude that the job seekers' pursuit of a specific job is both an economic and an ethical decision. The specific value the each of these job seekers holds shapes the ethics of conducting their job search. Therefore job seekers hold the ethical responsibilities both to themselves as well as to others to find their most suitable job.

Job sequencing arrangements allow tasks required to be carried out sequentially. Hence, it will allow workers to manage the shifting ethical responsibilities as their lives evolve.

There may be a wide range of reasons why an organisation's work may be viewed as unethical. There are also multiple strategies for managing concerns about working for ethically troubling organisations.



Self-test 2.1

1. For you, what are the components of comfort — do they include flexible hours, working in an office instead of outside, something else? Can you rank the value components as more or less importance?

Suggested answers to activities



Feedback

Activity 2.1

1. To take on a meaningful work means to dedicate your professional life to a cause or an activity that you believe in, using our talent and following our passion and it is not influence by low wages nor long hours. While a sociologist describe the prestige occupation as the public perception of an individual's social standing based on their professional position, rather than any unique personal attributes the individual holds.
2. A job seeker's value in pursuing job is meaning, leisure time, money, power, prestige, comfort and security. If money is select as the prime value, other values that may become easier to reach are prestige, power and security while the values that may be pushed further away would be meaning, leisure time and comfort.
3. The responsibilities to others that a job seeker may consider when looking for a job include:
 - a. Provide accurate academic work and records, including courses taken, grades, position held, and duties performed.
 - b. Honesty.
 - c. Interview genuinely.
 - d. Adhere to schedules.
 - e. Do not keep potential employers hanging.
 - f. Accept job offer in good faith.
 - g. Withdraw from recruiting when the job search is completed.
 - h. Claim fair reimbursement.
 - i. Obtain career information needed to make an informed choice on our future.

Activity 2.2

1. An organisation's actions may be viewed as ethically troubling when:
 - a. Exploitation of workers are cited.
 - b. Exploitation of consumers are cited.
 - c. Environmental exploitations are cited.
 - d. Ethically dubious missions and connections of the organisation.
 2. Questions one should raised when one consider whether they should continue working for an organisation that is involved in ethically troubling activities:
 - a. How seriously wrong do I believe the company's actions are?
 - b. How close is my work to those actions I believe are wrong?
-

2.2 Getting a Job, Getting a Promotion and Leaving

Objectives

By the end of this section, you should be able to:

1. Define ways job seekers may misrepresent themselves on a résumé.
2. Construct an ethical framework for managing the dilemmas of crafting a résumé.
3. Distinguish the free market from other methods for determining a just salary.
4. Consider the justification of wage demands.
5. Define ethical responsibilities of those seeking a job promotion.
6. Consider ethical dilemmas confronting employees as they move from one organisation to a competitor.

Introduction

For many job seekers the first — and maybe the only — chance they get to impress a potential employer is a résumé. What are the ethics of presenting your qualifications on a sheet of paper?

The résumé introduction

Consider the following ...

Robert Irvine's stretched résumé

Robert Irvine is a muscled chef from England who you may have seen hosting the Food Network's popular *Dinner: Impossible*. It is a good job. The TV show generates free publicity for his cookbook *Mission: Cook!* and affords him the kitchen credibility to open his own restaurants. That was the idea he brought to St. Petersburg, Florida, in 2008. His concept for south Florida, actually, was two restaurants: Ooze and Schmooze. Ooze was going to be the accessible, entry-level place and Schmooze the highbrow complement. His biography — the summary of his professional life and experiences that he presented to potential investors — was impressive.

According to the *St. Petersburg Times*, he advertised his résumé as including:

- A bachelor's of science degree in food and nutrition from the University of Leeds.

- Royal experience working on the wedding cake for Prince Charles and Princess Diana.
- He was a knight, as in Sir Robert Irvine, Knight Commander of the Royal Victorian Order, handpicked by the Queen.
- For several consecutive years, he'd received the Five Star Diamond Award from the American Academy of Hospitality Sciences.
- He had served as a White House chef.

Montgomery, B (2008) 'TV chef spiced up his past exploits,' *St. Petersburg Times*, 17 February http://www.sptimes.com/2008/02/17/Southpinellas/TV_chef_spiced_up_his.shtml (Accessed 17 May 2011).

Everything came to an end, though, at least temporarily, when Food Network fired him for résumé lies. Here is the truth about the listed items:

1. The claimed BS degree? According to a press officer at the University of Leeds, "We cannot find any connection in our records between Robert and the university."
2. The royal wedding cake? Well, he did help pick some of the fruit that went into it.
3. The knighthood? No.
4. The Five Star Diamond Award? True, but it is not the AAA's prestigious Five Diamond Award or Mobil's five stars. The American Academy of Hospitality Sciences is actually a guy's apartment in New York, and the award is granted to anyone who pays a fee.
5. White House chef? Kind of. But he did not prepare sophisticated dishes for the president or anything like that; he cooked food for the cafeteria line, serving military workers at the White House.

Certainly, Robert Irvine is not the first guy to stretch his résumé, but he does an excellent job of exploring the many ways people can misrepresent themselves when trying to get a job. Generally, there are two kinds of résumé abuses. *Positive résumé misrepresentations* are those items on a résumé that simply are not true. Examples include:

1. **False credentials.** These are certificates of accomplishment that do not exist. Irvine said he had a BS degree. He did not. This kind of misrepresentation is especially tempting for job seekers who did not quite finish their degree. One of the obvious practical problems is that claims like this can be verified or disproven by human resource departments. (Or, as in Irvine's case, by enquiring newspaper reporters.)

2. **False experience.** Untruthfully claiming to have participated in projects. Irvine asserted that he had been a White House chef, meaning he had planned sophisticated menus and prepared dishes for dignitaries. He did not. He cooked assembly-line food in the cafeteria for White House staff workers.
3. **Embellished experience.** This is the easiest kind of résumé misrepresentation. Irvine really did work on the royal wedding cake, but only picking fruit, not actually making it. His claim, therefore, is not directly false, but incredibly misleading. The same could be said about the Five Star Diamond Award. While technically true, it is not the meaningful award that people imagine it to be.
4. **False chronology.** Anyone who has suffered long periods of unemployment — or just been fired from a job and taken a while to find another one — has surely been tempted to adjust the dates on their résumé to make it seem as though they went smoothly from one post to another.
5. **False references.** Listing someone to vouch for your experience who really will not or cannot. Irvine said he had been selected by the Queen of England for a knighthood. It never got to the point where someone actually called her to ask, but if they would have, she would have drawn a blank. Of course people do not normally list royalty as a reference, but in everyday life, it is easy to commit the same misrepresentation. One fraternity brother could list another as a former boss. A woman could list a brother-in-law.

Negative résumé misrepresentations are those items that would appear on a complete résumé, one listing all your working experience, but that conveniently get left out of the one you submit to a potential employer. If you were fired from your first job at McDonald's years ago because you kept forgetting to take the fries out of the oil pit, no one's going to object when you drop those months off your work history. On the other hand, if, up until two months ago, you were in charge of the vehicle fleet for a hotel, and you were fired for taking your girlfriend out in the company limo after hours, leaving that off your résumé is misleading new prospective employers.

In the case of Irvine, things worked out for him in the end. After he publicly recognised the truth and cleaned up the most outrageous resume claims, he got his TV show back.

The ethics of stretching the résumé

It is hard to define all the ethical lines dividing what should and should not be included in a job applicant's résumé, but steps can be taken to control the situation. If you are sitting at your desk trying to figure out whether there should be any deleting, fudging, or exaggerating, two questions can help get a hold of the situation:

1. Who will be affected by my decision?

2. Does it matter what everyone else is doing?
 - a. *The first person affected by your decision is you, and everyone's closest ethical responsibility is the one they hold to themselves, the responsibility to respect their own dignity and abilities.* One way of taking that responsibility seriously is to look back at the jobs you have held and ask what kinds of tasks they entailed and how those experiences and the skills taken from them might be stated in a broad and appealing way. Probably, Irvine went overboard when he translated the fact that he had chosen fruit included in a royal wedding cake into the claim that he participated in assembling and cooking it. But it also seems like it would be a mistake to say that he had been a simple "fruit picker" on a wedding cake job. In the culinary world, his was important fruit picking. Irvine's mistake, in other words, was not that he tried to make himself look good, it is that he could not find a way to do it without essentially lying about his experience.

 - b. The *duty to present yourself positively* to potential employers may also justify the decision to leave certain, let us say, unfortunate aspects of your professional life off the résumé. Irvine does not talk much about how his endeavour to create restaurants in St. Petersburg fell apart in a sorry mess. If tomorrow he goes out and tries to stir up investors for a new pair of restaurants somewhere else, he has an obligation to be honest with them about what happened last time. But if he is looking for a job as a TV cook, or just as a cook in a restaurant, then he may be able to justify leaving that bad episode unmentioned. The reasoning? The fact that he is bad at mounting restaurants does not mean he is a bad TV personality or an error-prone cook. The one job has little in common with the others. So if he is applying to be a cook, he could possibly leave the negative information about his other business ventures out based on the idea that it is simply not applicable to the employment being sought.

 - c. The duty to yourself, finally, points toward a résumé presentation that sets your accomplishments and skills in boldface while not dwelling on extraneous shortcomings.

 - d. Another person affected by your résumé decisions — the choice about how much truth to tell and hide — is the person doing the hiring. If you claim experience you do not really have and skills you do not possess, the supervisor who oversaw your contracting will not just be disappointed and angry as he watches you stumble and trip over tasks that should be easy. The botched hiring will also reflect negatively on him when superiors evaluate his performance and make decisions about pay raises and promotions. He is going to suffer because you lied. There is, in other words, a loser when you scam to get a job that

you are not really qualified for. More, that harm accrues to the company as a whole. Maybe costs will increase because more training than expected will be necessary. Maybe an account will be lost when you fumble an assignment that should be automatic.

- e. Your potential future workmates also have a stake in your application for a job. If you claim, as Irvine did, to have worked on the Charles and Diana wedding cake, it seems fair for your boss to assume you will be able to manage producing first-rate cakes for ordinary people. If you cannot, if you have no idea how to serve up even a simple layer cake, someone else on the team is going to have to step in and do your work for you. They probably will not get your paycheck at the end of the month, however.
- f. Other applicants for a job also have a stake in your own application. It is a competitive world, and while you are the one who can best make the case for your ability, making false claims does not just give you an opportunity you may not otherwise receive: it takes an opportunity away from someone else.

What is everyone else doing?

The first step in getting control of your résumé's relation with the hard truth is working through how any particular decision affects those involved. The second step is determining whether it matters what everyone else is doing. The question is important because applying for jobs does not happen in a vacuum. If everyone stretches their qualifications to the extent Irvine demonstrated, then obviously you may want to consider whether you need to do the same just to get a fair shake.

A web page with a very truthful URL, [Fakesummary.com](http://fakesummary.com), takes up the question about how much fibbing is going on out there. Under the heading “The UGLY Truth About How People Are Outsmarting You!” they assert,

“Over 53% of job seekers lie on their résumés. Over 70% of college graduates admit to lying on their résumés to get hired. Can you afford not to know the techniques, tricks and methods they use?”

[Fakesummary.com](http://fakesummary.com) <http://fakesummary.com> (Accessed 17 May 2011).

Fair question. Of course no one knows exactly how much cheating goes on, but as Irvine attests, there is definitely some out there. So should you get in on it? The argument in favour roughly corresponds with the web page's pitch. If everyone is doing it — if exaggeration is expected — then employing the same misrepresentations that guide everyone else is not really lying. Like driving sixty down a fifty-five-miles-per-hour highway when all the other cars are going that fast too, your exaggerations are following the rules as everyone seems to understand them. From this point of view, you may even have a duty to exaggerate because not doing so, as the web page claims, is not being an ethical hero, it is just being outsmarted. And in a competitive environment, you at least have the moral obligation to not let yourself be snookered.

On the other side, where do these percentages — 53 percent, over 70 percent — come from? The web page does not say, and if they are not true, then does the whole argument not — do it because everyone else is doing it — reduce to an excuse to lie?

In the case of Fakesumme.com, it could not be more obvious what is going on. The site is offering you a way to not tell the truth and not feel bad about it. Instead of offering moral guidance, it is inventing a way for you to justify taking the easy path, to justify padding the résumé without having to consider whether that is the right thing to do.

Conclusion

In the midst of résumé-stretching dilemmas, what other people are doing matters. Hiring is relative; there is hardly anyone who is perfect for any job, recruiters take the applicant who is best suited. Your obligation — to yourself and to the recruiter — is to show why you may be the best suited of the applicants. That may mean (using the language of Fakesumme.com) using the résumé-enhancing techniques commonly employed. It does not mean, however, just imagining that everyone else is lying their pants off and then using that as an excuse to lie yourself.

Résumé verification and the law

One problem Robert Irvine faced was his very public personality. To stir up interest in the restaurants he planned for St. Petersburg, he had to stir up interest in himself. All the commotion drew the attention of a local newspaper reporter who ended up blowing the whistle on the résumé exaggerations and concoctions.

More ordinarily, job applicants do not need to worry about reporters prying into their claims. Most medium and larger companies do, however, pass résumés through human resources departments and they typically confirm the significant, objective claims of job seekers. Items like degrees obtained can typically be verified. So too dates of previous employment and job titles. Every company will follow its own internal guidelines, of course, so it is impossible to make a table listing the misrepresentations that will and will not slip through, but it is certain that objectively false information may come to light sooner or later.

If false information does come to light, are there legal complications? Probably not. Because résumés are not binding, signed agreements between the applicant and employer, they are generally protected by free-speech guidelines. In the case of Irvine, if he claimed he was Superman, there is nothing the police could do about it. That said, efforts have been made to take some action against the most extreme cases of résumé misrepresentations. A number of legislative measures have been proposed to punish those who lie about a military record and honors received. Also, in Washington State in 2006, legislation was advanced to fine and briefly imprison applicants found guilty of claiming advanced degrees they didn't actually earn. The measure ultimately failed.

Heckman, C (2006) 'Lying on résumé could land you in jail,' *SeattlePI*, 3 March http://www.seattlepi.com/local/261747_diplomamill04.html (Accessed 17 May 2011).

Conclusion

Most résumé misrepresentations do not cross into illegality. This is one of those areas in the business world where legal right and wrong diverges clearly from ethical right and wrong.

Ethical egoism and résumé misrepresentations

Ethical egoism means *your moral responsibility is to act in your own interest no matter what that may require*. This provides a license for outright résumé invention (a false BS degree and imaginary knighthood for Irvine). But, as is always the case with egoism, the question must be asked whether job seekers really serve their own interests when they claim things that may later be revealed to be false or when they land jobs they later will not be able to perform because their qualifications were fake.

One specific warning for the egoist comes from the admissions department at the Massachusetts Institute of Technology. One of the world's elite universities, the task of selecting each year's freshman class is as daunting as it is important for a school dedicated to preserving its reputation. The head of that office in 2007 was Marilee Jones. One of her central skills was the ability to distinguish high schoolers who had truly excelled from those who got great grades by taking easy classes. Her widely admired skill, in other words, was filtering out grade sheets (which are students' résumés) that misleadingly stretched the students' classroom accomplishments. She went on using that skill until it was discovered that twenty-eight years earlier, when she had first applied to work at the school, she had invented a few degrees for herself. She was fired on the spot.

Bombardieri, M and Ryan, A (2007) 'MIT Dean of Admissions resigns for falsifying resume,' *Boston Globe*, 26 April http://www.boston.com/news/globe/city_region/breaking_news/2007/04/mit_dean_of_adm.html (Accessed 17 May 2011).



Activity 2.3

1. Who are the people affected by résumé truth decisions?
 2. What are five distinct ways you may choose to misrepresent yourself on your résumé?
 3. What is the difference between legal and ethical approaches to the question about padding the résumé?
-

Bogus job offer converted into a real raise?

In her blog *FemaleScienceProfessor*, the author considers a problem. She has got a lab research assistant whom she calls postdoc, which presumably means he got his PhD, but he is still hanging around the university and working for low pay. She wants to give him a raise. The higher-ups, however, will not approve it. So she writes,

I'm pretty sure I could get a colleague at another institution to send my postdoc an e-mail expressing an interest in hiring him away from my institution (but without any real intention of doing so). With such a letter in hand, there's a good chance I could get the raise approved. Ethical? No. Should I do it anyway?

'Proposed ethical lapse,' *FemaleScienceProfessor* (blog), 1 July, 2009<http://science-professor.blogspot.com/2009/07/proposed-ethical-lapse.html> (Accessed 17 May 2011).

Actually, the ploy may be considered ethical within a purely market-driven framework for setting salaries. Cutting the details and reducing to the situation's essence, the worker is in effect threatening to not show up for work anymore unless there is a larger paycheck. That means the employer is being forced to determine if the employee is worth the extra money. The answer will follow from a survey of available workers in the market, and an answer to the question as to whether another can be found to perform the same duties equally well without demanding more pay. If not, then the increase will probably be granted. If a replacement can be found, then things will get awkward as the lab assistant tries to walk back his threat. The walking back is an etiquette problem, though, not an ethical one. From this perspective, in terms of ethics, all that happened is the worker tried to get a raise and did not.

Obviously there is a loose end here; there is the question about whether the lying is ethical. It depends. Placing the question in the context of organised labour, is it ethical for a union organisation to bluff, to say they will go on strike while knowing they really will not? What about less direct lies? An employee that is actually satisfied with her salary may feign unhappiness in order to squeeze out a little extra. Further, almost all hard-nosed business negotiation entails a bit of posturing. Not many cars have been sold without the seller at least initially insisting, "Well, I cannot possibly go below x price for this fine automobile." And then, after a visit with the manager or some other contrived breakthrough, the seller decides, "Well, in this special case, maybe I can do a little better."

In one form or another, a pure market economy occasionally (or maybe frequently) reduces to both sides insisting that they cannot pay more or give less, and in the end, both sides meet somewhere in the middle. As for the previous claims about other jobs or threats to go on strike or insisting that the price cannot possibly come down or whatever, all that washes away when hands finally shake.

The ethical foundation undergirding and justifying participating in business this way is libertarian in nature. It starts with the premise that we are all independent actors out in the business world trying to accrue the most for ourselves, and others are out to do the same thing. We all know the rules, we are all adults. When we negotiate a pay raise, we may exaggerate circumstances or say some things that are not true. But at the end of the day, no one forces the employer to pay more; it is the employer's choice. As for the employee, the empty threat to leave may be presented at the bargaining table, but it is not so much a lie as a commonly used negotiating technique, just a way of upping the pressure. It is, therefore, ethically acceptable to invent another job offer but only within the confines of business negotiating and only because everyone knows the give-and-take happens that way.

There is another side to this, however. If you do not accept that negotiating in business is a kind of special-rules game where posturing and exaggerating are customary, then you may want to argue that talking about salaries is not any different from any other kind of conversation. If it is not, then the ethical argument against leveraging an imaginary job offer to force a pay raise finds a solid foundation on the bedrock duty not to lie regardless of the circumstances. For anyone who begins from the ethical foundation that any morally acceptable act must not breach certain ironclad principles — do not lie, do not steal, and similar — it becomes impossible to justify making up a non-existent job offer, even if that is the way the game of business is being played by others.

The role of the larger community in determining wages

There are two broad ways to get a fix on your own economic worth. One operates within the open market: economic free agents meet and sessions of no-holds-barred negotiations result in an answer. The other broad approach to setting wages places the issue within the context of a larger community. Here, it is not so much that we are bargaining individuals dealing to get the best possible result; instead, we are part of a business organisation and a larger society, and wages get distributed across it in accordance with guidelines and norms. There are multiple kinds of guidelines. They include:

- my value to the organisation;
- the ability of the organisation to pay;
- the community wage level;
- the wages paid to other employees in the organisation;
- my experience and seniority relative to others in the organisation;
- the future jobs a post may prepare me for.

Trying to determine what a fair salary would be for postdoc in terms of his value to the organisation requires determining how much of the organisation's profit he actually produces. A researcher in a science lab may, under this system, labour for years without any pay at all if his investigative work fails to produce a marketable product. On the other hand, if after years of labour his research finally yields a breakthrough, his wages conceivably shoot to astronomical levels.

Needless to say, this wage-determining structure will not work very well for lab researchers or for any kind of job that requires years of labor before any return may be anticipated. It does function, however, for businesses like American Apparel. They pay their clothing sewers a small base wage, and then a large secondary amount that rises or falls depending on their output, on the number of garments they add to the inventory. In essence, each week workers bring home a paycheck corresponding with the value they have added to the company. That means the relation between the sewers and American Apparel is fundamentally cooperative; it is not a worker negotiating against the organisation but the two labouring together and splitting the fruits of the efforts.

Schou, N (2005) 'The low cost of high wages,' American Apparel, *OC Weekly*, 28 December <http://www.americanapparel.net/presscenter/articles/20051228ocweekly.html> (Accessed 17 May 2011).

Another broad context into which the wage question may be fitted is the organisation's ability to pay. A lab assistant may choose, for example, to accept a pay cut to help the firm weather a period when no one seems able to invent anything that can be sold. The hope would be that, later on, when someone finally gets that breakthrough and profits zoom, everyone's wages will shoot up too.

A third context for setting wages is the community wage level. Going back to American Apparel, their Los Angeles factory pays workers more than twice the US minimum wage, plus benefits. That is not a lot of money for California, but it is ten times more than what sewers in countries including China make for similar work, which does not mean, within this context, that those overseas workers are being abused, only that salaries should be comparable with what others in the immediate area make. Two employees may receive, therefore, radically different paychecks for the same work, but that is ethically appropriate if the wage levels are initially set to correspond with local costs of living and standard practices.

Organisational wage level is another way of standardising employee pay. In this case, a lab researcher would base demands for a raise on the argument that others working in the same lab are being paid more than he is. It does not matter, it follows, how much researchers are being paid at other, competing locations. They may receive more, or possibly less. Regardless, the standard is set within that single organisation, and people with comparable experience doing comparable work should receive similar checks.

Seniority relative to others in the organisation also provides a salary framework. Here, the emphasis does not rest so much on abilities or contribution to the organisation, it is the amount of time an employee has been doing it that counts most. In a research

lab like the one *FemaleScienceProfessor* is blogging about, her assistant's demand for a raise would be based on the idea that he should be getting more than those hired after him, and less than those who have been employed longer. There is a comforting sense of fairness here as the wages get aligned with factors that are not subjective; it is much easier to tally an employee's time working than to determine how much he might get paid elsewhere or measure his exact contribution to the organisation. One drawback to this approach is that it allows little room for rewarding exceptional ability or effort. Potentially, the only reward an employee receives for working more efficiently than others is that he gets more work to do.

This particular drawback to a seniority system for determining wages is called a perverse incentive; it is a system of rewards that actually encourages workers to perform poorly or inefficiently. Take the case of American Apparel's sewers and imagine that wages were determined solely based on the length of their employment. Sewers would have little reason to produce more garments than their workmates. They may even feel like their main task at work each day is to find as many ways as possible to rest and not do anything. Why not? Their wages will not be affected. Obviously, in most private enterprises, slackers like these find themselves out of a job. But in sectors where firing individuals is extremely difficult — government jobs being a prime example — a seniority system for setting wage levels threatens to incentivise glum, non-responsive employees.

Finally, pay may be calibrated by the future prospects the post creates. Here, the lab assistant may complain about low pay, but the response may be that the particular lab where he is working is quite prestigious, and gaining experience there will allow an advantage against other candidates when he goes out to find employment elsewhere later on. The wages lost now, the reasoning goes, will be more than recouped in the future.

An extreme form of this future-prospects salary structure is an internship. This is a short-term job with little pay and few benefits. Sometimes, there is no pay at all. The upside is the experience. When it is added to the résumé, it should make a job seeker more attractive to employers. If everything works, the time may be a good investment, a good way to get into a line of work, or get in at a higher level. The ethical problem, however, lies in the possibility of abuse that is unavoidable when someone is working essentially for nothing. Here is a snippet from an entry on Craigslist:

I agree that calling work for no pay an 'internship' is just a fancy spin for disrespecting the talents and the person being 'used'. Unfortunately, in this society...many people think it's alright to offer no pay for legitimate work.

Craigslist San Diego "Comments RE: internship posts& low pay," 5 January, 2010.

He might be right. This complaint is definitely right if the organisation offering the internship knows beforehand that the worker's prospects in the market will not really be improved by the experience acquired. In that case, it seems like an internship really is just a "fancy spin for disrespecting the talents and the person being used."

There are two kinds of questions to ask about a worker who is labouring for low (or no) wages with the idea that the experience will pay off in the long run. The first involves employers implying there will be improved job prospects while knowing there probably will not be. The other is more prudential: assuming the employer is acting in good faith, the worker still needs to ask, “Is it worth it?” It is impossible to know the answer beforehand, but by making the best judgement possible you can get a grip on the question about whether a higher wage ought to be demanded.

Conclusion

For employees trying to measure their worth in business — how much they ought to be paid for their work — the guiding question is, “What are the criteria used to measure whether a paycheck is too fat or too lean?” Are wages set by the market, or is it my value to the organisation or something else that determines the pay scale?



Activity 2.4

1. How can an employee ethically justify inventing a job offer in order to pressure the boss into granting a raise?
2. From the employee’s perspective, in what line of work might value to the organisation function not very well as a gauge for setting salary levels?

Plotting a promotion: Two kinds of job promotions

Two major promotion tracks run through many organisations: one based on accomplishment, the other on competition. Accomplishment promotions are those scheduled for workers attaining specific, predetermined goals. For example, in an office of stockbrokers those who achieve a certain number of clients or reach a level of total investment money under their direction may automatically be elevated. An account executive could become a vice president of accounts after she has gathered more than ninety-nine clients or has garnered accounts valued at more than a million dollars. Along with the new title, there may come a pay raise and additional benefits.

The ethical questions rising around this system are fairly straightforward and tend to involve transparency — that is, a clear explanation of the rules and rewards from the beginning. Does it count, for instance, if a broker games the system by signing up one hundred clients who each invest only piddling amounts? That could lead to a system where a vice president oversees one hundred clients but only \$500 of assets, while a lowly account executive labors with ninety clients and \$900,000 in assets.

Every industry and organisation will have its quirks and ways of twisting the numbers to make things appear better (or worse) than they really are. Keeping those angles under control is a manager's concern, however. Establishing a level playing field, that is the kind of thing managers are paid to take care of, and the dilemmas surrounding this subject will be considered from their perspective in later chapters. From the employee's perspective, there are not many problems: if the goals are set, then you have every right to try to meet them as best as you can to get the step up.

The stickier ethical territory comes with competitive promotions. These are situations where workers within a group are not only teammates labouring to reach the organisation's goals but also competitors vying for that one slot that comes open on the hierarchy's next level up. In this situation, what are the ethics of trying to get the promotion?

Dirty tricks

Colin Gautrey has written a book with a captivating title: *21 Dirty Tricks at Work*. In a short article, he summarises two of the most commonly used by stealthy promotion seekers to either inflate themselves or sabotage their coworker competitors.

1. The creative magpie. This time-honoured strategy of self-service is exaggerating involvement in successful ideas — or flat out stealing credit for them — while steadfastly forgetting to mention others' contributions.
2. E-mail to the gods. A contemporary and clever scheme for ruining your colleagues' advancement chances, it entails writing an e-mail incidentally detailing a colleague's work-related failure and "accidentally" copying the message to supervisors and clients.

Gautrey, C (undated) 'Dirty tricks at work — Five ways to protect yourself,' *EzineArticles.com* <http://ezinearticles.com/?Dirty-Tricks-at-Work---Five-Ways-to-Protect-Yourself&id=2703788> (Accessed 17 May 2015).

The business of getting a promotion, if Gautrey's tricks are any indication, can get pretty rough. One way to determine what you are willing to do is by separating and looking at each one of the ambitious worker's ethical responsibilities with respect to self-advancement. In broad strokes, those seeking promotion at the cost of others in their work group are located at the center of four responsibilities: those to:

- Themselves;
- their coworkers;
- their managers;
- the organisation in general.

The four responsibilities

1. What do ambitious employees owe themselves? Most ethical theories encourage those who desire to advance at work to go after the success. Duty-based ethical structures, for example, include the responsibility all of us should have to respect our own skills and dignity, and if professional excellence is among them, then there is a responsibility to excel, to do well at work. So if getting the promotion requires acting to be sure superiors know when you have done a good job — and in competitive environments it does — then there is a moral imperative there to act, to ensure that credit is received. There is no shame, in others words, in at least discreetly blowing your own horn. Of course there will always be people in the workplace, perhaps this is even the majority, whose ambitions for their lives are not about professional success so much as having a fulfilling family life or pursuing an after-five interest. For these individuals, just avoiding the whole career advancement race — even if it means getting less money at the end of the month than others — makes perfect sense.

2. What do ambitious employees owe their workmates? To begin, the same ethical framework of duties requiring individuals to respect their own ability and dignity also demands that much for others. So while it may be that singing your own praises and advertising your accomplishments as the creative magpie does is respectable, it is harder to justify obscuring the accomplishments of others. Further, if the respect for yourself is balanced by the same respect for others, it seems like there is an obligation to actively ensure that superiors are aware of not only your own contributions but also those made by another. There is, in essence, a good sportsmanship rule in effect. (And certainly, any ethics functioning from a base of respect for ourselves and others will prohibit the outright stealing of others' ideas and accomplishments.) On the other hand, an ethical egoist — someone insisting that individuals are free agents and the world will work out for the best if everyone steadfastly pursues their own interests — will see things somewhat differently. From this point of view, the responsibility to trumpet the accomplishments of others falls to those others. If they want to claim credit for a job well done, they may, but if they do not, it is no one else's responsibility to do it for them. Finally, what is important to see is that there are different intermediate points between trumpeting your own accomplishments and claiming the accomplishments of others as your own. Acting ethically requires determining which point you are at and justifying the stance.

3. The responsibilities workers hold to their superiors start with honesty. The basic problem with the creative magpie strategy on this ethical front is that it means passing on to managers misleading or false information about who contributed how much to a project. This affects managers negatively — potentially very negatively — because next time something needs to get done urgently and at the highest possible level, they may not aim the assignment at those employees most apt to produce the best results. Their performance as a manager, it follows, will be adversely affected when the work performed under their direction comes in at a quality level below expectations. The career

prospects of a manager, finally, will be hindered when a subordinate sacrifices honesty in the attempt to advance his or her own career.

4. The last responsibility that employees looking to be promoted ought to consider is their obligation to the organisation in general. Here, both the magpie strategy and the e-mail to the gods trick raise serious questions. The worker's central obligation to the organisation is to help it flourish: they are being paid to help the enterprise reach its goals. The problem with the magpie strategy on this front is the same as the problem experienced by managers. When workers who do the best work see the credit stolen by others, the organisation loses some of its ability to produce at the highest possible level. Moving on to the e-mail to the gods strategy (the appending of harmful information about other workers to e-mails and then seeing that clients receive the information), this is especially damaging. Even if the information is true, and should perhaps be shared with managers inside the organisation, it is nearly impossible to see how any organisation can benefit when clients find out the work being done is substandard.

Conclusion

For ambitious employees looking to advance quickly in a situation where they are competing against their own coworkers, the recipe for success is obvious: get credit for doing better work than the others. One way to accomplish that is to actually do better work and make sure superiors know about it. There are other ways too. Navigating the ethics of those ways requires workers to carefully evaluate their obligations to themselves, their coworkers, their managers, and their organisation.



Activity 2.5

1. Who is hurt by the creative magpie strategy and in what specific ways?
 2. You are working on a project with another worker and he is not doing well. His contributions need constant correction. Does your obligation to the organisation's well-being provide ethical justification for informing superiors about the shortcomings? Does the ethical situation change if you are also competing with that workmate for a promotion? If it changes, how and why? If not, why not?
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Looking for a better job outside the company; ethical issues along the way to a new job

Most people who leave one job for another make the transition smoothly; they learn of a new position, apply, interview, and win the post. Notice is provided to the current employer. The split is amicable. Everyone goes forward. On some occasions, however, ethical turbulence occurs because obligations to the current employer are broken along the way out. These are some of the most commonly encountered flashpoints:

1. **Time abuse.** The use of company time to seek another job.
2. **Equipment-use abuse.** Using the firm's equipment as part of the effort to find a job elsewhere.
3. **Skill theft.** Taking specific, job-related abilities acquired at one company to another.
4. **Client adoption.** Moving to a new company and helping it appropriate part of the former company's client base.
5. **Market adoption.** Moving to a new company and helping it appropriate part of the former company's market.
6. **Idea appropriation.** Taking ideas belonging to the old company to the new one.

Musical chair stockbrokers

Successful stockbrokers share some basic skills. One is the ability to manage reams of information about diverse investments. The options they need to organise run from humdrum treasury bills, which are safe investments but do not earn very much, to stock in companies like Google, which first went on sale in 2004 at a price of \$85. By 2007, that same share cost more than \$600. Other start-up companies also began selling shares in 2004, but it is harder to remember their names since they went broke. Now it is not the stockbrokers' job to determine which investments are reliable and which more explosive; that is handled by specialised analysts. What stockbrokers do is arrange the possibilities into clear groups of more and less speculative investments, then they provide options to their clients.

Talking and helping clients choose good options is another key stockbroking skill. To do that, brokers need to understand clients' situations and aspirations. If you are a young client with some extra cash, you may want to take a risk. But if you are nearing retirement, you may figure it is best to play it safe. Regardless, the stockbroker-client relationship tends to be fairly sticky once it is fully established because they have spent real time talking seriously: to help their broker work, clients need to open up about themselves, their current reality, and their hopes for the future. After that, it is difficult to just switch out of the relationship.

How do stockbrokers make money? They get a small percentage of every investment they oversee, and the larger brokerage firm, say, Smith Barney, gets a cut too. At least that is the way it works on a day-to-day basis. There is, however, another option for brokers, at least for ones who have accumulated a good, trusting client list. They can switch firms for money. For a lot of money because brokerage houses fall over themselves rushing to offer large signing bonuses to those employees who can bring a long client list with them.

After a deal to jump to another brokerage house has been struck, the stealth begins. One way or another, the broker needs to get his or her client files. It is a delicate operation; computers in most brokerages do not have USB drives, so you cannot just pull the information off the hard drive. You have got to print it all out or find some way to access the mainframe with a thumb drive. Regardless, brokers need to get those files because they hold each client's investment history and notes brokers use to remember their clients' stories, their family members, and all the little things that make the personal relationship work.

With the client information in hand, the broker prepares for the nail-biting day of the actual switch. A letter is written to clients (though not yet sent) reporting the broker's move to the new firm, and explaining why it is a good change — or just not bad — for the clients' interests. Instructions and the necessary forms are included for clients to transfer their accounts easily and fast. The day before the change, the letters are delivered to the central post office. The next morning, the broker resigns and hurries out of the office. With the first step outside, she hits the call button on her cell phone. A long and frantic day has begun: starting with the largest investor and running down the list, she telephones to explain what is happening, and to ask each client to stick with her through the switch.

Back at the old office, intense damage control begins. The manager rushes to divide up the ex-worker's client list among the remaining brokers, and they start phoning, pleading with the clients to stay with the old, reliable firm. Usually, most clients go.

For the moment, that is the end of it. But the switching will fire up again because a brokerage house that has lost a rainmaker may go after one of the major brokers at another house. More, a broker who has jumped ship once for money might be tempted to do it again. Eventually, the wheel may get going so fast that no one can keep straight who is working where.

Facing the possibility that the whole thing could spin out of control, the poaching brokerage houses mutually disarmed in 2004 by drawing up a protocol for broker recruiting. The legally binding agreement — which all employees were asked to sign — allowed brokers to take their clients' names and contact information when changing jobs, but nothing else, none of the investment history. That made the switch much more difficult since office-jumping brokers would need to rebuild their client relationships almost from scratch.

Neither Bernadette Holland nor Amy Villani wanted to do the rebuilding when they jumped from the Smith Barney brokerage house in Bethlehem, Pennsylvania, to Janney Montgomery Scott LLC of Philadelphia in late 2008, so they took their

client files with them. At least that is what Smith Barney maintained when they filed a lawsuit against the two women. Their complaint alleged, “The brokers took with them customer files and information, despite their written assurances that they had complied with the protocol for broker recruiting, which expressly prohibits them from taking such files.”

Kelly, B (undated) ‘Smith Barney seeks restraining orders against four ex-reps,’ *investmentnews.com* <http://www.investmentnews.com/article/20090224/REG/902249971> (Accessed 17 May 2011).

Time abuse

Time abuse is the *use of company time to seek another job*. On the surface, it is unethical. We need to be careful here, however, to distinguish exactly what “company time” means. Many jobs and work contracts are task related instead of time defined. That is, workers are hired to accomplish certain goals. In the construction business, a roofer may be signed up to get shingling done on a building before a certain deadline. In a case like that, there is no such thing as company time. The roofer’s free to work whenever and consequently to not work whenever. As long as the job gets done by the deadline, the obligation is fulfilled. So if he wants to sit up on the roof and field calls for new jobs, it is hard to see ethical problems.

Problems do rise when workers are paid for their time. Most stockbrokers receive a base salary, a benefits package, or both as part of their work agreement. In exchange, they are supposed to use the working day to pursue the brokerage’s interests, which means finding new clients and serving those already held. If Holland and Villani sat in the office talking with competing brokerage houses, they were breaking their obligation of fidelity — that is, their duty to honour their professional agreements. Of course they could respond that all workers take breaks. They eat a snack, sneak out for a cigarette, extend lunch. All those things are true. It is also true, however, that the case can be made that those departures actually help employees do their job by providing the refreshment that comes with the occasional break from work. In the cases of Holland and Villani, it seems almost impossible for them to find a way to fold conversations with competing brokerages into the obligation to their current one.

Could those conversations be justified even while recognising that they breach the duty to fidelity? Yes. The brokers could argue that another obligation simply outweighs their responsibility to maintain their working agreement with Smith Barney. Scratching the surface a bit on the Smith Barney situation provides an example. According to a story detailing the case in the *Investment News*,

Recruiters and executives from rival firms said the Smith Barney reps and advisers are continuing to leave the firm this year as it prepares to take the minority stake in a joint venture with Morgan Stanley, also of New York. Citigroup will exchange Smith Barney for a 49% stake in the new firm, dubbed Morgan Stanley Smith Barney, and a \$2.7 billion cash payment.

Kelly, B (undated) 'Smith Barney seeks restraining orders against four ex-reps,' *investmentnews.com* <http://www.investmentnews.com/article/20090224/REG/902249971> (Accessed 17 May 2011).

This means Smith Barney was being taken over by Morgan Stanley, and Smith Barney brokers were fleeing in droves.

Of course every ship-jumping broker will have unique reasons for leaving, but it does seem plausible that at least some brokers believed this new management would not serve their interests well, and, by extension, their clients' interests. On this foundation, Holland and Villani could build an argument. Once it became clear that the kind of service they'd been offering their clients would be impossible under the new management, they could conclude that their service responsibility to clients outweighed their responsibility to honor a commitment to Smith Barney. From there, the case may be made for the two to use company time to pursue the possibility of working for another brokerage.

Finally, it is easier from an ethical perspective if the two could just isolate any discussions with potential future brokerage houses to non-business hours, to lunch breaks, and after 5:00 p.m. If that is not possible, however, then the decision to impose on the working day will have to find an ethical justification.

Equipment-use abuse is occupying an employer's computers, telephones, and similar as part of the effort to find a job elsewhere. In the case of the two Smith Barney brokers, just as they may have used hours, so too they may have used Smith Barney's equipment to negotiate their moving to another firm. This is not a strong form of theft (assuming Holland and Villani did not carry the machines out the door), but it is a betrayal of the obligation they received when they accepted the equipment — the obligation to use it to serve Smith Barney's interests. Or to at least to not subvert Smith Barney. Visiting Facebook once in a while, in other words, is acceptable, but sending e-mails to competitors, not so much.

Skill theft

Skill theft is taking specific, job-related abilities acquired at one company to another. Stockbroking — like many posts — requires extensive, job-specific training, and it cannot be picked up along the way: legally, you cannot work in the field until you have completed the required courses and passed subsequent exams. Typically, the company pays for the learning. The larger houses organise their own stockbroking universities: new recruits are gathered and privately hired teachers lead them through the materials. What is learnt? Beyond the Wall Street knowledge about stocks and bonds, there are guidelines to master about providing recommendations and specific rules to follow that ensure clients understand the risks involved in creating a portfolio, especially on the more speculative side of the investment spectrum. Stockbroking is also a job in sales: brokers need to learn the delicate art of touting their own services without making promises about returns that cannot necessarily be kept. Finally, there is quite a bit of technical knowledge that needs to be acquired so brokers can adeptly manage job-related and sometimes

complicated software programs. All of this is expensive. When a company hires, they are making a major commitment and incurring a real cost.

What obligations does the cost create? The answer divides onto a legal side and an ethical one. With respect to the law, many hiring organisations incurring significant training costs write clauses into job contracts protecting against the loss if a fresh employee comes aboard for the training and then tries to leave and work elsewhere. Called a repayment clause, it stipulates that departing workers may be billed for their training. In a typical clause, the cost must be repaid completely if the employee leaves immediately, and then a declining percentage is repaid if the departure occurs after three, six, nine months, and so on. (Here is an Internet board where workers discuss the clause and ways of getting out of it: http://www.i-resign.com/uk/discussion/new_topic.asp?t=648).

‘Repayment of course fees,’ *I-resign.com* http://www.i-resign.com/uk/discussion/new_topic.asp?t=648 (Accessed 17 May 2011).

Frequently, ethics and the law fail to overlap. In this case, however, an ethical solution to the problem of leaving an organisation and taking your training with you may correspond with the strictly legal one. To the extent it is possible to monetise the investment an employer makes in an employee, returning the money could satisfy several fundamental moral duties. The duty to not *harm others* is satisfied because the recouped funds may be applied by the organisation to hire and train another employee. The *duty of fidelity* — keeping obligations — is satisfied insofar as the contract’s clauses are honoured. Finally, the duty to reparation — to repay others when we harm them — is explicitly satisfied. The conclusion is that a stockbroker who takes a firm’s training and leaves may justifiably claim that the action was ethically acceptable because the contractual obligation was honored.

What if the contractual obligation is not honoured? Is there any way for an employee to build an ethical case against repaying the company for training received? On the discussion board just mentioned, two routes are indicated. The first works from a utilitarian ethics, from the idea that the right action is the one bringing the greatest good to the greatest number. A contributor called *there_are_many_questions* writes,

I recently took a promotion at my current job and part of this was to study a level 4 course they had chosen. I had also applied to university, and due to the competitiveness of the course I wasn’t sure that I would get in. Hence the reason I agreed to go for the promotion. As it happens I have been accepted into university and I begin my course shortly. I knew that I would be required to pay back the cost of the course fees but it turns out, that they were more than I was originally told. To add, because I am becoming a full time student I am unlikely to have a permanent income.

There_are_many_questions, April 4, 2009. ‘Repayment of course fees,’ *I-resign.com* http://www.i-resign.com/uk/discussion/new_topic.asp?t=648 (Accessed 17 May 2011).

So this person applied to a competitive university and was not sure about getting in. Faced with the uncertainty, he or she took a promotion at the current company, which required company-provided training. In the end, as it turned out, there_are_many_questions got into the university and so left the company. Now the company wants the course fees back. As the writer notes, it is probable that he or she will not be able to pay them while enrolled as a student.

Looking at this situation, there is no doubt here that the abandoned company has a strong ethical case. “Why is there_are_many_questions paying a university for classes when he or she already owes us for classes taken?” Good question. Here is a utilitarian response: when everyone’s interests are fully taken into account, the decision to go to university and shaft the company does, in fact, serve the greater good. The abandoned company is damaged, no doubt, but really, unless it is a small company on the brink of bankruptcy, it seems likely that they will absorb the loss and move on. Further, there_are_many_questions had just been promoted by the company, so, obviously, he or she had been doing good work for them; it is not as though the entire professional relationship will be a pure loss. The jilted company, finally, will suffer the employee’s abandonment, but probably get over it without suffering lasting damage. There_are_many_questions, on the other hand, has a singular opportunity. The university is competitive — so much so that there was real uncertainty about gaining admission. To leave that opportunity behind simply to honour the clause of a contract seems like a choice causing real unhappiness, one that will continue over the long term. There will always be that feeling of “what if?,” as in “What if I’d just walked and gone to the university to learn to do what I really wanted?” In sum, when you weigh on one side the damage caused to the company by a departing employee who does not refund training costs, and on the other side you weigh the damage done to there_are_many_questions if the university course is abandoned to repay the company’s training, it feels like there is an imbalance. When viewed dispassionately from outside the situation, the greater good really is served by walking away from the debt and going to the university. No one is saying that walking away from debts is ethical, but it would be more unethical to let the university opportunity pass.

Another justification for walking away from the debt to the company could emerge along the lines of ethical egoism indicated by a contribution coming from Suze. She says the employee should hand over a bit of money and then “tell them to whistle for the rest, or else you will see them in court. I doubt they will pursue it.”

Suze, January 6, 2005 (5:42 p.m.), comment to bradley, ‘Repayment of course fees,’ *I-resign.com* http://www.i-resign.com/uk/discussion/new_topic.asp?t=648 (Accessed 17 May 2011).

Solid ethical egoism. The right thing to do is the right thing for you, and that is it. If you can get away with not paying, Suze says, then go for it. The reasoning is the company “probably will not pursue it.” If they do, well then you might have to come up with the money. Until that happens, though, her advice is to protect your own interests, let the company take care of theirs, and see where things end up.

Client adoption

Client adoption is moving to a new company and helping it appropriate part of the former company's client base. Holland and Villani are perpetrators. In fact, this is the central idea behind their move: to transfer clients along with them.

With respect to the law, Holland and Villani are completely free to take their clients. It is a black-and-white legal situation. All that is in dispute is how much client information they can carry to their new office. And the ethics? The situation here seems fairly clear also, at least with respect to the brokers and the brokerage. There is no doubt that both Holland and Villani on one side, and the Smith Barney brokerage house on the other, have a certain claim on the clients. While it is true that the brokers did most of the work, the brokerage provided the infrastructure and opportunity. One way to adjudicate these competing claims when the broker and brokerage split is to check whether any prior agreements regulate the separation. In this case, an agreement does exist: the protocol for broker recruiting. The fact that the agreement is there indicates that all parties involved accept that brokers transferring and taking clients is part of the way things normally work: it is fair. What needs to be settled, and what the protocol does presumably settle, are the rules for the process.

One difference, however, between ethics and the law in this situation is that ethical considerations open a broader scope onto the situation: the stakeholders increase. Where the law is concerned only with the brokerage house and the brokers, an ethical evaluation incorporates the clients as important since they are tangibly affected by any decision. So what are the clients' rights? How are they exposed by shifting brokers? Their first clear right is to say "no." They are under no obligation to follow when a broker changes firms, and there is good reason to stay put. The paperwork involved in moving is significant. More, not all houses offer the same investments instruments, so there may actually be a cost involved as items in the portfolio are sold on one side so that a comparable product may be purchased from the new brokerage. This means the client really loses when they move along with a broker.

The clients are in a tough spot, though. Typically, they have invested a good bit of their own energy and time in fostering a broker-client trust and mutual understanding. There is no guarantee — and this is especially true for longtime clients — that another broker would easily understand how the current portfolio fits together with the client's life. If that is right, then any client choosing to remain with the old firm will more or less have to start over by rebuilding their investments in consultation with whichever new stockbroker gets assigned to their case. More complications could be added, but the point is, the clients are not just bystanders. The brokers' decision to change houses is going to affect them, and they may end up losing either way.

How do the clients' interests — and the ethical responsibility to consider them — fit into the stockbrokers' job switching? One way to begin reasoning toward an answer comes from Immanuel Kant's categorical imperative, specifically the idea that we are to treat others as ends and never as means. Kant's proposal is that we

are obligated, regardless of circumstances, to not treat others as tools or instruments; treating another as a “means” is just using them to get something else. So the question here for brokers when considering whether they hold an ethical license to do all they can to carry clients to a new firm becomes relatively simple. It would not be ethically recommendable if the change failed to serve the clients’ interests. If it does not, if it turns out that the only people who come out ahead in all this are the brokers because they get a nice bonus from the new brokerage house for bringing over a busload of new investors, then what is happening is the clients are reducing to mere means. They are the tools the brokers use to get a payoff for themselves.

On the other hand, if the change does serve the clients’ interests, then Holland and Villani can say that they are not reducing the clients to nothing more than a payday, they are actually treating the clients the way they themselves would want to be treated in that situation. In Kant’s language, the clients become “ends,” they are no longer tools, and their interests can be considered a reason for Holland and Villani to make the switch. Now, we know from the case that Smith Barney was in the process of being engulfed by Morgan Stanley when Holland and Villani were making their move. If the brokers really believed that the services they could provide would be harmed by the change in corporate structure as Smith Barney became Morgan Stanley, and if they really believed their client services could be bettered by shifting over to the new brokerage house, then there is space for claiming that bringing the clients along is morally right.

Market adoption

Market adoption occurs when an employee moves from one company to another and helps the new employer appropriate part of the former company’s market. On the surface, this resembles client adoption. A firm’s market — the people to whom they deliver goods or services — is a collection of clients, a set of people who pay for the company’s efforts. Even so, there are important differences between a market and a client, and they result in radical changes to the ethical atmosphere.

The fundamental difference between a client and a market is that *clients have names and markets have definitions*. Clients are individuals with whom a company has cultivated a relationship; markets are aggregates of people at whom companies aim their products. When Holland and Villani changed brokerage houses, they tried to take clients with them because they were people they had really talked to; they knew their phone numbers and life stories. A market, on the other hand, is composed of people you do not know; it is just anyone who shares a set of characteristics. For example, a brokerage house may want more business from middle-aged adults starting to think about retirement. So what do they do? They put up TV ads showing a fiftyish husband and wife at the dinner table talking about something they would like to do together, say, visit China for a month. They cannot go now. They are both working full time scraping money to pay for the kids’ college and making mortgage payments. When they retire, though, they will have the time; the kids will be done with school, the house will be paid for. What they need to do now is plan the financial landscape. They have a question: what kind of investments guarantees their trip? The commercial ends

with a tagline: “Smith Barney: For the Journey of Your Life.” That is a bad commercial, but it shows what a market is. Smith Barney does not care who shows up at their branch offices the next day. They do not care if it is Sam Smith or Jane Jones; they just want fifty-year-olds with some money to invest.

Many companies are constantly trying to convert markets into clients, trying to replace purely economic relationships with personal ones because people tend to stick with their brands. Markets, by contrast, shift easily; whichever company has the best TV commercial or the lowest prices, that is the one that gets the largest chunk.

Our economy is built on the idea of competition for markets: the premise that they are open and may be pursued by any organisation is the basis for business activity. Obviously, there are islands of exception, things like trash collection performed by the city government. But for the most part, it is nearly impossible to form an ethical argument against employees leaving one company and going to another and then chasing the same market. To be against it is not to be against one action or another on the part of an employee; it is to be against the entire economic structure in which we live. (It is possible to be against that structure, but that is a different debate.)

Idea appropriation

Idea appropriation occurs when an idea belonging to the old company is given over to the new one. If a chemist at Coca-Cola accepts a job at Pepsi and promptly reveals Coke’s secret formula, that is idea theft. In the brokerage business at the level Holland and Villani worked, there probably were not too many secrets to steal. Clients yes, but no shadowy formulas for stock picking or anything like that.

Higher up in Smith Barney, however, it is perfectly possible that analysts responsible for selecting stock winners (and weeding out losers) had developed an algorithm, a kind of recipe of numbers to produce answers. In the finance industry, those who rely on numbers — share price, a company’s annual earnings, and so on — to make stock predictions are called quants, which is short for quantitative data analyst. They take these numbers, stick them into a secret mathematical formula, and out pops another number presumably showing whether the stock is a good buy or not. These formulas are a brokerage’s concealed idea and, presumably at least, a key to their success: clients are going to flock to those brokerages consistently providing good stock-buying tips. Now if you happen to be a quant at Smith Barney, and you are offered a similar position at a competing firm, can you take the formula with you?

This is a knotted question, both legally and ethically. Starting with the law, a company’s ideas are broadly divided into two categories: trade secrets and patented or copyrighted information. Trade secrets consist of nonpublic information that:

1. concerns a company’s own activities and that if known by competitors would negatively affect the company’s ability to compete against them;

2. is owned by the company (though it may not be copyrighted or patented) because it was developed by the company or purchased from another company;
3. is meant to remain secret as is made clear by explicit directives, security measures, or contractual agreements with employees.

Velasquez, M (2006) *Business Ethics: Concepts and Cases*, 6th edn, Upper Saddle River, NJ: Pearson, 357.

Trade secrets (which are sometimes called proprietary data) are ideas a company develops and uses, and that they do not want anyone to know about. In the case of the quants at Smith Barney, a formula for picking stock winners kept under lock and key would be a trade secret.

The other broad category of ideas belonging to companies is patented or copyrighted information. This is more or less a trade secret but without the secret. It is an idea a company develops that helps it compete, but the strategy for protecting the idea from competitors is different. Instead of pretending like the idea does not exist, or doing everything possible to make sure the details do not leak, what the company does is make the idea public by registering it with the government, claiming thereafter the sole right to use the idea. After registration, the idea is no longer a secret, but that does not matter since anyone else who tries to use it is vulnerable to being sued.

So the recipe for Coke is a trade secret but not patented. If you can figure out what it is, you are free to use it. The word Coke, on the other hand, is copyrighted. Everyone knows what it is, but you are not allowed to use it, or at least not use it to label your own soft drink. The result of all this for an employee switching companies is that the legal questions involving stolen ideas tend to involve trade secrets. You cannot steal an idea that's copyrighted because everyone knows that idea already. But a trade secret — the recipe for Coke, the formula an investment house like Smith Barney uses to pick stocks — that definitely can be stolen; it can be revealed to the new company.

The Economic Espionage Act of 1996 makes the theft of trade secrets a federal crime. The law is clear on the issue. The problem is it is hard to prove that a trade secret is stolen. If you steal the recipe for Coke, you might disguise the theft by adding a tad more sugar to the version you make. Or, if you steal one of Smith Barney's quantitative stock-picking formulas, maybe you adjust the numbers slightly: not so much that it effects the predictions, but enough to make the formula different. In these cases it is going to be hard to absolutely prove the formula is stolen. In broad strokes, finally, the law of intellectual property is clear. When you get down into specific cases, however, things rapidly get twisted.

What are the ethics? If you are a quant at Smith Barney and you get a call from your broker friends — Holland and Villani — saying that they are taking their clients to a new firm and they would like you to come along, bringing Smith Barney's secret formula for stock picking as well, what kind of ethical responses are possible?

The “no” response is easily justified on moral grounds. The trade secret is company property, really no different from a computer or a desk, and taking it — even if you are taking it by memorising it and carrying it out in your mind — is theft just like stealing objects. Further support for the no answer comes from the responsibility to fidelity, the responsibility to maintain agreements. Almost all companies that work with trade secrets write a clause into employment contracts stipulating confidentiality on sensitive matters. So the ethical obligations not to steal, and to keep our word, make a good case for declining the request to steal an idea.

Going the other way, some situations allow a reasonable argument to be mounted in favour of leaving with the trade secret or proprietary data. One justification is authorship. Someone who provides a company with an invention can fairly expect to be rewarded by the company. Inventing an idea is labour like any other, and in any field people who do exemplary work can expect promotions and rewards from the larger organisation. If, unfortunately, an inventor feels as though the company is not providing a reward — a promotion, a healthy bonus, or similar — then he or she may feel justified in leaving with his or her work, just as a good accountant may feel the need to look for employment elsewhere after being repeatedly passed over for promotion. The basic argument here is one of fairness. If a quant at Smith Barney invents an algorithm for stock picking that produces excellent results and then sits by and watches others who have contributed less receive larger year-end bonuses, the conclusion may be reached that for balance to be restored, it is necessary to take the algorithm to another firm where a reward will be guaranteed.

Another ethical argument could be located in the difficulty that may exist in separating the skills an employee gains on the job from an idea or a certain kind of knowledge developed on the job. A quant who figures out a good algorithm may be able to claim that, as a skilled manipulator of numbers as they relate to economic markets, his ability as an analyst allows him to take the strategy with him. Stated differently, because of the unique skills possessed, when the quant is hired for a new brokerage, he would be able to just reinvent the algorithm. That is possible because of the rare analytic talents the quant possesses, not because the old algorithm is being stolen. In general, it can be very difficult to separate skills as they relate to ideas from the ideas themselves. And in this case, it may be that the quant’s skills provide a license to regenerate the stock-picking algorithm for whatever firm is paying the salary.

Finally, an ethical case for the revelation of a trade secret may be made on humanitarian grounds. It is difficult to envision a good example of this is in the world of stock picking, but in the no-less-lucrative field of medical research, a humanitarian context for taking an idea easily comes into focus. If a cure for cancer were invented by a private company, the stock value would blow through the roof, but only if they kept the drug formula secret and sold the serum at a fairly high price. In this case, a worker in the company may feel justified in taking a job with an international health nonprofit, and then revealing the serum’s formula and the technique for its production so that it could be made and distributed at a low cost to all those in need throughout the world. A theft would be committed and a wrong done, but an obligation to the greater good, to the health benefits the theft would allow, may justify a departing worker’s carrying a company’s secret out the door.

Take this job and... the ethics of quitting

There is a difference between giving a few weeks' notice that you have decided to leave your job in cold Minneapolis to try your luck in Florida, and suddenly walking out three days before the year's most important presentation, the one your team was responsible for creating. The first scenario will not cause many objections, but the second raises this question: what do departing workers owe employers?

If the answer is sought through a prism of fairness — through the idea that justice in the workplace requires equal treatment all around — the answer might be “not very much.” Since most work contracts offer employment only at will, employers are typically positioned to let workers go at any time for any reason that is convenient. And they do.

When Ameritech was letting people go they would call them into a conference room and say their services were no longer needed. They would then show them to the door. Any coats or personal effects left at their desk would be shipped to them.

Carlini, J (2005) ‘Ready to leave? Why you shouldn't give two weeks' notice,’ *WTN News*, 27 April <http://wistechnology.com/articles/1757> (Accessed 17 May 2011).

Especially in larger organisations where layoffs can come massively, the employee's pleading, “You shouldn't fire me because we just bought a house and had our first child,” is not going to persuade too many CEOs. If it does not, it is going to be difficult to justify the demand that employees, no matter how vital they may be to the company, come in to work when they plainly do not want to.

It is also true, however, that many employers extend benefits going beyond contractual obligations, and yes, some bend over backward to keep their workers on, even when it does not make strict business sense. When Malden Mills burned to the ground, owner Aaron Feuerstein spent millions keeping all three thousand employees on the payroll with full benefits for months. Some asked whether he was a fool.

Organisational Productivity Institute, Inc. (1996) ‘Malden Mills: A study in leadership,’ *Quality Monitor Newsletter*, October <http://www.opi-inc.com/malden.htm> (Accessed 17 May 2011).

Maybe he was, but he proves that every situation is different: some employers are cutthroats, others doggedly loyal when it comes to the people doing the work.

This is the important point for anyone thinking about leaving their organisation in a lurch. If the ethical justification for splitting is built on the idea of fairness — which in this case reduces to the principle that the employee owes the organisation the same loyalty that the organisation displays for the employee — then it is the worker's responsibility to ask how the organisation responds to employees' needs.

It should be underlined that this ethical attitude is not quite a form of turnabout is fair play: the argument is not so much that if a company has screwed (or not) people in the past, then they should get screwed (or not) now. The argument from fairness is simply that the weight of self-interest when set against the interests on the other side should be more or less balanced.

A different framework for considering the question of walking out on a job virtually without warning comes from the utilitarian perspective, from the idea that in any situation the morally right act is the one increasing happiness for all those involved. Looking at the question this way, workers considering leaving need to weigh their benefit from walking out against the suffering incurred by everyone else.

The “everyone else” includes the worker’s fellow employees. If a presentation really does need to be done and given in three days and you disappear, there is just not going to be time to hire someone else and get them up to speed; those who are already there and on the project are going to have to do your share. It is worth noting here that the concern about whether the company has previously demonstrated loyalty to its workers does not arise within this perspective. *What matters is a calculation of what serves everyone’s best interest now and going forward. So even if you feel no loyalty to the company — and even if the company demonstrates no loyalty to its employees — you may still decide to stay on until a more convenient separation time can be found just so that you do not wrong those who work with you.*

!#\$%^&*

Everyone who has ever worked anywhere has felt the temptation at one point or another to not just quit but to go out in flames: march into the boss’s office, let loose an avalanche of !#\$%^&*, and storm out. It would feel good. But should it leave you feeling guilty afterward? Within a utilitarian scheme, the answer is “maybe not.” If ethical justification is based on the idea that the right path is the one bringing the greatest good to the greatest number, then it might just be that the release and clean break the outburst allows is worth the scene and the discomfort (or maybe the private joy) others feel about the whole thing. Of course, by the same reasoning, anyone standing outside that door and taking one last breath before storming through better consider their own long-term happiness. *Probably, bawling out the boss is not going to help your future job-seeking prospects.*



Activity 2.6

1. Ethically, is there a difference between a worker sitting at her desk during office hours and working on her Facebook page and one who is trolling Monster, looking to find a new job somewhere else? If not, why not? If so, what is the difference?
2. If a company pays for your job training, is there a way to calculate how long you need to work there to satisfy the obligation to use the training for the company's benefit?
3. If you feel as though you have been mistreated at work, can an ethical justification be formed for walking away at a moment of maximum pain for the company? Explain.



Summary

In summary, there are multiple kinds of positive résumé misrepresentations and negative résumé misrepresentations. Therefore, managing the dilemmas of crafting a résumé requires accounting for obligations to all those who will be affected by the résumé. It is important that the circumstances involving the specific post being sought, along with commonly accepted practice, to determine the extent to which misrepresentations are ethically objectionable.

It terms of an appropriate salary level, it may be simply the result of the hardest negotiating possible, or it may be determined by broader guidelines.

Accomplishment promotions and competitive promotions in the current employment are distinct and occur on different ethical terrains. Therefore, those pursuing competitive promotions ought to consider their responsibilities to themselves, their coworkers, their managers, and their organisation.

Ethical issues surrounding the search for a better job includes:

1. Using time and equipment paid for by a current employer.
2. Job skills provided by employers may create employee obligations.
3. Employees transferring from one company to another — and asking established clients to follow — face a broad range of ethical concerns.

4. Ideas belonging to an organisation may not be taken to another without raising ethical concerns.

Most ethical issues surrounding the quitting of a job gather around those cases where the leaving is abrupt. Therefore, the ethics of leaving a job involves a range of people and their interests.



Self-test 2.2

1. Does an employer have an ethical responsibility to offer an intern a job at full pay once the internship is successfully completed? Why or why not?
2. You are working on a project with another worker and he is not doing well. His contributions need constant correction. Does your obligation to the organisation's well-being provide ethical justification for informing superiors about the shortcomings? Does the ethical situation change if you are also competing with that workmate for a promotion? If it changes, how and why? If not, why not?
3. In business terms, what is the difference between trying to steal clients from your old employer and trying to steal market share? In ethical terms, what is the difference?

Suggested answers to activities



Feedback

Activity 2.3

1. The people affected by the resume truth decisions are:
 - a. Ourselves. We should hold ourselves ethically responsible in respect of our own dignity and abilities. We also have a duty to present ourselves positively to potential employers which may also justify our decision to leave certain unfortunate aspect of our professional life off the resume. The duty to ourselves points towards the resume presentation that sets our accomplishments and skills while not dwelling on our extraneous shortcomings.

- b. The people hiring. It will negatively affect the performance of the person hiring us, in terms of his ability to decide on the pay and promotional scheme which was based on the botched resume. Because of the botched hiring, the company may incur additional cost due to engaging more training programs to train the employee.
 - c. The potential future workmates. This is because if we cannot perform at our job, our team mates will have to step in and do the work for us in order to cover for us.
 - d. Other job applicants. This is because false claims on our resume do not give the rest of the applicants to compete for the job position, which the position may otherwise be offered to them.
2. The five distinct ways we can choose to misrepresent ourselves in our resume are:
- a. False credentials.
 - b. False work experience.
 - c. Embellished experience.
 - d. False chronology of work experience.
 - e. False references.
3. Most resume misrepresentation do not cross into the line of illegality. This is one of those areas in the business world where legal right and wrong diverges very clearly from ethical right and wrong.

Activity 2.4

1. The justification lies purely in the market economy. The market economy may reduce both sides insistence that they cannot pay more, give less, job threats, go on strikes or insisting that the salary cannot be negotiated or whatever, as in the end, both sides will have to meet somewhere in the middle and finalised with a handshake.

In the business world, we are all independent actors trying to accrue the most for ourselves, and others will do the same for themselves. When we negotiate for a pay rise, no one forces

the employer to pay more; it's the employer's choice. As for the employee, the threat to leave the job may be presented at the bargaining table, but it is not so much of a lie, but more of a commonly used bargaining technique, to up the pressure to the other party. Therefore, it is ethically acceptable to invent another job offer but only within the confines of business negotiating.

2. The line of work that might be considered of value to the organisation and not appropriate as a gauge for setting salary levels are jobs that requires years of labour before any return may be anticipated from it, for example, researchers.

Activity 2.5

1. Those that will be hurt by the creative magpie strategy will be:
 - a. Yourself. There is no shame to blowing your own horn to your superiors. It will be difficult to justify your accomplishments to your workmates.
 - b. The workmates. The responsibility to shout out their accomplishments falls on them. If they wish to claim credit for the job execution, they will have to claim it for themselves, otherwise, no one will be responsible to do it for them.
 - c. Their superiors. This may mean passing misleading or false information about who contributed to a project and this affects managers negatively (this is because when something urgently need to be done, they may overlooked those employees who are actually efficient in producing the best results.)

Activity 2.6

1. Ethically there is no difference between a worker sitting at his/her desk during office hours and working on his/her Facebook page and the other who is surfing Monster, looking for a new job elsewhere. This is because all employees are paid for their working hours. As part of the work agreement, in exchange to the compensation benefits (salary, bonus, incentives, paid leaves, medical leaves, etc, the workers are suppose to use the working day to pursue the organisation's interest, which

means finding new clients, preparing reports, executing clients' transaction instructions, and others)

2. Employers are often willing to provide employees with further training. Such financial support is typically motivated by the expectation that the knowledge and/or skills acquired by the employee will inure to the benefit of the company in the future. However, if the employee leaves the company shortly after or even before the training is completed, the employer will understandably wish to be paid for the costs it incurred for the training. The employer and employee must first agree upon the employee's obligation to reimburse the employer for the cost of further training if the employee leaves the company within a certain period of time, since there are no legal presumptions leading to the automatic duty of repayment.

The guidelines according to German Labour & Employment, which should be tailored to individual circumstance:

- If the training takes up to one month with continued payment of remuneration, the employee's commitment period must not exceed six months.
- If the training takes up to two months, a commitment period of up to one year can be justified.
- If the training takes three to four months, the commitment period may last up to two years.
- If the training takes six months to a year, a commitment of up to three years can be justified.
- If the training takes two years, a commitment period of up to five years may be admissible.

Reference:

<http://www.mondaq.com/x/223430/employee+rights+labour+relations/Costs+for+Further+Training+Beware+of+Repayment+Clauses>

3. Quitting is a visible way to resist against abuse or mistreatment, because speaking out is often such risky business. The risk is even more pronounced in workplaces where employees are systematically and persistently abused even before they speak out. Fighting back against bullies at work, often bullying managers or supervisors, can result in

further harm to workers. Those who summon the courage to speak out want change but may receive punishment. They report abuse but might be labeled insubordinate for their efforts. If they go to upper-management, they can be accused of going outside the chain of command, although in most cases, doing so is crucial to ending bullying. Workers who agree something must be done and start documenting instances of abuse can provide support for workers' claims, encourage others to speak out, and promote plans for collective resistance. However, these workers can then be called disloyal, troublemakers, crazy, disgruntled, or anti-team players, and may even be blamed for making things worse by others who silently hope abuse will go away.

The ideal situation would be that employers owe a duty to treat employees respectfully, to pay them fairly and provide good working conditions. Employees should always be treated with respect and it is the company's obligation to see that individual managers do not abuse their power or mistreat their subordinates. Kill-the-messenger behaviour at any management level is improper, as is any active or passive encouragement of dishonest reporting. Employees should feel free to raise ethical or other issues without fear of retaliation.

2.3 Making the Best of the Job You Have

Objectives

By the end of this section, you should be able to:

1. Define a conflict of interest.
2. Demonstrate how conflict of interest may arise and how to deal with it.
3. Define bribes and kickbacks in relation to gifts.
4. Demonstrate how the ethics of bribes and kickbacks can be managed inside the ethics of gifts.
5. Define third-party obligations and its standard responses.
6. Define and justify whistle-blowing
7. Define and elaborate on the degrees of company loyalty.

Introduction

Is your work likely to make you happy? Of course, not everyone has the luxury of having a job they love. Unfortunately, these kinds of jobs don't often pay well and, after all, a job is how one makes a living. Still, many people put up with boring or unpleasant work situations because they place too much weight on what they earn and where they work and too little on what they do. If work is not emotionally rewarding you may want to consider trade-offs as an investment in happiness.

Taking advantage of the advantages: Gifts, bribes and kickbacks

Living the high life

If you're young, looking for work, and headed toward a big city (especially New York), then you could do a lot worse than landing a job as a media buyer for an advertising agency. According to an article in *New York* magazine, it's working out well for twenty-four-year-old Chris Foreman, and it's working out despite a salary so measly that he can't afford his own place, a ticket to a movie, or even to add meat to his homemade spaghetti.

Bernard, S (undated) 'Let them eat crab cakes,' *New York* <http://nymag.com/nymetro/news/media/features/2472> (Accessed 19 May 2011).

This is what makes the job click for Foreman: as a media buyer, he oversees where big companies like AT&T place their advertisements. And because those ads mean serious money — a full page in a glossy, top-flight magazine costs about five times what Foreman earns in a year — the magazines line up to throw the good life at him. Thanks to the generosity of *Forbes* magazine, for example, Foreman spends the occasional evening on the company's vast Highlander yacht; he drinks alcohol almost as old as he is, munches exquisite hors d'oeuvres, and issues orders to white-suited waiters. While guests arrive and depart by helicopter, Foreman hobnobs with people the rest of us see only on movie screens. A scan of the Highlander guest book turns up not just celebrities but serious power too: Margaret Thatcher was a guest once.

A night on the Highlander is a good one, but it's far from the only event lighting up Foreman's glitzy life. A few of his other recent outings are listed in the article, with some estimated cash values attached: An all-expenses-paid ski weekend (worth almost \$1,000, in Foreman's estimation); tickets to see Serena Williams at the US Open (\$75 each); invites to the Sports Illustrated Swimsuit Issue party, where he chatted with Heidi Klum and Rebecca Romijn-Stamos; prime seats for sold-out Bruce Springsteen concerts (\$500 each); dinners at Cité, Sparks, Il Mulino, Maloney & Porcelli, and Monkey Bar, to name a few of his favorites (\$100 a pop).

Foreman observes the irony of his life: "It's kind of crazy, I had dinner at Nobu on Monday [the kind of restaurant few can afford, even if they're able to get a reservation], but I don't have enough money to buy socks."

Bernard, S (undated) 'Let them eat crab cakes,' *New York* <http://nymag.com/nymetro/news/media/features/2472> (Accessed 19 May 2011).

The Highlander's spectacularly wealthy owner is Steve Forbes. If he invites former British prime minister Margaret Thatcher aboard for a holiday weekend, you can understand why: she is not just an interesting person; she is living history. Serena Williams would be an interesting guest, too, in her way. The same goes for Heidi Klum and Ms. Romijn-Stamos, in a different way. What they all have in common, though, is that you know exactly what they have got, and why a guy with a big bank account would treat them to an evening. But what, exactly, does Mr. Forbes expect to get in return for inviting media buyer Chris Foreman? The answer: "We media buyers are the gatekeepers—no one at AT&T actually purchases the ads. If at the end of a buying cycle, your budget has an extra \$200,000, you'll throw it back to the person who treated you best."

Bernard, S (undated) 'Let them eat crab cakes,' *New York* <http://nymag.com/nymetro/news/media/features/2472> (Accessed 19 May 2011).

The answer, in a word, is money.

What is wrong with gifts and entertainment?

The fundamental problem with the gifts Foreman received and the free entertainment he enjoyed is that they create a conflict of interest, a conflict between professional obligations and personal welfare. As a paid media buyer, it is Foreman's job and obligation to buy ads in the magazines that will do his clients the most good, that will deliver the biggest bang for the buck. But against that, as a single twenty-four-year-old guy in New York City, it is in his personal interest to purchase ads in *Forbes* magazine since that probably gets him invited back to the Highlander with its free drinks, exquisite dinners, and, if he is lucky, some face time with women he is already seen quite a bit of in *Sports Illustrated*. This is a tough spot, and there are two broad ways it can play out:

1. Foreman can do the parties at night, go home, sleep, wake up with a clear head, and buy the best ads for his client. Let us say the advertising money he is spending belongs to AT&T and they are trying to attract new clients in the forty-five to fifty-five demographic of heavy cell phone users. He takes that target, checks to see what magazine those people like to read more than any other, and buys a full pager there. If the magazine happens to be *Forbes*, great, if not, then *Forbes* does not get anything back for its party. In this case, Foreman knows he has done right by AT&T and his employer. To the best of his ability, he guided advertising money to the spot where it will do the most good. There remains a potential problem here, however, which is the appearance of a conflict of interest. Even though Foreman did not let the parties affect his judgement, someone looking at the whole thing from outside might well suspect he did if it happens that *Forbes* gets the ad buy. This will be returned to later on in this chapter.
2. The darker possibility is that *Forbes* is not the best media buy, but they get the ad anyway because Foreman wants to keep boarding the Highlander. In this case, Foreman is serving his own interest but failing his obligations to his employer and to his client.

In pure ethical terms, the problem with the second possibility, with selling out the client, can be reduced to an accusation of lying. When Foreman or any employee signs up for a job, shows up for work, and then accepts a paycheck, they are promising to be an agent for the organisation, which is formally defined in commercial law as someone acting on behalf of the organisation and its interests. In some situations it can be difficult to define exactly what those interests are, but in Foreman's it is not. He does well for his employer when he gives the clients the best advice possible about spending their advertising dollars. That is his promise and he is not fulfilling it.

Redoubling the argument, in the case of the typical media buyer, there is probably also an explicit clause in the employment contract demanding that all media advice be objective and uncorrupted by personal interest. Even without that formal step, however, the shortest route to an ethical condemnation of buying ads because a night on the Highlander (or some other gift) has been received is to underline that the act turns the media purchaser into a liar. It makes him or

her dishonest every time they come into work because they are not providing the objective and impartial advice they promise.

In discussing conflicts of interests, it is important to keep in mind that those who find themselves caught up in one have not necessarily been corrupted. Just because Foreman finds himself torn between giving impartial advice to his client and giving the advice that gets him good parties does not mean his judgement is poisoned. That said, it is extremely difficult to walk away from a conflict of interest unstained: any time serious gifts or rich entertainment gets injected into a business relationship, suspicious questions about professionalism are going to seep in too.

Finally, there are two broad ways of dealing with gifts, especially those creating conflicts of interest. They can be flatly refused, or rules can be formulated for accepting them responsibly.

Refusing gifts and entertainment

One way to **avoid the gift and conflict of interest** problem altogether for Chris Foreman or anyone in a similar situation is to *simply refuse any gifts from business partners*. Far more frequently than private businesses, government organisations take this route. The approach's advantage, obviously, is that it wipes out the entire question of wrongdoing. The disadvantage, however, is that it dehumanises work; it seems to forbid many simple and perfectly appropriate gestures of human interaction.

Here is an example of what can happen when efforts to eradicate conflicting interests go to the extreme: it is from a *New York Times* front-pager about the state governor:

Governor David A. Paterson violated state ethics laws when he secured free tickets to the opening game of the World Series from the Yankees last fall for himself and others, the New York State Commission on Public Integrity charged on Wednesday.

Confessore, N and Jeremy (2010) 'Paterson's ethics breach is turned over to prosecutors,' *New York Times*, 3 March <http://www.nytimes.com/2010/03/04/nyregion/04paterson.html?hp?hp> (Accessed 19 May 2011).

So, the governor is in trouble because he got some tickets to watch his home team play in the baseball championship? That is going to make Chris Foreman's head swim. Without getting into the details of the Paterson case, accepting these tickets does not seem like a huge transgression, especially for someone whose job pays well and is already packed with gala events of all kinds. It is not as though, in other words, Peterson's going to be blown away by the generosity or become dependent on it. In the case of Foreman who could barely afford to eat, it is reasonable to suspect that he may come to rely on his occasional trip to the Highlander, but it just does not seem likely that the governor's judgement and ability to fulfill professional obligations are going to be distorted by the gift provided by the New York Yankees baseball club. More, as the state's elected leader, a case could probably be made

that the governor actually had a professional responsibility to show up and root for the home team (as long as the visitors are not the Mets). As a final note, since the now former governor is legally blind, the value of the gift seems limited since he could not actually see the game he attended.

Despite this case's apparent frivolity, the general practice of eliminating conflict of interest concerns by simply banning gifts can be justified. It can be because so many gifts, just by existing, create the appearance of a conflict of interest. An appearance of conflict exists when a reasonable person looking at the situation from outside (and without personal knowledge of anyone involved) will conclude from the circumstances that the employee's ability to perform his or her duties may be compromised by personal interest. This is different from an actual conflict because when there's really conflict, the individual feels torn between professional obligations and personal welfare. Almost certainly, Foreman was tempted to help out *Forbes* because he really liked the parties. But the case of Governor Paterson presents only the appearance of a conflict of interest because we do not know whether he even wanted the tickets to the Yankees game. Given the fact that he is blind, he may well have preferred staying home that night. Still, for those of us who cannot know his true feelings, it does seem as though there might, potentially, be some incentive for Paterson to return the Yankee favour and provide them some special advantage. It is almost certain that at some time in the future, the baseball club will have an issue up for debate by the state government (perhaps involving the construction of a stadium or maybe just a license to sell beer inside the one they currently have), and as soon as that happens, the appearance of conflict is there because maybe Paterson's response will be coloured by the tickets he got.

Conclusion

Refusing to accept any gifts from business associates is a reasonable way of dealing with the ethical dilemma of conflicting interests. By cutting the problem off at the roots — by eliminating not only conflicts but the appearance of them — we can go forward with confidence that a worker's promise to represent the organisation faithfully is uncorrupted by the strategic generosity of others.

What other remedies are available for conflict of interest problems stemming from gifts?

Categorically refusing gifts may be recommendable in some cases, but in most economic situations a total ban is not realistic. People make business arrangements the same way they make friendships and romance and most other social things — that means invitations to the Highlander if you are lucky, or just to a few Budweisers in the hotel bar. And if you turn everyone down every time, it is probably going to dampen your professional relationships; you may even lose the chance to get things done because someone else will win the contract between drinks.

So where does the line get drawn for accepting gifts with ethical justification? Whether you happen to be a renowned politician in a large state or someone just out of school trying to make a go of it in the world, there are a number of midpoints between Governor Paterson's obligation to refuse tickets to a game he could not

see anyway and Chris Foreman's raucous partying on the Highlander. Three of the most common midpoints are:

1. **Transparency**

Transparency, as the word indicates, *manages the acceptance of gifts by publicly recognising their existence*. The idea is that if Foreman is willing to openly acknowledge exactly what he is getting from *Forbes* magazine, then we can trust that there is nothing underhanded going on, no secret agreements or deals. Of course the gifts may still influence his judgement, but the fact that they are public knowledge at least removes the sense that he is trying to get away with something.

2. **Recusal**

Recusal is *abstaining from taking part in decisions contaminated by the appearance of a conflict of interest*. Foreman could, for example, keep going to Highlander parties but not manage any media buying for the demographic that reads *Forbes*. It is fairly easy to imagine a team of media buyers working together on this. Every time something comes up that might be right for *Forbes*, Foreman passes the decision on to Sam Smith or whoever and so removes himself from the conflict.

In the public sphere, especially politics and law, it is common for judges and legislators to remove themselves from considering issues bearing directly on their welfare. A judge who owns stock in the Omnicom communications group may recuse herself from hearing a civil case brought against the company. Legislators deciding what the salary should be for legislators may ask for recommendations from an independent panel.

3. **Organisational codes**

Organisational codes are one of the theoretically easiest but also one of *the more practically difficult ways to handle gifts*. The advantage of a code is that it can provide direct responses for employees trying to decide whether they can accept a gift. In Oregon, for example, legislators are prohibited from accepting gifts valued at more than fifty dollars. Assuming the code is reasonable — and in this case it was judged so by the state's supreme court — legislators may assert that by implication accepting a gift valued under that amount is, in fact, ethical.

Graves, B (2009) 'Oregon Supreme Court upholds \$50 gift limit for legislators, public officials,' *OregonLive.com*, 31 December http://www.oregonlive.com/news/index.ssf/2009/12/oregon_supreme_court_upholds_5.html (Accessed 19 May 2011).

However, the problem with codes is that, like laws, they frequently leave gray areas. That is especially true in a media buyer's world where so much is spent on entertaining. In that kind of reality, it is very difficult to put a specific price on everything. A night on the Highlander, obviously, is worth a lot to Foreman, but how does it appear in the accounting books of dollars and cents? Because it is hard to know, monetary limits provide only vague ethical guidance for those in Foreman's line of work.

The broader lesson is that gifts come in so many forms — and with values that can be so difficult to accurately measure — that it is virtually impossible to write something encompassing all the specific possibilities. Many codes of conduct, therefore, end up sounding noble but are really just saying, “Figure it out for yourself.” Take a look at the last lines from the Code of Conduct from Omnicom, a massive group of companies including many leading advertising firms that purchase ads in *Forbes*:

We expect each employee to exercise good judgment and discretion in giving or accepting any gift. No set of specific rules can anticipate or capture every possible instance in which an ethical issue may arise. Instead, all of us must be guided by the overarching principle that we are committed to fair and honest conduct and use our judgment and common sense whenever confronted with an ethical issue.

OmnicomGroup (2008) *Code of Conduct*, 16 October <http://www.omnicomgroup.com/corporategovernance/codeofconduct> (Accessed 19 May 2015).

Questions to ask before accepting a gift

In their book *Moral Issues in Business*, authors William Shaw and Vincent Barry formulate a list of questions that, when answered, can provide support and clarity for making decisions about whether a gift may be accepted. They are not going to tell you what to do — there is no magic guide — but they can help you see things more clearly. In modified form and with some additions and subtractions, here is the list.

Shaw, W and Barry, V (2007) *Moral Issues in Business*, Belmont, CA: Thomson Wadsworth, 398–399.

1. **Is there a conflict of interest, or the appearance of a conflict, that arises because of the gift?** Not every gift raises conflict of interest concerns. Maybe a marketer at *Forbes* gets a late cancellation for a Highlander night and cannot find any targeted media buyer to fill the spot, so the invite gets handed off to a buyer specialising in purchasing ads for young teenagers. Why not? It would just go to waste otherwise. And should that lucky media buyer say yes? It is difficult to find an ethical reason not to since no conflict of interest concerns seem to arise.
2. **What is the gift's value?** This can be an easy one. When Foreman was invited to a Springsteen concert he could just look at the tickets and see that he had

been offered something worth \$500. On the other hand, getting the chance to chat up a *Sports Illustrated* swimsuit model on the Highlander is going to be harder to quantify. In those cases where a value can be set, the number allows a clean dividing line: anything above the a specified amount gets categorised as potentially influencing a decision and so causing a conflict of interest, while any gift worth less may be considered nominal, too small to threaten professionalism. What is the magic number? That depends on who is involved and the general context, but many organisations are currently setting it at \$25, which is, not incidentally, the limit the IRS sets for business deductions for gifts to any single person during one year.

3. **Is the gift provided out of generosity or for a purpose?** No one can peer into the soul of another, but something offered during the holiday season may be more acceptable than the same thing offered just before a major advertising buy is being made.
4. **What is the gift's purpose?** Just because a gift is not an outpouring of generosity so much as an expression of self-interest does not mean there is a corrupting intent. For example, if *Forbes* magazine sends Foreman a free copy of each issue, that is more like advertising for themselves than an attempt to buy the guy off. Almost all of us have had the same experience: we have received calendars or notepads in the mail from a local real estate agent or insurance seller. These are not attempts to buy us, just ways to present their services. On the other hand, it is hard to see how tickets to a Springsteen concert given by a magazine can be anything but an attempt to induce the receiver to give a gift back by throwing some ad money the publication's way.
5. **Is it a gift or entertainment?** Traditionally, a distinction has been drawn between giving gifts and paying for entertainment. As a rule of thumb, the former is something you can take home and the latter is enjoyed on the spot. Presumably, entertainment raises fewer ethical concerns because it is not a payoff so much as a courtesy extended to a media buyer in exchange for hearing a pitch. If someone from *Forbes* wants to convince Foreman that her magazine is the best place for advertising dollars, then it does not seem so bad, buying him a lunch or a few beers while he hears (endures) the pitch. After all, it is her job to sell the magazine and it is his to know the advantages all the magazines offer. This is just normal business. Gifts, on the other hand, seem much more like bribes because they do not exist in the context of normal business conversations. Take the tickets to a Springsteen concert; they have nothing to do with business and cannot be justified as a courtesy extended within the boundaries of normal exchanges between magazines and ad buyers. Finally, with respect to the parties on the Highlander, those are technically entertainment since Foreman cannot take the yacht home afterward. It does not sound, though, like a lot of business talk was going on.

6. **What are the circumstances?** There is a difference between Forbes magazine handing concert tickets to media buyers to mark the launching of a new column in the magazine and their constant, ongoing provisioning. As part of the launch campaign, it is much easier for Foreman to accept the gift without feeling trapped by an obligation to throw business *Forbes'* way since he can respond to the gesture simply by being aware that the new column is there and taking it into account when he makes future buying decisions.
7. **What power do I have to bestow favours in return for gifts?** Foreman's job title is assistant media buyer, meaning he probably does not actually decide which magazine gets the business. He just gathers research data and makes a recommendation to the boss. Does this free him to enjoy the Highlander nights guilt free? Hard to be sure, but it definitely helps him fulfill his professional obligations: it is just much easier to do the data mining and recommendation writing in the back office than it is to be the guy sitting out front telling *Forbes* magazine the answer is "no," even though the parties were great. If that is the way things go, Foreman may be a coward for letting his boss deliver the bad news to Forbes, but that is a personal ethical failure, not a business one.
8. **What is the industry accepted practice?** In New York state government, as the Paterson case shows, the accepted practice is no gifts, period. In the looser world of Manhattan media business, *New York* magazine sums things up: "Everybody in our industry is guilty of it. Many of those who travel for work take their boyfriends and call it a vacation."

Bernard, S (undated) 'Let them eat crab cakes,' *New York* <http://nymag.com/nymetro/news/media/features/2472> (accessed May 19, 2011).

Care should be taken here to avoid the conclusion that whatever everyone else is doing is acceptable. That is not it at all. But it is true that if everyone is guilty — if all the magazines are lavishing gifts on media buyers, and all the buyers are accepting — it is going to be much easier for Foreman to satisfy his professional obligations. It is going to be easier for him to tell *Forbes* "no" (assuming the demographic facts recommend that) when all the magazines are gifting about equally and everyone is accepting than it would be if *Forbes* were the only magazine giving the gifts and he was the only one accepting.

9. **What is the organisation's policy?** As the Omnicom Code of Conduct illustrates, sometimes policy provides words but no guidance. As the New York government policy (which prohibits all gifts) shows, however, sometimes there is guidance. When true guidance is provided, an employee may fairly reason that following it is fulfilling professional obligations to the employer.
10. **What is the law?** Generally, laws on gift giving and receiving apply to public officials and those working with them (politicians, judges, lawyers, businesses

doing work for the government). As is always the case, the legal right does not in itself make ethical right. It can, however, provide the foundation for making an ethically recommendable decision, assuming other factors — many of which will come up through the set of questions just listed — have not been ignored.

Conclusion

Gifts cause a conflict of interest when they threaten to corrupt an employee's judgement on business matters related to the interests of the person or organisation providing the gift. Sometimes gifts are given with that intention, sometimes not. Regardless, and no matter what the law or corporate philosophy may be, it is frequently the employee who ends up deciding whether a gift will be accepted. If it is, a responsibility follows to justify accepting it.

What is the difference among gifts, bribes and kickbacks?

One advantage of the developed framework for thinking ethically about gifts in the midst of advertising business relationships is that it provides a compact way to manage the ethics of bribes and kickbacks.

Bribes are gifts — everything from straight cash to entertainment — given to media buyers with the direct purpose of corrupting their professional judgement by appealing to their personal welfare. When a representative from *Forbes* magazine gives Chris Foreman tickets to the Springsteen show with the intention of spurring Foreman to consider buying ad space in *Forbes*, that is a gift; it is left to Foreman to decide whether he can accept it without betraying his obligation to serve his employer's interests. When, on the other hand, the rep gives the same tickets with the intention of getting Foreman to directly buy the space, that is a bribe. A bribe, in other words, is an extreme conflict of interests where the individual's personal interest completely overwhelms the professional responsibilities implied by his job. If Foreman accepts this kind of gift — one where he knows the intention and accepts that the objectivity of his judgement will be blinded — then he has crossed into the zone of bribery. Receiving bribes, finally, seems unethical for the same reason that accepting gifts can be unethical: it is betraying the promise to act as an agent for the organisation.

Kickbacks resemble bribes except that instead of the gift or entertainment being given over first and then the ad space getting purchased, the ad space is purchased and then a portion of that revenue is sent back to the media buyer as cash or Springsteen tickets or whatever. Regardless of whether the media buyer gets his reward first and then buys the ad space, or buys the space and then gets rewarded, what is happening on the ethical level does not change. Personal interest is being exploited to corrupt professional judgement. That means accepting the reward becomes a form of lying since it is a betrayal of the implicit promise made to do the job right when you sign the contract.

In the real world, what is the difference among gifts, bribes and kickbacks?

In actual day-to-day business it can be extremely difficult to distinguish among gifts, bribes, and kickbacks because at bottom all of them spark conflicts of interest. All of them, consequently, are also going to incite at least remote suspicions of corruption. Of course it is always easy to find examples at one extreme or the other. On the safe side, if a woman seeking your business pays for one cup of coffee for you once, it is unlikely that you will give her proposal any special consideration, and it is doubtful that she would expect it. If she offers to make your car payments on the other hand, it is pretty clear something is going on. Usually, however, the lines are blurry and the reality more like the one Foreman lived through. The exact monetary value of what he received was not certain. Did he get the invitations with the intention of having his judgement tainted or were they extended as a courtesy and in accordance with the industry's common practice? Would he get more and better invitations if he sent *Forbes* magazine some extra dollars? While these questions do not have certain answers, the ethics can be rendered in straightforward form. Agents of an organisation have a duty to act in favour of the organisation's interests regardless of what happens after hours.



Activity 2.7

1. Why do gifts create conflicts of interest?
 2. What is the main advantage and disadvantage of dealing with gifts and conflicts of interest by prohibiting the acceptance of gifts?
 3. What questions could you ask yourself to help frame the question as to whether you can ethically accept a business-related gift?
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Third-party obligations: Tattling, reporting and whistle-blowing

Caught in the crossfire

A hypothetical situation. You work at Omnicom, at the desk next to Chris Foreman. Like him, you are an assistant media buyer. Though your area of concentration is distinct (you are in charge of placing ads on radio stations) you team up with him from time to time to run numbers, and you know enough about how it all works to recognize when something is going wrong. In your opinion, it is. Chris is sending ads to *Forbes* that would deliver more for the client if they had been placed in *BusinessWeek*. Further, you believe he is doing it in exchange for the gifts. You cannot prove that but you do know this: he is occasionally supplementing his lousy income by selling some of what he's receiving — concert tickets, vouchers for limo service, things like that — on eBay. You have tried talking about it, bringing the subject up one way or another, but he does not want to talk back. And when you say it directly, when you ask whether it is right to accept gifts from *Forbes* and convert them to money, he laughs. "Everyone does it," he says.

This situation is different from most of those discussed so far for an important reason: you are not directly faced with an ethical dilemma; you are not the one placing the ads or accepting the gifts. Still, you do work with Chris, sometimes even sending over marketing data that he uses for his accounts. You are a third party, which in this situation means you are not directly responsible for what is going on but you are caught in the cross fire between Foreman and *Forbes* magazine.

There are infinite variations on this kind of predicament. The financier-fraudster Bernie Madoff asked his secretary to cover up his affairs by answering his wife's phone calls and saying he was in a meeting and could not be interrupted. In the student union of your campus, maybe the breakfast menu offers omelets cooked with fresh eggs, but you work there and know the manager occasionally messes up the stocking order and so ends up selling omelets made from a preordered mix of egg-like chemicals. What do you do? It can be a hard call and at least two questions arise on the way to making it:

1. You need to decide if something truly unacceptable is happening.
2. You have got to determine whether it is any of your business.

If, finally, something unacceptable is happening and you should do something about it, you are facing a third-party obligation. This is an ethical responsibility to correct something you are not actually doing.

Why should I get involved? Ethics and self-interest

When confronted with a third-party obligation, employees may get involved for a number of reasons. One is as a response to an ethical responsibility. Another: as an opportunity to benefit themselves.

Tattling, as any child knows, is revealing an ethical transgression involving others, and revealing it *for your own benefit*. Take the case of assistant media buyer Chris Foreman and another assistant media buyer who learns that Foreman is shortchanging the ad agency's client for personal benefit. If you are that other assistant media buyer and you are crafty, you may see not only an ethical lapse here but also your own personal chance. Every senior media buyer has several assistants underneath, and when the time comes for promotion, there will be space, presumably, for only one assistant to advance. Getting Foreman out of the way may not be a bad career move.

It is an extremely ambiguous ethical move, however. On one hand, there is solid justification for getting the truth known about Foreman. He is clearly not fulfilling his professional obligations to the company. However, if you turn him in because that will give you a leg up on the promotion ladder, you can hardly say that ethical righteousness has driven your action. On the other side, this should also be noted: the fact that you may benefit from revealing unethical behaviour probably cannot justify keeping everyone in the dark.

Typically, we think of ethical restrictions as painful, as obstacles you put between yourself and what you really want. That is not always the case, though; they do not necessarily make you suffer, they may make others suffer and serve your interests. When they do, you have weaponised ethics — that is, perfectly reasonable moral dictates used to attack others and benefit yourself. Tattling, finally, is the use of weaponised ethics, it is doing the right thing for selfish reasons.

Responding to a third-party obligation: Reporting

Regardless of the motivation for responding to a third-party obligation, there are two broad paths the response can take: reporting and whistle-blowing.

Reporting ethical transgressions means *bringing them to light, but only within the organisation*. In most situations, this route is the most direct way for third parties to balance their basic and immediate obligations. Staying with the advertising scenario where you believe Foreman is essentially accepting bribes from *Forbes*, you have an obligation not only to halt the bribery but also to protect the agency's interests. Obviously, a noisy public blowup about Foreman mispending a client's money is going to damage the advertising company's business. *Reporting — because it stays inside agency walls — promises to rectify the bribery without causing larger publicity problems.*

Bringing this into the real world, because reporting ethical problems does allow them to be addressed without harming the agency, the Omnicom Code of Conduct includes this:

All reports of possible violations about which management becomes aware will be promptly considered. We will not punish any employee or representative for making any report in good faith.

OmnicomGroup (2008) *Code of Conduct*, 16 October <http://www.omnicomcom/group.corporategovernance/codeofconduct> (Accessed 19 May 2011).

It is in Omnicom's interest to get ethical dirty laundry washed in-house.

Up to here, the situation's resolution has come easily. But there is another, potentially complicating, obligation to consider: the human link to Chris Foreman. Almost all organisations rely on and seek to nurture bonds of shared responsibility and dependence between employees: in working life, when someone is sick or just having a bad day, the others have to pick up the slack. That nurturing explains why anyone who has entered a fast-food restaurant knows the workers are not "coworkers" but "teammates." In most organisations, some form of the camaraderie holds, and you cannot just break those bonds from one moment to the next. That means if you are working with Foreman and you know he is doing wrong, you may well feel an obligation to not report anything because you do not want to cause him problems. Reporting, the conclusion is, a coworker for ethical lapses is easy. But in the real world there are no coworkers; there are only flesh and blood people.

Next, even if those human connections to others do not move you, you also have obligations to yourself and your own welfare to consider, and turning others in to company authorities can ultimately come back against you. By giving rise to distrust and possibly resentment among other colleagues who fear they may be the next ones to get reported, you may be in essence isolating yourself in your own cubicle.

In the end, seeing what Foreman is doing and stretching ethical obligations through the situation, you may find yourself torn between reporting him and not. There is no automatic resolution to this dilemma, only the attempt to weigh the obligations and get a sense of which outweigh the others.

Responding to a third-party obligation: Whistle-blowing

Whistle-blowing is *bringing ethical transgressions to light publicly outside the organisation*. A recent case involved one of the many advertising agencies gathered under the Omnicom umbrella, Leo Burnett. Two employees — Vice President Greg Hamilton and Comptroller Michelle Casey — alleged, and a subsequent federal investigation backed them up, that Leo Burnett was overbilling the government for their work on the US Army's "Army of One" recruiting campaign.

The agency was supposed to calculate its hourly rate with a formula dividing charges between the more expensive work done directly in Leo Burnett's offices and the less costly hourly labour performed by subcontractors. What Leo Burnett did was simple: they billed subcontractor work at the higher in-house rate. The accounting in these massive campaigns — TV, radio, and print ads as well as sponsorships and events — is so knotted that a virtual army of accountants is required to keep track of where

all the money is going. In that kind of numerical chaos, the agency could expect that switching a few hours from one column to another deep inside the mountain of paperwork would go unnoticed by outside auditors. It did go unnoticed — until Hamilton and Casey told the government what was going on.

Almost inevitably a lot of dust gets kicked up when employees turn on their employers noisily and publicly. In this case, the US Justice Department lawyers rode in, and they probably wanted a scalp on their wall: they have limited resources, limited time and money, and when they take something on they want to win, and they want people to know about it. Back on the agency's side, they are going to defend themselves, and that typically entails attacking their accusers, maybe labeling them disgruntled, incompetent, or worse. In this case, there was also a tug-of-war over money. The agency obviously wanted to keep as much as it could, the government wanted money back, and thanks to the False Claims Act, Hamilton and Casey also demanded their share, which came to almost \$3 million.

The False Claims Act is a federal law designed to encourage whistle-blowing on private contractors who are attempting to defraud the government. Whistle-blowers are entitled, under the law, to 30 percent of the damages the government obtains. The incentive doesn't apply to situations involving only private companies, but even there whistle-blowers may encounter suspicions that ulterior motives — not a dedication to doing the right thing — finally spurred their loud assertions about misdeeds.

Finally, with respect to the Leo Burnett fraud, the full details will never be known. Because the case never went to trial, there was little public exhibition of evidence and testimony. To head the whole mess off, Leo Burnett agreed to settle. In the words of a published report, "Leo Burnett denied any wrongdoing and said in a statement that it agreed to the settlement 'to avoid the distraction, burden and expense of litigation.'"

Streit, M (2009) 'Leo Burnett settles suit for \$15.5 Million,' *Chicago Business*, 6 January <http://www.chicagobusiness.com/cgi-bin/news.pl?id=32498> (Accessed 19 May 2011).

Every case of whistle-blowing is different, but a few questions get to the heart of most instances:

1. What, exactly, is whistle-blowing?
2. What justifies whistle-blowing?
3. What weighs against whistle-blowing?
4. Can the whistle-blower expect protection?
5. Is whistle-blowing morally required?

1. What is whistle-blowing?

Whistle-blowing is *bringing an organisation's ethical transgressions to public light*. Spilling the beans to the family over dinner, however, does not count; the truth must be exposed to an authority or institution capable of taking action. In the case of the advertising agency, Hamilton and Casey took their information to the federal government. They also could have selected one of the important industry publications — say, *Advertising Age* magazine. Any information published there would draw attention from those involved and give the client (in this case the US Army) the opportunity to act on behalf of its own interests. The news media — a newspaper, a TV station — may have been a possibility in this case, given the large scope of the fraud and the national interest underneath it. Other possibilities could be listed, but what is important is that the report of misdeeds goes to someone who can do something about it (or at least provoke others to do something). Finally, whistle-blowing may be anonymous. However, in practical terms, that is frequently not a real option because government authorities, like private ones (editors of industry publications and so on), are far less likely to spend time tracking down the truth about accusations when even the accuser is unwilling to stand behind them.

2. What justifies whistle-blowing?

Whistle-blowing needs careful **justification** because it requires violating the obligation any employee has to protect the interests of the employer. Here are five items that could be checked before publicly lighting up an organisation's misdeeds from the inside. Importantly, the fact that the items may all be checked doesn't oblige action, but it does raise the possibility as ethically justifiable.

- a. **There is clear evidence of continuing wrongdoing by the organisation or continuing effects of past wrongdoing.** In the business world, actions that are entirely locked in the past are the subject of history, not ethics.
- b. **The wrongdoing must be serious.** In the case of Leo Burnett, the case would not cross this threshold if only one hour of labour had been attributed to the higher-cost office. But the threshold would be crossed if the agency significantly overcharged many hours for years, bleeding the account of its resources and ultimately damaging the army's ability to recruit new, top-flight soldiers.
- c. **The organisation's established, internal channels for reporting and correcting problems have been exhausted.** Most organisations provide clear ways for employees to voice concerns internally. A conversation with a supervisor is an obvious example. At larger organisations, sometimes an entire internal department has been mounted to receive and act on the concerns of employees. Here is the web page of a typical example; it links to Walmart's internal department for ethics: <http://ethics.walmartstores.com/Statementofethics/RaiseAConcern.aspx>. Whether, finally, there is a clear, formal route for internal reporting or not, employees have a

responsibility to try to resolve problems in ways that benefit — or do the least possible damage to — the organisation, and therefore the possibility of raising concerns internally needs to be explored fully. (As always, there are special cases. If, for example, the CEO of a small advertising company is robbing its client's money, there may be no internal route to resolution, leaving external whistle-blowing as the only moral corrective. Also, though whistle-blowing is defined as taking action outside the organisation, the definition could be stretched to include the act of bringing wrongdoing to light directly before high officials within an organisation by skipping over the normal chain of authority.)

- d. **There is unmistakable and convincing evidence of misconduct.** The evidence must be unmistakable in the sense that it clearly indicates wrongdoing; it cannot be that an innocent explanation seems as likely as a guilty one. In the Leo Burnett accounting books, if it turns out that on one page all the internal hours are in the external hours column and vice versa, that may be an attempt to defraud the government, or it may just be that the data-entry guy came to work one morning hung over and ended up confusing the numbers. Further, the evidence must also be compelling in the sense that there is enough of it for a reasonable person to conclude the misdeeds are actually occurring. So even if you are certain numbers are being entered incorrectly intentionally, but it turns out that the difference — the amount of extra money Leo Burnett is making — is trivial, then it is going to be hard to justify creating a stink. It may be, for example, that someone in the accounting department is making small adjustments in order to balance errors found elsewhere in the giant balance sheet.
- e. **There is reason to believe that whistle-blowing will resolve the problem.** In the case of Leo Burnett — or any business that is overcharging a client — you can be pretty sure that bringing the fraud to light will spark action, at least by the defrauded client. On the other hand, if you are in the production department of the advertising agency (in other words, you are actually filming commercials) and you regularly get shipped down to Mexico to shoot campaigns because everything is cheaper down there and you learn that some of the extras in the commercial's background are working longer hours than local regulations allow, you might reasonably figure that you can talk all you want in public, but it is not going to make any difference.

3. What weighs against whistle-blowing?

The three heaviest arguments against whistle-blowing are:

- a. Legal requirements for confidentiality.
- b. Prudential concern for one's career and personal welfare.
- c. An employee's sense of loyalty to the organisation.

A legal requirement for confidentiality may weigh against whistle-blowing by binding employees to not share a company's internal information. The requirement traces back to a section contained in many work contracts. Called a confidentiality clause, here is a basic version:

Employees may have access to records and other information about customers and other employees, including proprietary information, trade secrets, and intellectual property to which the company holds rights. Employee agrees to keep all such information strictly confidential and to refrain from discussing this information with anyone else without proper authority.

While this is most directly aimed at protecting consumer information (say, credit card numbers) and company trade secrets (Coke's secret formula), it may also be read as safeguarding the kind of information a whistle-blower wants to make public. In the case of the Leo Burnett agency, what Vice President Hamilton and Comptroller Casey told the government did, in fact, involve "records and other information about customers."

The second major argument against whistle-blowing, self-interest, operates in both the professional and personal sense. Turning against the company may be the right thing to do, but it is almost inevitably a painful thing to do, at least according to a survey published in the *New York Times*. What condition, the study sought to determine, do whistle-blowers find themselves in a few years afterward?

- One hundred percent who worked for private business were fired.
- Twenty percent could still not find work at the time this survey was taken.
- Seventeen percent lost their homes.
- Fifty-four percent had been harassed by peers at work.
- Fifteen percent viewed their subsequent divorce as a result of whistle-blowing.
- Eighty percent suffered physical deterioration.
- Eighty-six percent reported significant emotional stress (depression, anxiety).
- Ten percent reported having attempted suicide.

Survey cited in Velasquez, M (2006) *Business Ethics: Concepts and Cases*, 6th edn, Upper Saddle River, NJ: Pearson, 378.

It does not sound good. Of course every case is different, and if you look on the other side of these numbers, they leave room for the possibility that at least some people do the right thing and get on with their lives just fine. Still, there are no guarantees and ethics is not only about duties to others and the world outside, all of us have equal duties to ourselves: duties to maximise our potential,

protect those nearest to us, and defend our own welfare. Finally, the values and reasons supporting loyalty as a reason for not blowing the whistle will be considered in their own section further on.

4. Protecting the whistle-blower

As the survey data about whistle-blowers reveal, there is not a lot of protection for them. That is not for a lack of trying, however. At both the state and federal levels, reams of laws have been enacted to protect those who expose wrongdoing organisations. Perhaps the most notable is the Sarbanes-Oxley Act. Passed in 2002 by the federal government as a response to a series of disastrous accounting frauds at large companies, Sarbanes-Oxley is a massive piece of legislation intervening in many parts of the business world, and especially in aspects connecting to an organisation's finances and transparency.

Specifically with respect to whistle-blowers, the law attempts to encourage it by protecting whistle-blowers at publicly traded companies that report activities to government agencies. (The act does not apply to privately held firms dealing exclusively with other private firms.) Employers are prohibited from taking retaliatory action (firing, demoting, harassing), and whistle-blowers are provided clear avenues for lawsuits should such retaliation occur. Here is the legislative language: "In order to establish a case under Sarbanes-Oxley, an employee must prove that she (1) *reasonably believed that her employer was breaking the law*; (2) *engaged in whistle-blowing activity as defined by the statute*; (3) *suffered an adverse employment action*; and (4) *that there was a causal connection between the whistle-blowing activity and the adverse employment action.*" *Welch v. Cardinal Bankshares Corp.*, 2003-SOX-15 at 35 (ALJ 2004).

The problem is that last clause. Everyone who has ever had a job knows that mistakes happen every day. Deadlines are missed, projects contain errors, goals are not met. Bosses who have it in for you are not going to have many difficulties converting those mishaps into reasons for denying wage hikes and even outright firing. In your heart you may know — everyone may know — that you are suffering retaliation for reporting the company, but proving it can be difficult.

The bottom line is — and as the previous survey shows — if you publicly divulge information seriously damaging your employer, you are probably going to be gone. And even if you find some protection in one or another law, it is difficult to imagine that your career is going anywhere inside the company. Worse still, prospective new employers are, very likely, going to hesitate before extending a job to someone who has already caused serious problems for a former employer. Taken all together, the bleak reality is that in most cases whistle-blowers cannot count on getting back the life they had before they publicly disclosed their organisation's misdeeds.

5. Is whistle-blowing morally required?

Given the abundant reasons — financial, professional, emotional, and ethical — against whistle-blowing, are there any cases where a moral argument can be formed to require publicising an organisation's unethical actions? Probably, but they are few. Here is a possible rule of thumb: whistle-blowing is required when the act can prevent harm to others in ways that are serious and go beyond the bottom line. If someone is getting ripped off, the reasoning goes — if an advertising company is overcharging its clients — whistle-blowing may be justified, but not required. All that is at stake is money. On the other hand, if a nuclear power plant is being constructed near a residential area and you learn the contracting company you work for is using cheap cement to boost the profit margin, it seems as though you have little choice — the weight of elementary personal integrity in the face of potentially lethal wrongdoing probably requires personal sacrifice.

What about the hypothetical Chris Foreman situation? You are working with him and have acquired sufficient evidence to know that he is selling out his client by sending their ad dollars to *Forbes* magazine in exchange for Highlander nights. You have reported the matter internally and received no response. Do you go public? You would certainly be justified in taking the story to *Ad Age* magazine. Just running down the list of conditions justifying whistle-blowing, they all get checked:

- a. There is clear evidence of continuing wrongdoing by the organisation.
- b. The wrongdoing is serious (at least in the world of advertising).
- c. The organisation's established, internal channels for reporting and correcting problems have been exhausted.
- d. There is unmistakable and convincing evidence of misconduct.
- e. There is reason to believe that whistle-blowing will resolve the problem.

The question remains, however, whether the issue affects life beyond business and the bottom line. It does not appear to. At bottom, this is the case of a client — AT&T mobile phone services — getting poor service from an Omnicom company. That should be corrected, and presumably market forces will correct it sooner or later, but whether they do or do not, there is no requirement here to seriously jeopardise your own financial, professional, and emotional welfare.

What about the case of Leo Burnett? Again here a client is getting a raw deal, but there is an important difference: this is the army, not a telephone company. If it is true that the recruiting budget is being seriously hindered, the situation may be crossing the line from justified whistle-blowing to justified and required. If it does cross that line, the reason will be that protecting your own financial and emotional welfare is trumped by the responsibility to help soldiers in war resist mortal danger as totally as possible. The fact that the army is not getting the

best recruits possible does not just affect people in the pocketbook, it threatens those on a live battlefield. Faced with that reality, it will be hard for individuals including Burnett employees Hamilton and Casey to keep quiet just because they do not want to lose their jobs.



Activity 2.8

1. What does it mean to deploy weaponised ethics?
2. What questions can be asked to help determine whether whistle-blowing is justified?
3. Why might an employee hesitate before whistle-blowing?

Company loyalty

Two kinds of loyalty

There is narrow company loyalty and broad company loyalty. The **narrow** definition pertains to employment: the loyal employee sticks with the company instead of looking for work elsewhere, especially during economic booms when jobs are plentiful and moving on is easy.

This kind of loyalty, however, is in trouble according to an article from the *Harvard Business School*: “The very nature of the relationship between employers and employees has undergone a fundamental shift: Today, workers not only don’t expect to work for decades on end for the same company, but they don’t want to. They are largely disillusioned with the very idea of loyalty to organizations.”

Johnson, L K (2005) ‘Rethinking company loyalty,’ *Harvard Business School Working Knowledge*, 19 September <http://hbswk.hbs.edu/item/5000.html> (Accessed 19 May 2015).

Part of the reason for the shift — and part of the reason employees do not stay at companies for decades — is that many employers don’t hesitate to fire their workers at the drop of the hat when it serves the company’s interest. On the other side, according to the article, it is also true that today’s workers do not hesitate to move on to a new job when a better one, or maybe just a different one, comes along. Regardless of who went first, the fact is company loyalty — whether it is going from the company to the worker or the worker to the company — is not what (we are told) it once was.

The **broad** definition of company loyalty goes beyond employment questions and measures an employee’s willingness to sacrifice income, leisure time, personal relationships, family responsibilities, and general life aspirations in the name of the organisation. To create this dynamic of sacrifice, two distinct kinds of relationships with the organisation are required:

1. Attachment to the organisation that is non-instrumental. This means the attachment is not maintained only because it serves the employee's concrete interests, such as the need for a salary to pay the rent and grocery bills.
2. A deposited value in the organisation that goes beyond any individual and their attachment; the organisation's value continues even without those who currently feel it.

Probably, there is not a lot of this kind of deep loyalty in the advertising field. Agencies are constantly stalking new clients, even trying to steal them from others. For their part, most clients are constantly looking for better deals and ways to refresh their image, and they are usually open to proposals from new firms interested in handling their communication. More, companies that employ advertising agencies constantly "put their account up for review," which means the current account holder has to compete with new entrants just to maintain the business. There are exceptions, of course, but for the most part advertising agencies are constantly clinging to the business they have, seeking new opportunities, and always on the lookout for fast money. In that kind of cutthroat environment — one where it is your job to sing the praises of Burger King one day and McDonald's the next — it is going to be difficult for workers to feel as though they should (or even can) be true to their current employer.

Other kinds of organisations seem more likely to instill feelings of loyalty. A religious hub — a church, a synagogue, a mosque — is one obvious example. Most priests are attached to, and deeply concerned by, the welfare of their church; they serve their institution and are not working there for the money (which probably is not great). Further, most also believe their institution has value beyond them: the importance was there before they arrived (or were even born) and will continue after they leave. Taken together, these elements create space for true employee loyalty to the organisation. Something similar — the existence of a space for labour that is not about money and similar rewards — could be found surrounding many who work for Greenpeace, Doctors Without Borders, political parties, the CIA, the United Nations.

Other professions open on both sides of the line — that is, there is ample space for an instrumental relationship (I keep this job because it makes me happy) and one based on broad loyalty. Some medical doctors are in it for the money but others for the care, for the principle that bringing health to others is a good cause. Law is another example. Ambulance-chasing lawyers just want payoffs, but some judges believe in the law as something larger than themselves and a basic force for civilisation that is worth serving. Moving down to street level, there are police officers who just like a steady paycheck and others in the field to serve and protect: they see their work as improving the lives of others and the general community.

Three degrees of loyalty

Within a dynamic of employee loyalty, there are three levels of dedication: obedience loyalty, balanced loyalty, and free agency.

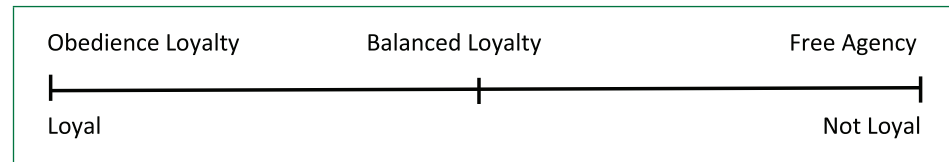


Figure 2.1 Three levels of dedication

Obedience loyalty, which is an extreme case, works from the idea that *the organisation is worthy and the employee is comparatively worthless or only worthwhile to the extent he or she serves the organisation*. This extreme will be reached only rarely, but there are glimmers of it in some professional activities. One quick way to identify these kinds of labours is to check whether the truly dedicated are willing to sacrifice even their lives for the cause their organisation embodies. The armed forces come to mind here. Some political organisations command this devotion, especially in revolutionary times. Some workers' devotion to their labor union has been sufficient to put their lives in danger. The exploring scientist Charles Darwin believed in accumulating knowledge and put his life at risk in the field as he tracked rare species and ecosystems.

Not so dramatic or extreme, some professions and organisations can suck the emotional life out of employees. Or they may take vast chunks of the employee's time. Undercover police work exemplifies by requiring a loyalty reflected as self-sacrifice to an extent few of us would contemplate. April Leatherwood, for instance, went undercover in Memphis for an entire year. Almost entirely separated from family and friends, she lived on the street, wore the same clothes every day, went without brushing her teeth, and rarely bathed. That was an ugly year of her life, one sacrificed for the job.

Goetz, K (2009) 'A year of living dangerously takes a toll on undercover Memphis officer,' *Commercial Appeal*, 30 August <http://www.commercialappeal.com/news/2009/aug/30/year-of-living-dangerously-takes-its-toll> (Accessed 19 May 2011).

Balanced loyalty is a situation where both the employee and the organisation recognise in each other an independent value. In this case, the employee can be expected to make sacrifices — possibly even do things he or she would normally consider unethical — in the name of serving the larger organisation. One example would be a lawyer working in a public defender's office, one who believes that the system of law and the rules of its enforcement are noble and should be respected to some important extent that is independent of the particular lawyer's welfare and beliefs. The loyalty can be reflected in a number of ways. First, it is simply the case that most public defender positions do not pay as well as similar posts in private firms. Pushing further, the public defender may be asked to represent and defend a client she knows (or strongly suspects) is guilty. In this case, presumably, she is being asked to do

something she would not do in her day-to-day life — that is, serve the interests of a guilty man. More, presenting a full-blown legal case for the defendant's innocence would essentially be lying and, again, something the lawyer might not typically do.

At the same time, this lawyer probably will not be sacrificing everything; she will recognise that her life and aspirations have value also, and there may come a point where she decides the sacrifices demanded by the job are too great to bear. Perhaps she has just had a child and needs to up her income, or, maybe a man she helped set free has committed a gruesome crime. However the situation might be, when the lawyer leaves the office of the public defender for a higher paying job at a large private firm, she has demonstrated a balanced sense of loyalty. She is willing to sacrifice in the name of a larger organisation she respects. But only up to a point.

Other demonstrations of balanced loyalty to the organisation could include:

1. Buying the company's products (though they are not the personal preference).
2. Evangelising in public life (telling your friends how great the company or its products are).
3. Voting for the political candidate the company affirms will best serve its interests.
4. Moving for the company.

Free agency is *the extreme on the bottom end: the absence of loyalty*. Some theorists propose that this should be the default state for most employees for this reason: it is ultimately impossible to be loyal to a typical company because profit-making institutions just are not the kinds of things that can properly demand or receive any loyalty. The entire idea of loyalty, the argument goes, only exists in a reality where individuals stand by others to some extent without conditions (example: parents who love each other and their children unconditionally). Money-making businesses, on the other hand, are incapable of that kind of unconditional fidelity. On the contrary, the only desire most private enterprises know is the one to serve its own interests by making more profits. If that is right — if companies have no loyalty to give — then its employees cannot enter into that kind of relationship. Instead, in the business world at least, you and I are forced to pursue our own interests — a higher salary or whatever — just as the larger company pursues its own.

Translating this into the working world, the absence of company loyalty is the idea that workers find value in their organisation only because it serves their own interests. Of course it is impossible to know the souls of others, or exactly what their deepest values are, but there might be a hint of this free-agent loyalty in the Leo Burnett case. Two high-level and highly paid workers served the company well — and were compensated well — until they turned whistle-blower against the firm. When vice president Hamilton and comptroller Casey alleged that Leo Burnett was overbilling the government for their work for the US Army, they were not just doing the right

thing, they were doing a lucrative thing for themselves since the False Claims Act promised 30 percent of damages the government obtained. If the money is the reason they turned on the agency, they exemplify free-agent loyalty. They worked hard for the organisation because the pay was good, but the moment they saw the chance to get even more money by turning against it, they jumped. At bottom, that means, their loyalty is only to themselves.



Activity 2.9

1. Name an organisation that might inspire obedience loyalty. Why is obedience inspired? What does the loyalty look like?
2. Name an organisation that might inspire balanced loyalty. Why is it inspired? What does the loyalty look like?
3. Name an organisation that might inspire an attitude of free agency. Why is it inspired? What does the free agency look like?
4. Take a career you are (considering) pursuing. On the scale from obedience loyalty to free agency, where do you imagine most employees in that line of work are located? Why?

Stress, sex, status and slacking: What are the ethics of making it through the typical workday?

Bringing the office home: High-stress work

No book can cover the ethics of everything happening on every job, but four issues arising in most workplaces sooner or later are stress, sex, status, and slacking off. Starting with stress, what happens if the workday doesn't end when the workday ends? For those enduring — or choosing — high-stress jobs, there's no five o'clock whistle; even if they're shopping or watching a baseball game, the job's effects hum in the background. One simple example — and also one all of us see on the street every day — comes from an article in the *USA Today*. It recounts an academic journal's finding that overweight people pack on still more pounds when their work continually produces serious anxiety. If you're overweight, the study shows, and you're stressed in the office, there's a high likelihood your stomach or your thighs are going to keep growing.

Hellmich, N (2009) 'Study: Overweight people gain more when stressed by work,' *USA Today*, 8 July http://www.usatoday.com/news/health/weightloss/2009-07-08-obesity-stress_N.htm (Accessed 19 May 2011).

One of the central arguments Aristotle made in ancient Greece was that doing right is not the highest goal of ethics. The careful understanding of our values and purposes centers on, ultimately, living a good life. Doing the right thing is part of that goodness, but happiness is there too, so one of the issues stress at work brings forward is this: how is my decision to accept stressful employment affecting my happiness and the happiness of those around me? Here are some more specific questions that could be asked on the way to pinning down the ethics of stress:

1. What positive returns, exactly, am I getting from my stressful job?
2. Are there prospects for reduced stress in the future?
3. What are the costs of the stress? Is it affecting my weight, my leisure time, my friends, my marriage and family?
4. Who is affected? Is anyone else suffering stress because I am stressed out? Are people suffering from my stress in other ways?

Stress at work is not only a psychological problem or a medical one — it is also laced with questions about value. It is the most fundamental ethics: what is worth doing and what is not? It is impossible to know, of course, exactly where the line should be drawn and when stress is worth accepting. Any answer that will be justifiable, however, will have to begin with a clear understanding of exactly what the costs and benefits are.

Office romance

Hooking up at work is one eternal way of making the time fly, but what is going on in today's offices is somewhat different from the past. An article from *The Wall Street Journal* indicates how the meaning of sex in the office is shifting: "Marriage is a priority for most Americans — more than 90 percent of American adults eventually marry — but these days it may not happen, as it so often did before, in the immediate post-high-school or post-college years. The truth is that we're marrying later."

Whelen, C (2006) 'Older but wiser,' *The Wall Street Journal*, 3 November.

When marriages were typically celebrated at the end of the schooling years, work-related romances went hand in hand with infidelities. In that environment, questions arose about the organisation's role in any affair that may be occurring during company time.

The entire context of discussion changes, however, when a large number of people flowing into the workforce are unmarried and are looking to wed. Inevitably, the office is going to become a mating ground — people pass eight hours a day there — and one of the questions young workers are going to start asking when they think about jobs and careers is, will I be able to meet someone if I get into one or another line of work?

The aspiration to connect introduces a thorny dimension to employment decisions made by young people (and some older ones too). If you are a guy working on a heavy construction job, the pay may be good, but there is probably not going to be a woman in sight. On the other hand, doing the coursework to earn paralegal certification may be a headache, but getting into the field is not a bad way to meet successful and interesting women.

What is going on here is that as society changes — as marriage and family life get pushed back into time that used to be reserved for work — the factors shaping the way we think about which jobs are more desirable than others simply on a day-to-day basis are changing, and part of your responsibility to yourself is to keep track of what you really want from your 9 to 5 time. One of the standard moral obligations we share is the responsibility to be sincere not only with others but also with ourselves about important decisions touching the business part of life. And if romance is part of what you want from work, then the possibilities have to be taken into account just like salary and other benefits.

Status

Chris Foreman, the media buyer who enjoyed yacht evenings on the Highlander and tickets to all kinds of major events, received a piddling salary. He thought about changing jobs but decided not to. One reason was that all the entertainment added a lot of indirect money to his income. There was another reason too — the special, VIP privileges he constantly received from his benefactors: “There’s a feeling of superiority. When you pass by a line at a screening because you’re on the list you do get that ego boost. You’re thinking, Ha, ha! I’m not a chump.”

Bernard, S (undated) ‘Let them eat crab cakes,’ *New York* <http://nymag.com/nymetro/news/media/features/2472> (Accessed 19 May 2015).

Status on the job makes a difference in quotidian working life, but it is hard to quantify; it is not like a salary, which is an objective number and can be directly compared with others on a pay scale. How much is it worth, the question is, to wing by others forced to stand in line?

Knotting matters further, defining exactly what counts as status is not easy, and any answer is going to move and slide depending on who you talk to. For some, being a lawyer is impressive and lucrative, for others it is dirty and, well, lucrative. For some, being a test pilot is exciting and respectable, for others it is scary and weird. Many people seated in first class on an airplane rush to get on early so that all the economy travelers get to see them as they file past. Some of those people headed toward the back of the plane see the first-class passengers as legitimate power elites, but others get the feeling that most of them are really chumps: the reason they are in first class is because they used frequent-flyer miles to bump up, and the reason they have a lot of those is because their bosses always make them take the trip to see clients instead of bothering to do it themselves.

More generally, in the world of New York city media buyers, status seems linked with superiority, with being visibly more privileged than those forced to stand in lines. For others, however, status will be quieter. The teacher, the nurse — they find status not as superiority but as social importance.

Conclusion

Status means different things to different people, but anyone looking to get it from a job should ask how much is really there, and how much is it going to help me get out of bed in the morning and want to go to work?

Slacker's paradise

Typical ways of getting through the day include throwing yourself into your work (frequently with the hope of a promotion or pay raise), firing up an office romance, and enjoying the status a post allows. Another way of making it from 9 to 5 is by trying to avoid doing work, by working to do as little as possible. This is the slacker reality, and there are two routes into it: Personal slackers adopt the attitude for their own private reasons. The context slacker is dedicated to not working because the incentive system of the labor contract — or some other external factor — encourages slacking off.

Beginning with the personal slacker, the attitude starts with a decision: You take a typical job and make it your project to expend as little effort as possible. The reasons for adopting this stance depend on the person. Maybe there is a passive-aggressive element, some personal frustration with life or perhaps a somewhat idealistic attempt to make a statement. In any case, the motives behind this kind of behaviour should be pursued in a psychology course. Here all that matters is that for one reason or another the private decision gets made to get through the day by working to not work.

The second slacker pathway starts with a context. Here's an example from an online discussion board:

“Haha I worked in a union job and they were there to punch in...take a lunch... take 2 15min breaks...and punch out. They had 0 incentive to work hard because they would get a 0 dollar raise.”

Eazy E, 'IS it me or are most union workers lazy?,' *Yahoo! Answers* <http://answers.yahoo.com/question/index?qid=20081008004353AAAn1iL7> (Accessed 19 May 2011).

The key here is the incentive, the idea that working hard does not benefit the worker because labour agreements are so protective and constricting that, on one side, it is almost impossible to fire a worker, and on the other, it is nearly impossible to reward one for superior performance. That means there are islands in the general economy

where the traditional rule regarding performance and reward — the rule that doing well gets you ahead — does not apply very well.

One of the curiosities of these islands is that it is not right to conclude that there is no incentive to do anything. Actually, there is an incentive system in place even when, as the discussion board poster writes it, “hard work gets a 0 dollar raise.” In this case, the incentive is negative. If union rules (or whatever rules happen to be in effect) mean workers cannot compete against each other with the best performer winning a better post, the workers can still compete. It is just that since wages are fixed, the competition turns negative: the most successful worker is the one who manages to do the least work. It makes perfect sense: if you do less work than anyone else, and you are paid the same amount as everyone else, you have, in fact, found a way to win. You get the highest salary; you are the one paid most for the least work.

Is slacking ethically acceptable? Whether someone is a contextual or personal slacker, when success is defined not as how well you do but how little you do, two basic questions arise:

1. Is someone or some organisation being cheated?
2. Is there something fundamentally unethical about being a slacker?

The first question applied to those trapped — willingly or not — in contextual slackerism leads quickly to the conclusion that the organisation bears at least as great a burden of responsibility as the employee for deficient work motivation. Applied to the personal slacker, the question about whether an employer was cheated becomes more difficult. There does seem to be an element of renegeing on implicit or explicit pledges to fulfill responsibilities here, but it is also true that most employment contracts in the United States (though not so much in Europe where this question would require more prolonged consideration) leave the organisation broad latitude for dismissing workers whose performance is inadequate.

Next, is there something fundamentally unethical about slacking off? Most basic ethical theories are going to return some form of a yes verdict. From a utilitarian perspective — one trying to maximise the common good and happiness — it seems like problems are going to arise in most workplaces when coworkers are forced to pick up assignments the slacker was supposed to complete or could have completed easily with just a bit more effort. Similarly, basic ethics of duties include the one we all have to maximise our own potential and abilities, and rigorously avoiding work seems, in most cases, to run against that aspiration. Probably, a satisfying ethical defense of the slacker lifestyle would need to be founded on a personal project going well beyond the limited economic world. Slacking off, in other words, would need to be part of someone’s life ambition, and therefore its questions belong to general ethics, not the more limited field of economic values treated here.



Activity 2.10

1. What are some of the ways stress at work can cause unhappiness in life?
2. Why is the office an important scene of romance in today's world?
3. What kind of work contract would encourage slackerism?



Summary

Conflicts of interest arise when an individual's professional judgement is challenged by an appeal to personal interest. It occurs when a prospective client offers a gift. The standard practices for dealing with gifts include outright refusal, acceptance of gifts with only nominal value, acceptance in accord with industry practices, and good sense within a clearly understood situation. In certain contexts, gifts of significant value may be accepted ethically, as long as they do not corrupt professional judgement. Bribes and kickbacks can be managed ethically within the framework constructed for gifts. Both bribes and kickbacks function as gifts that do, in fact, corrupt an employee's professional judgement.

Third-party obligations arise when you know of wrongdoing by an organisation or by individuals within it, and though you are not directly at fault, you are in a position to correct the problem. In some cases, third-party obligations can be opportunities to sabotage a fellow worker for personal gain. Responses to third-party obligations include reporting the problem inside the organisation for correction and publicising the problem, also known as whistle-blowing. Because whistle-blowing harms the organisation, employees must take into account their responsibility to defend the organisation's interests before publicly decrying the wrongdoing. In some cases whistle-blowing is not justified, in some it is, and in some extreme cases, whistle-blowing may be ethically required. However, in practical terms, whistle-blowing can be devastating for the employee.

Company loyalty can be defined narrowly or broadly. The narrow definition is concerned over employees sticking with the organisation instead of looking for work elsewhere, while the broad definition emerges from the idea that the organisation possesses nobility that is worth serving, even if employees do not benefit personally from the contribution. The three degrees of company loyalty are obedience

loyalty (the worker exists to serve the organisation's interests), balanced loyalty (workers and organisations share interests), and free agency (the organisation exists to serve the worker's interests).

Stress at work invites ethical considerations of workers' obligations to their own happiness. Office romance may broaden the range of values applying to career choices. The status deriving from one's work can be an important compensation, but it is difficult to quantify. And finally, slacking off — working to not work — may result from an employee's work environment or it may be a personal choice.



Self-test 2.3

1. The Sarbanes-Oxley Act tries to protect whistle-blowers. Why is it not very effective?
2. Take a career you are (considering) pursuing. On the scale from obedience loyalty to free agency, where do you imagine most employees in that line of work are located? Why?

Suggested answers to activities



Feedback

Activity 2.8

1. Weaponised ethics means the idea that our discussions of ethics themselves can, and are, used as weapons against our perceived enemies. We make strong ethical points or arguments against certain people, while ignoring our own similar failings or while we ignore the similar failings of others, by making excuses for some as we demand perfect moral consistency from others.
2. Justification of whistle-blowing:
 - a. There is clear evidence of continuing wrongdoing by the organisation or continuing effects of past wrongdoing.

- b. The wrongdoing must be serious.
 - c. The organisation's established, internal channels for reporting and correcting problems have been exhausted.
 - d. There is unmistakable and convincing evidence of misconduct.
 - e. There is reason to believe that whistle-blow will resolve the problem.
3. An employee might hesitate before whistle-blowing because of:
- a. The legal requirements for confidentiality.
 - b. The prudential concern for one's career and personal welfare.
 - c. An employee's sense of loyalty to the organisation as these weigh heavily against the employee.

Activity 2.9

1. An organisation that might inspire obedience loyalty is the armed forces of a country. They are the government-sponsored defence, fighting forces, and organisations. They exist to further the foreign and domestic policies of their governing body and to defend that body and the nation it represents from external and internal aggressors. Obedience is inspired in the name of defending the country. The armed forces loyalty extends to sacrificing their lives for their country.
2. An organisation that might inspire balanced loyal is the law firm. Lawyers are expected to defend the accused which he or she may strongly suspect that the client is guilty. Presumably, lawyers are expected to present/plead for the defendant's innocence, essentially lying, which a typical lawyer might not engage in. Due to their defense, lawyers may help to set free an accused of a gruesome crime — that is balanced loyalty. The lawyers' loyalties are their willingness to defend the accused until the accused is proven guilty of the offence he/she has committed.

Activity 2.10

1. Ways stress caused unhappiness in life:
 - a. Loss of job, thus increased financial obligations.
 - b. Fear and uncertainty.
 - c. Change.
 - d. Unrealistic expectations.

 2. Office romance is fairly common these days as the office is where we spend so much of our time. It is not surprising that romance springs up at the office. We spend a third or more of our lives in the office or other places of work. It is a non-threatening environment where we have an opportunity to meet potential dating partners and learn more about them than just what they look like. Yet romantic involvement between employees is loaded with dangers for both the employees and for their employer.

 3. A job contract that would encourage slackerism would include;
 - a. A job without goals.
 - b. A job without compliance to deadlines.
 - c. A job that is exposed to many distractions and potential sources of interruptions.
 - d. A job that do not require specific working hours or even allows the employee to work from home.
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Summary of Unit 2



Summary

Employment ethics is a two way street. Both the employer and the employee have duties, privileges, and responsibilities as part of the employment agreement. Whether it is a formally written contract or simply a handshake deal, both sides must maintain an open and honest relationship for the benefit of everyone. It is up to the employer to keep promises made to the staff person, and it is the responsibility of the worker to keep their word to the employer. Mutual understanding of each other's rights and duties, and living up to the terms of the agreement, are essential to good employment relationships.

For employers, the most important things are openness and honesty with staff members, to create an atmosphere of trust and mutual respect. When new business plans are being created, it's essential that employees be kept up to date on any changes.

For employees, ethical behaviour means a better career path with greater opportunities for promotions and for being paid better salaries. Being seen as an employee who can be trusted and who works to the best of their ability is rare. As a result, an ethical employee is highly prized wherever he/she goes in the business world.

Suggested Answers to Self-tests



Feedback

Self-test 2.3

1. The legislative language of Sarbanes-Oxley Act states, “In order to establish a case under Sarbanes-Oxley, an employee must prove that she (1) reasonably believed that her employer was breaking the law; (2) engaged in whistle-blowing activity as defined by the statute; (3) suffered an adverse employment action; and (4) that there was a causal connection between the whistle-blowing activity and the adverse employment action.”

In other words, specifically with respect to whistle-blowers, the law attempts to encourage it by protecting whistle-blowers at publicly traded companies that report activities to government agencies. (The act does not apply to privately held firms dealing exclusively with other private firms.) Employers are prohibited from taking retaliatory action (firing, demoting, harassing), and whistle-blowers are provided clear avenues for lawsuits should such retaliation occur.

The problem is that last clause, if you publicly divulge information seriously damaging your employer; you are probably going to be gone. And even if you find some protection in one or another law, it is difficult to imagine that your career is going anywhere inside the company. Worse still, prospective new employers are, very likely, going to hesitate before extending a job to someone who has already caused serious problems for a former employer. The bleak reality is that in most cases whistle-blowers cannot count on getting back the life they had before they publicly disclosed their organisation's misdeeds.

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