# **Ethics in the Workplace**

Jill Hough, Ph.D.

Small Urban & Rural Transit Center Upper Great Plains Transportation institute North Dakota State University

Local Roads Conference 10/20/2010

"Establishing and maintaining strong moral standards in the workplace are essential to building public trust and delivering the transportation program effectively."

Jim Crumpacker - Author of "Fostering a Culture of Ethics"

#### **Definition of Ethic**

The discipline dealing with what is good and bad and with moral duty and obligation.

A set of moral principles: a theory or system of moral values ....

The principles of conduct governing an individual or a group crofessional ethics>

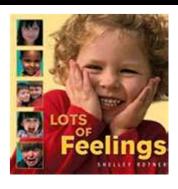
www.merriam-webster.com

### What is Ethics?

- Ethics refers to standards of behavior that tell us how human beings ought to act in the many situations in which they find themselves as friends, parents, children, citizens, businesspeople, teachers, professionals....
- Difference between good and bad
- Difference between right and wrong

### What Ethics is NOT

- Feelings
- Religion
- Following the law
- Following culturally accepted norms
- Science











# Why be Ethical?

- An old Proverb says: "A good name is more desirable than great riches."
- Fiscal Responsibility
- Moral Responsibility/Obligation
- Let's see the Top Ten Reasons......

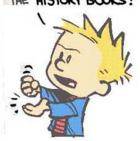
## (alviN and HobbEs

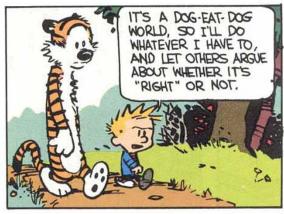
M WATERSH





GET WHAT YOU CAN WHILE THE GETTING'S GOOD - THAT'S WHAT I SAY! MIGHT MAKES RIGHT! THE WINNERS WRITE THE HISTORY BOOKS!











### Top 10 Reasons for Ethics

- 10. Fewer law suits
  - 9. Happier customers with fewer complaints
  - Gifts from your Human Resources team for reducing their "disaster control" workload
  - Increased retention, lower hiring and training costs because of happier employees
  - Better company image to clients, partners, and investors (taxpayers)

http://www.ethicsedge.com/topten.htm

# Top 10 Reasons for Ethics - Continued

- 5. Increased efficiency from a better and smoother functioning team
- 4. Additional credential, for use in portfolios, press kits, resumes, and arguing with spouses
- 3. Increased revenue and decreased expenditures= improved "bottom line"
- Better work environment for you and your colleagues
- Satisfaction of knowing that you contributed to making the entire world a better place for all.

http://www.ethicsedge.com/topten.htm

# Why is Ethics Important in Transportation?

- We work with a public good and need to manage resources accordingly.
  - Former Federal Government Employee Comment,
     "People should manage the funds like it was their money. If they did that there would be less waste."
- Ethical choices in transportation are paramount because of the lack of fiscal resources available to meet the growing demands.

#### **Growing Trend of Ethical Violations**

- Do ethical violations occur in the work place?
  - What about the financial crisis? Ethics violations?
  - Ethics Resource Center report published in January 2008 revealed that 52 percent of Federal, 57 percent of State, and 63 percent of local government respondents witnessed violations of ethical standards, policies or law in their workplaces.

# Simple Example

- Taking extra long lunch what does this cost a company? Seems harmless?
- Organization with 5,000 people
- Earn on average \$50,000/year
- Return from lunch break 15-30 minutes late once per month
- Financial impact = \$360,000 to \$720,000 per year or the loss equal to 7.5 to 15 full-time employees.
- Is this harmless? Is this ethical?

# Transportation Ethics Violation Example



USDOT

 Forfeited home of university professor who embezzled nearly \$1 million in Federal Highway Administration Cooperative Agreements Funds.

#### **Ethical Standards**

- How do we develop our ethics?
  - Family
  - Friends/peers
  - Education



- How do we apply ethics to situations?
  - Let's take a look at some standards and tests that exist.

# What Standards/Tests Exist?

- Not exhaustive.....
- Smell Test
- Justice Test
- Common Good Test
- Character/Virtue Test



#### Smell Test



- Ask yourself, "What if I read about this on the front page of the newspaper or in a blog?"
- Some may ask, "what would mom think?"
- Strengths:
  - focuses on what other ethical people in society think;
  - recognizes morality is about what other people think too;
  - enlists emotion of shame which can be a powerful motivator.

#### **Smell Test Continued**

- Weakness: Only as good as the society we live in.
  - Like living with a bad smell may lose ability to notice the unethical behavior.
- Tells us an action is an ethical issue, but doesn't show why it is right or wrong.
- "Quick and dirty" test, but often have to move beyond it.

#### **Justice Test**

- Ask yourself, "Is this a fair distribution of benefits and burdens?"
- Aristotle more than 2000 years ago said, "equals should be treated equally and unequals unequally."
- What are reasons for inequality?
  - Effort
  - Contribution
  - Need
  - Seniority
  - Contract



#### **Justice Test Continued**

- Strengths: Fairness one of most fundamental ethical instincts in humans (and in animals).
- Weaknesses: Test open to disagreement because there is no single criterion for fair distribution.









#### **Common Good Test**

- Ask yourself, "Are we looking out for the common good?"
- Very important in transportation
  - Can't just look to the individual good because we live in a community.
- Strengths:
  - Provides reality check for individuals and organizations.



- Weaknesses:
  - A lot of disagreement on what constitutes the common good.

### Character or Virtue Test

- Ask yourself, "Does this action represent the kind of person I am or want to be? Does it represent my organization's reputation or vision?"
  - Want to have virtues or habits of acting a certain way
  - Old Proverb
- Strengths
  - Think about what is good
  - Not just a matter of following ethical rules, but are habits of acting in a certain way that society thinks good people act.
- Weaknesses
  - Psychological research shows most people do not act in consistent way across different situations. E.g., act generously because of good smells or less generously because of noise.

# What if you feel that you have not been ethical in past situations?

- Tomorrow is a new day (start over!)
- Ask yourself set of questions from next slide (often).
- Practice (develop a habit of ethics).
- Seek feedback from 'ethical' people/role models.

#### Ask Yourself...

- Did I do more good than harm today?
- Did I treat people with dignity and respect today?
- Was I fair and just today?
- Was my community better because I was in it?
- Was I better because I was in my community?

#### **Discussion?**

Jill Hough
Small Urban & Rural Transit Center
Upper Great Plains Transportation Institute
North Dakota State University
Fargo, ND 58108
701.231.8082
Jill.hough@ndsu.edu