Applying Ethical Principles to an Organization

A Manual

about

Values, Ethics, and Quality in the Workplace

by

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Table of Contents

About the Author

John E. Foley, Ph.D., is an independent scholar, teacher, writer, and consultant in ethics, workforce diversity, and leadership/management. Foley's academic training is in physics and nuclear engineering. He worked at the Los Alamos National Laboratory for nearly 25 years, where he held positions as a research scientist, a technical manager, and the Director of Human Resources. It was while he was the Director of Human Resources from 1986-1993 that he became deeply involved in ethics, workforce diversity, and trust building. In November 1993, he left Los Alamos to concentrate on developing and teaching new approaches to trust building in the workplace, based on ethical theory and practice. Foley has taught classes in "Diversity in the Workplace" and "Everyday Ethics" at the University of New Mexico-Los Alamos. He currently presents seminars and workshops on these subjects at government agencies, corporations, and universities.

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A Manual about Values, Ethics, and Quality in the Workplace

Introduction

The focus of this manual is on the fundamental role of ethics and values to leadership and trust building. The trust-building principles introduced here have broad applications in all organizations that are committed to increasing performance and improving the quality of the work environment for both employees and managers.

Carl Skooglund (Skooglund, 1989) notes:

> *We often hear about the cost of poor quality, but there is an equally insidious cost of poor relationships. . . Interpersonal relationships, and the ethics of the work environment, are either the sand or the lubricant for quality efforts.*

W. Edwards Deming, the father of the total quality revolution for transforming American industry and organizations says (Deming, 1986, p. 59):

> *A common denominator of [distrust and] fear in any form, anywhere, is loss from impaired performance. . .*

The loss in productivity due to poor leadership, poor human relationships, and distrust is high. And the losses to the human spirit and the quality of work life are devastating.

In this manual we'll explore the importance of ethics and values in the workplace and learn ways to begin to rebuild trust, to improve quality, and to increase the quality of work life.

John E. Foley, Ph.D.
Rio Rancho, NM
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Widespread Distrust and Fear

I was trained as a physicist and nuclear engineer (Ph.D.) and came to the Los Alamos National Laboratory (LANL) in 1969. At that time, issues of distrust, quality management, and the quality of the work environment were far from my mind. I was a scientist, and I came to LANL to do good science -- and I did lots of it. However, in 1986 I became the Director of Human Resources of LANL because I'd learned that there was more to doing science that just science -- the human issues were also important. In this position, I was a member of the Senior Management Group (composed of about a dozen people, including the Director of LANL), and I participated in all of the major decisions that affected our Laboratory.

As the Director of Human Resources, I frequently met with employees who wanted my help with work-related problems, and they told me stories of distrust and fear in the workplace. Later I learned that such distrust and fear are not unique to Los Alamos, but are widespread today in companies, universities, schools, and government and military organizations throughout our country (Ryan and Oestreich, 1991). Recent examples include the widespread sexual harassment and fear of retaliation in the United States Army (Shenon, 1997) and Texaco's racism problems (White, 1996).

My initial reaction to employees' stories of distrust and fear was disbelief. Frequently I wondered, "What's wrong with these people? Why do they complain so much?" "Why don't they trust us?" (I didn't understand it at the time, but senior managers generally tend to think that the "center of power" of their organization -- which they are a part of -- is automatically the center of all things right, true, and good, i.e., the "moral center." A major theme of this manual is that the congruence of the power and moral centers is not automatic. Leaders and managers must work very hard to bring these centers together.)

However, because I heard these stories of distrust so often and from so many employees, I eventually began to **listen** to what they were saying and began to understand that there was nothing wrong with them -- they were simply being treated poorly. Some were afraid of retaliation if they spoke up (i.e., "shoot-the-messenger"); some feared being labeled as "trouble makers"; some were reluctant to try out new ideas because of the fear of criticism; some felt discounted, ignored, or marginalized; some felt intimidated, insulted, or put-down; and some felt discriminated against or felt second-class in our culture of "prima donna" scientists.

Question?

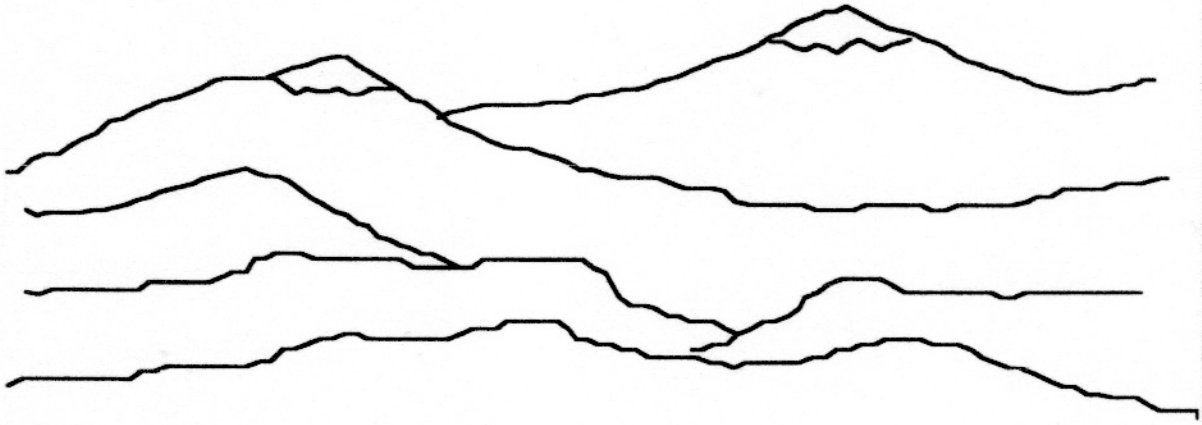
Why is there so much distrust and fear in our organizations today?

I wondered, "With so much distrust, how can we continue to be 'world-class'? Aren't we losing a lot?" And I asked, "How do we begin to rebuild trust? How can we improve the quality of work life for all our employees?"

W. Edwards Deming points out (Deming, 1982. p. 33) "The economic loss from fear is appalling."

For trust-building efforts to be successful, leaders and managers must move beyond their usual platitudes about the human element (e.g., "Our employees are our most important resource.") and reexamine their fundamental values and improve ethical behavior.

This manual on **"Applying Ethical Principles to an Organization"** grew out of my efforts over the past decade (1) to understand the root causes of the distrust and fear and (2) to find ways to begin to rebuild trust, improve quality, and increase the quality of the work environment for our increasingly diverse workforce.

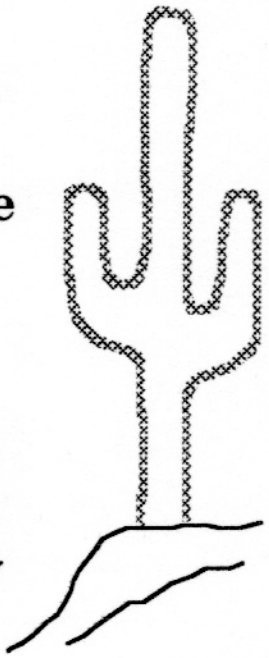


As I searched in the deserts of the Southwest for the causes of widspread distrust and fear, I met a man on a motorcycle.

His name is Robert Pirsig and he had written the book "Zen and the Art of Motorcycle Maintenance."

He is interested in "values."

His advice for me is to get out of my usual frame of reference and travel to the "high country of the mind."



The "High Country of the Mind"

My understanding of the causes of the widespread distrust and fear in the workplace began with an image from Robert Pirsig's book on values and quality, *Zen and the Art of Motorcycle Maintenance* (Pirsig, 1974).

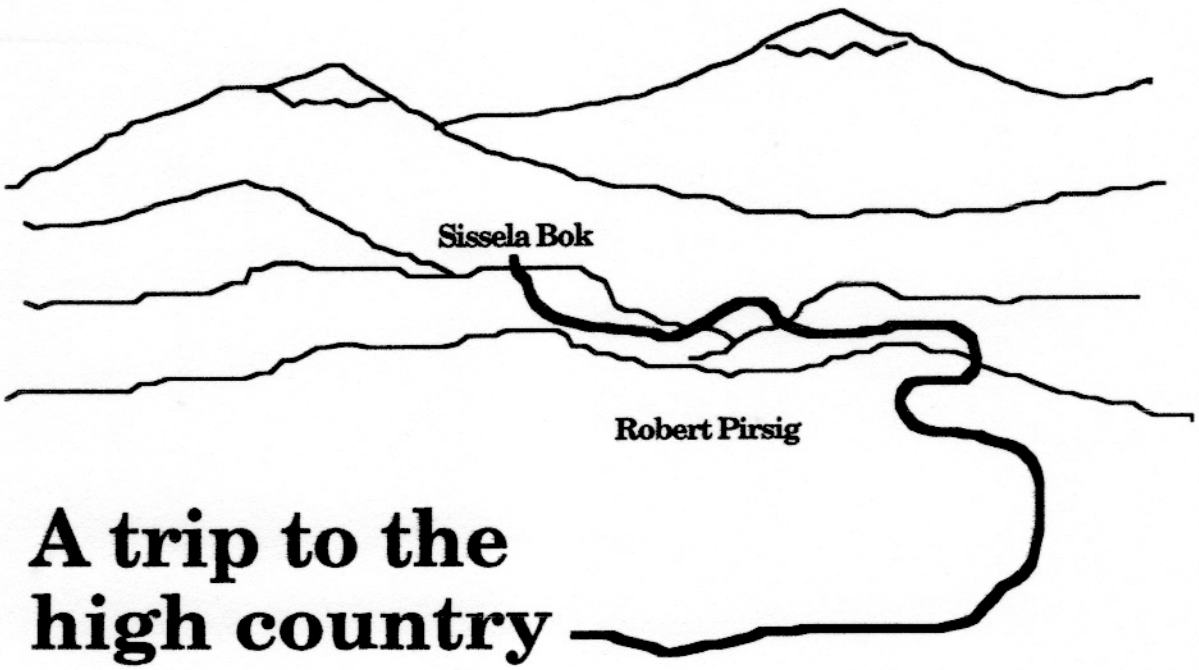
Pirsig stresses the importance of investigating and understanding the philosophical and emotional foundations of human relationships. He suggests that we must shift out of our normal day-to-day reference frames in order to begin to understand fundamental human issues, such as ethics, human relationships, trust building, and the quality of work life.

In his book, Pirsig describes a motorcycle trip into the high mountain country of Montana. His words paint a beautiful image of the uppermost reaches of the high country -- the trees, the wild flowers, the snow -- and he describes the warm emotions and feelings this image produces.

He then shifts, subtly, to an image of another kind of high country -- to the *high country of the mind.* This shift is from a physical or material image to a mental one -- a human one. He writes (pp. 111-112):

> *I want to talk about another kind of high country now in the world of thought, which in some ways, for me at least, seems to parallel or produce feelings similar to this, and called the high country of the mind.*
>
> *If all of human knowledge, everything that's known, is believed to be an enormous hierarchic structure, then the high country of the mind is found at the uppermost reaches of this structure in the most general, the most abstract considerations of all.*
>
> *Few people travel here. There's no real profit to be made from wandering through it, yet like this high country of the material world around us, it has its own austere beauty that to some people make the hardships of traveling through it seem worthwhile.*
>
> *In the high country of the mind one has to become adjusted to the thinner air of uncertainty, and to the enormous magnitude of questions asked, and to the answers proposed to these questions. The sweep goes on and on and on so obviously much further than the mind can grasp one hesitates even to go near for fear of getting lost in them and never finding one's way out.*

Thus, in order to begin to rebuild trust and increase the quality of work life, Pirsig suggests we shift out of our material reference frame and journey to the confusing, uncertain, and uncomfortable high countries of human thought and human emotions. The benefit of such a journey is an increased understanding of the human condition, but the fear is that of getting hopelessly lost and not being able to return.



A trip to the high country

I met a traveler who was coming down from the highest peaks.

Her name is Sissela Bok. She is a moral philosopher.

She talked about "trust."

Sissela Bok

In my journey, important insights into trust building came from the ethicist Sissela Bok (1989). She writes about the importance of trust, the high personal, organizational, and societal costs of distrust, and the ways we can begin to rebuild trust and confidence. Bok emphasizes that trust is critical to establishing and maintaining societies and workplaces with healthy and robust social environments. Unfortunately, in our increasingly diverse and chaotic world, our social environment "is as much at risk as our natural environment." In addition, she says, trust is "a social good to be protected just as much as the air we breathe or the water we drink." It is "absolutely as important as the ozone layer for our survival."

In order to begin to rebuild trust, Bok suggests we embrace a moral framework that puts constraints on

- violence,
- deceit,
- betrayal,
- excessive secrecy.

Bok explains we use violence, deceit, betrayal, and excessive secrecy to gain power over others, i.e., to control, to dominate, to restrict the freedom of others. She says (Moyers, 1989), for example,

> *[L]ying is a way of gaining power over other people through manipulating them in various ways. . . If we are to mature, we have to unlearn any enjoyment of that power.*

If we feel we need to manipulate and dominate -- to misuse our positions of power -- we are already defeated (Goleman, 1995, p. 125), especially with regards to building trust and improving quality. Bok suggests we can unlearn the need to dominate and misuse power over others:

> *You have to know that the power is there, and then you have to see if you can possibly live without it . . . you try to lead your life so that you communicate with other people without trying to manipulate them.*

Power in the workplace is related not only to supervisory or management levels, but also on social categories such as race, sex, age, education, seniority, and sexual orientation. For example, white males gain from their affiliation with the dominant side of the power hierarchies found in the workplace, whether they realize it or not (Wildman, 1996, pp. 7-24).

Trust

There is a tendency for us to think of our social (and workplace) environment as something we have little control or influence over.

Bok reminds us, however, that we can affect our social environment and that we have a moral obligation to do so. We must help rebuild trust in those spaces or zones we have influence in, such as in our families, schools, workplaces, and communities.

Misuse of power, deceit, betrayal, and excessive secrecy are behaviors that lead to distrust, disrespect, fear, anger, and, of course, poor quality.

We begin to rebuild trust when we start to put constraints on these destructive behaviors.

Whether expressed in religious or secular terms, the need for constraints on violence, deceit, betrayal, and excessive secrecy is recognized by every civilization, past and present (Bok, 1989, p. 79). The need for such constraints transcend cultural, racial, gender, class, and religious differences. The need is a human need -- it is "universal."

We should recognize that violence and misuse of power can be subtle and quiet as well as dramatic. We can victimize others without intending to do so or knowing we are doing it. In his book, *Cruelty,* Philip Hallie points out (Hallie, 1982, pp. 13-14):

> *[A] man can be cruel without having cruelty as his main or even his subsidiary aim . . . this simply means that any understanding of cruelty should leave out the phrase 'intention to hurt.'*

Subtle forms of violence and dominance include intimidation, insults, put-downs, back-stabbing, negative labeling, criticism, intolerance, harassment, retaliation, threats, condescension, patronization, discrimination, and oppression.

These subtle forms of control and misuses of power are easy to recognize from the perspectives of the victims, but not from the perspectives of those who inflict the suffering because the effects -- such as humiliation and the assault on human dignity -- are felt by the victims, not by the perpetrators.

Much of the distrust and fear we find in our society today is caused by subtle forms of violence inflicted on citizens, employees, and students

Sissela Bok

- **For our society to function, we must, at a minimum, put *constraints* on:**

  1. **Violence**
  2. **Deceit**
  3. **Betrayal**
  4. **Excessive Secrecy**

- **Our use of violence, deceit, betrayal, and excessive secrecy are the ways we gain power over others -- the ways we dominate and control; i.e., restrict the freedom of others.**

- **Violence can be subtle and quiet as well as dramatic.**

(e.g., remember your years as a graduate student!) by leaders, managers, teachers, and others in power positions and dominant roles. However, to build trust and respect -- and to improve the work environment -- people in positions of power and dominant roles must learn not to misuse their positions.

It is important that we begin to recognize the enormous damage these subtle forms of violence do. And it is important that we begin to eliminate them.

Personal Change

Bok's four moral constraints can be thought of as the positive values of non-dominance (or non-violence), honesty, promise-keeping, and openness. These form **a minimum set** of values, which will allow us to restore and preserve an atmosphere of trust in our society and workplace.

Bok suggests that each of us should personally begin to reduce violence and rebuild trust in those spaces or zones in our lives that we have some influence in, such as our families, schools, and workplaces. She notes that personal change is an important prerequisite for larger societal change (Bok, pp. 151-52):

> *[I]t is striking how often those who devote themselves to the task of reducing violence and distrust insist, as did Gandhi and [Martin Luther] King, on the links between personal change and the capacity to bring about social change.*
>
> *[B]egin in local and quite piecemeal ways, rather than by backing only the most global changes. You have more power to change yourself than to affect others . . . Yes, you want to see the links between what you do and larger contexts. But concentrating from the outset only on the least personal and largest problems imaginable almost guarantees that nothing will get done.*
>
> *[W]e can learn from a suggestion of Gandhi's that we carve out spaces or territories in personal relations where violence, say, or deceit will not be used; territories in the family, in the community, with friends and even opponents, where we have more control and also greater responsibility. . . If one begins thus, with the personal and the piecemeal, one can then try to expand the reach of these spaces or territories . . .*

Bok calls (Kidder, 1988, pp. 11-18) such spaces or territories "zones of peace."

We must begin to be less dominant (not misuse power), be more honest, keep promises better, and be more open in those spaces that we have influence in, such as at home. We then should expand our "zones of peace" into our professional worlds, and finally into the larger community.

Thus, trust building, social change, and quality improvement begin with each one of us. We have more power to change ourselves than to affect others.

Trust building

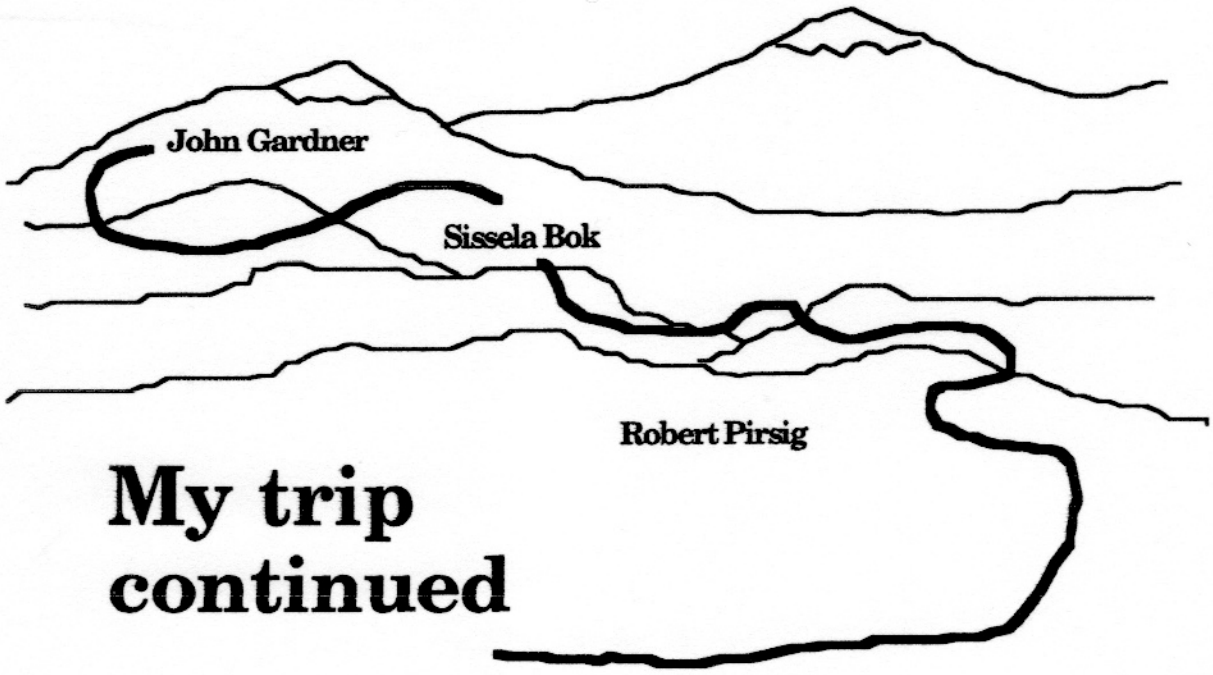
- **Bok's *constraints* can be converted into positive or affirmative *values:***

Constraint	Value
• Violence	• Non-dominance, i.e., no misuse of power
• Deceit	• Honesty
• Betrayal	• Promise-keeping
• Excessive Secrecy	• Openness

- **Such values are the basic elements of trust building and quality.**

- **Personal change is a prerequisite for societal or organizational change.**

- **We can reduce dominance and power over others by carving out "spaces" or "zones" (at school, at work, in our lives) where we will not use violence, deceit, betrayal, and excessive secrecy.**



My trip continued

I met another traveler, who was also coming down from the highest peaks.

His name is John Gardner.

He is a political scientist, and he is interested in "shared values."

John W. Gardner

John W. Gardner was the Secretary of Health, Education, and Welfare from 1965 to 1968, and he was the founder of Common Cause.

He is interested in the human values that are held in common and shared by all members of a community or society. He says (Gardner, 1990, p. 13):

> *A community lives in the minds of its members -- in shared assumptions, beliefs, customs, ideas that give meaning, ideas that motivate. And among the ideas are norms or values. In any healthy, reasonably coherent community, people come to have shared views concerning right and wrong, better and worse -- in personal conduct, in governing, in art, whatever. They define for their time and place what things are legal or illegal, virtuous or vicious, good taste or bad. They have little or no impulse to be neutral about such matters.*

He also notes (Kidder, 1994, p. 193) that, "It's very hard to lead a group of people who have no consensus with respect to values."

Gardner emphasizes that it is critical for citizens in diverse and pluralistic societies and leaders and employees in corporations to understand the **shared and universal nature** of fundamental human values. Our most fundamental values -- democratic ones such as justice, liberty, and equality -- as well as the classical ethical ones that Sissela Bok talks about -- transcend cultural, racial, gender, class, and religious differences. It is the shared, or universal, nature of these human values that allows pluralistic societies and quality organizations to exist.

Without an understanding of or commitment to some minimum set of shared values, pluralistic societies or quality organizations cannot exist or function (Gardner, 1984, p. 138):

> *A pluralism that is not undergirded by some shared values, that reflects no commitment whatever to the commonweal, is pluralism gone berserk.*

Today, many of our citizens believe that as a nation we have, in fact, gone berserk, and that we are self-destructing because of racial, gender, class, and religious differences (Schlesinger, 1991). Many believe the same is true today for state and local governments -- and for corporations.

And to prevent this self-destruction, it is essential that we reexamine and reinterpret our shared values. Then we must re-commit to them.

Shared Values

The British ethicist, Mary Midgley, points out that (Midgley, 1993, p. 91),

> *In spite of their differences, people do tend to suppose that a profound level the human race is in some way one, that its basic moral structure is universal.*

And it is this universal, or shared, nature of fundamental human values that allows a democratic society, or complex organization, to exist.

Gardner points out that there are two basic ways a society or a corporation can be organized: either with a **centralized authority** or a **dispersed leadership** style.

In a centralized authority, decisions, actions, and behaviors are controlled by a small group of leaders. The behavior of individual citizens or employees is driven by rules and regulations.

In a dispersed leadership, the behavior of individual citizens or employees is guided more by shared values and less by rules.

There is always a conflict, a tug-of-war, between these two leadership styles. Societies and corporations move toward the authoritarian style when their shared values become confused, weak, or unclear; they move toward dispersed leadership as values are clarified, renewed, and regenerated.

Gardner points out that in our diverse, complex world, only a dispersed leadership style will work (Gardner, 1990, p. xiii):

> *Most leadership today is an attempt to accomplish purposes through (or in spite of) large, intricately organized systems. There is no possibility that centralized authority can call all the shots in such systems, whether the system is a corporation or a nation. Individuals in all segments and at all levels must be prepared to exercise leaderlike initiative and responsibility, using their local knowledge to solve problems at their level.*

Because we could never make enough rules to control a complex society or organization, we must rediscover, renew, and reinterpret our shared values. Shared values are the "glue" of democratic societies and complex organizations. They are absolutely fundamental to a quality work life.

John W. Gardner

- **Forms of leadership in societies and in corporations:**

  1. Centralized authority:

  Leadership is limited to a small number of people. Individuals are controlled by *rules* (e.g., dictator, authoritarian manager).

  2. Dispersed leadership:

  Leadership is found throughout the society or corporation. Individuals are guided by *shared values* rather than controlled by rules (e.g., a democracy, a quality organization).

- **Our *shared* or *universal* values provide the framework for a democratic society or *quality organization* -- they are the "glue" that hold us together.**

Regeneration

Gardner notes that (Gardner, 1990, p. 13),

> *Values always decay over time. Societies that keep their values alive do so not by escaping the processes of decay but by powerful processes of regeneration.*

He suggests that there must be perpetual rebuilding. And without a commitment to some minimum set of shared values, a pluralistic society or complex modern organization cannot exist.

In light of the current realities of our rapidly changing workplace, we need to reexamine and renew our shared values. Without the reexamination and renewal our democratic society, as Gardner noted, will be a society gone berserk. Similarly, without such a reexamination and renewal quality organizations cannot exist.

Each of us is comfortable with the assumptions and beliefs of our own cultures, communities, and organizations. And those of us who were born and socialized within the dominant American culture (male, white, Anglo-Saxon, Protestant traditions) rarely question our mainstream assumptions, beliefs, and perspectives. In fact, we hardly even know they exist -- they are as invisible as the air we breathe (Schaef, 1985, p. 4).

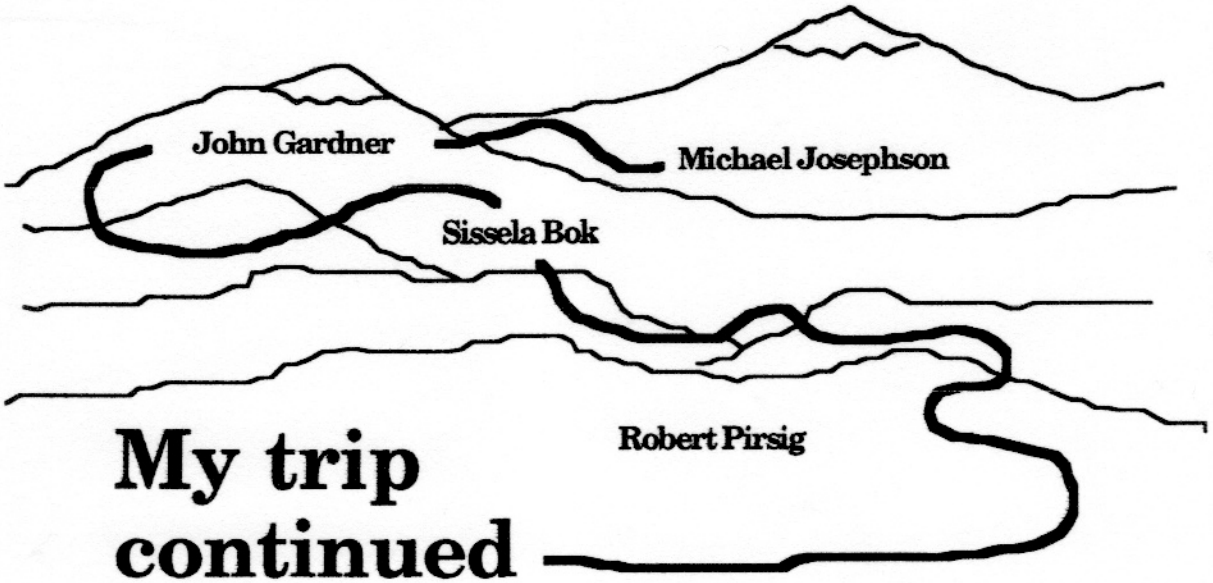
However, to continue to be successful leaders and employees in quality organizations, we must begin to reexamine and renew our shared values.

Regeneration of values

Reexamine and Renew

"We must reexamine our shared values and renew them. . . And we have to recognize that the regeneration of values is an endless task. Each generation draws from its inherited tradition those values that give strength and continuity to its common [i.e., shared] life -- and reinterprets them for contemporary applications."

John W. Gardner, 1984, p. 146



I met another traveler. His name is Michael Josephson.

He is a lawyer, but I didn't expect to meet a lawyer at these altitudes!

However, he has become an ethicist; he is interested in "universal ethical values."

Michael Josephson

Josephson asked me one question:

"What are the characteristics of the most ethical person you know?"

Characteristics:

1. _____
2. _____
3. _____
4. _____
5. _____

"Universal" ethical values

Ethics prescribes how we *ought* to behave based on "universal" values and principles that define what is right, good, and proper. Such universal values include:

1. **Honesty**
2. **Integrity**
3. **Promise-keeping**
4. **Loyalty**
5. **Fairness**
6. **Caring for others**
7. **Respect for others**
8. **Responsible citizenship**
9. **Pursuit of excellence**
10. **Accountability**

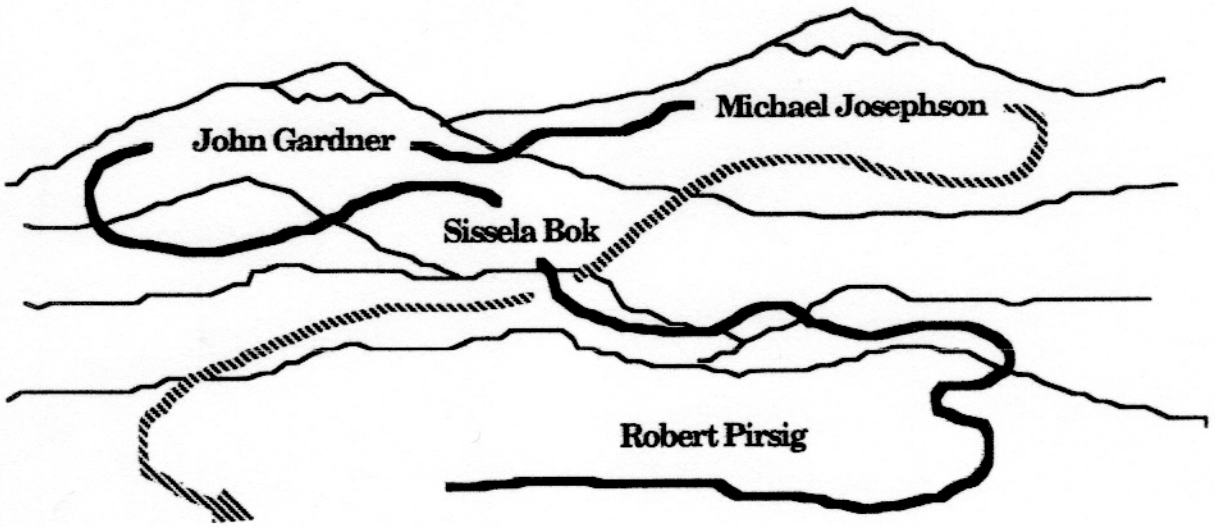
Ethics is "a warm and supremely human activity that cares enough for others to want right to prevail."
(Kidder, 1995, p. 59)

Insight

What Quality Leadership is all about.

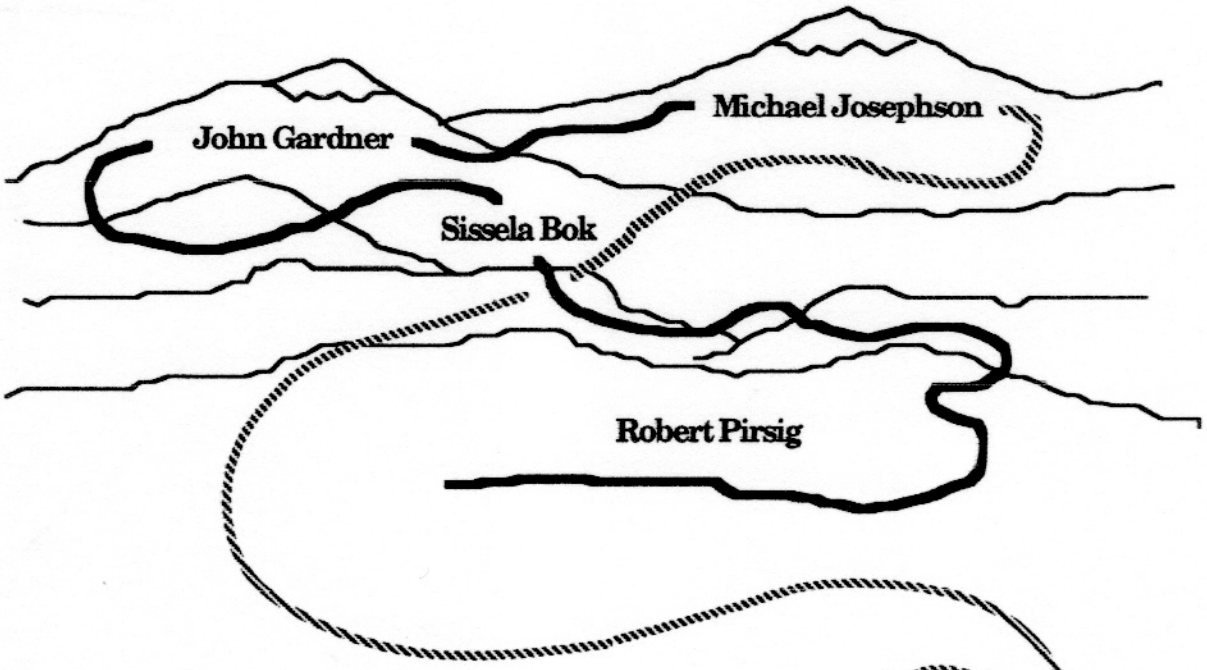
When our actions reflect these universal ethical values, then our actions "feel right" to employees because they resonate with basic human values; i.e.,

Trust will increase, fear will decrease.



As I returned from my trip to the high country, I reflected on what I had learned:

- **Distrust and fear are caused by subtle forms of violence, which come from misuse of power.**
- **Distrust and fear are not destiny -- they arise from the choices we make on how we manage and run our organizations.**
- **Trust is built when our actions reflect the universal (shared) ethical values. Such values are the "glue" of quality organizations.**
- **Quality leadership is ethical leadership -- it is a supremely human activity that cares enough about people to want right to prevail.**



But how do we become quality leaders?

How do we begin to make the personal change?

How do we move from:

Good intentions
-- to --
Trust building?

A Practical Definition of "Ethics"

Ethics is one of those things that is difficult to define because every attempt to pin down the word circles back to other words that are just as difficult to define. Fortunately, however, most people have a sense of what ethics is all about and they know good ethics when they see it (see Kidder, 1995, p. 63).

A practical working definition of ethics was developed by an English jurist, Lord Moulton, and published in 1924 in *The Atlantic Monthly* (Moulton, 1924). Moulton's definition is discussed in Rushworth Kidder's book, *How Good People Make Tough Choices* (Kidder, 1995).

Moulton outlines the "three great domains of human action" as: (1) law, (2) free choice, and (3) ethics (or "manners" as he called it in 1924).

Moulton describes the domain of law as "where our actions are prescribed by laws binding upon us which must be obeyed." The domain of free choice, or free will, "includes all those actions as to which we claim and enjoy complete freedom."

The domain of ethics lies intermediate between the domains of law and free will. In this important domain "there is no law which inexorably determines our course of action, and yet we feel that we are not free to choose as we would." Moulton refers to the domain of ethics as

> *the domain of Obedience to the Unenforceable. The obedience is the obedience of a man to that which he cannot be forced to obey. He is the enforcer of the law upon himself.* (Moulton, p. 1)

This domain exists for very practical reasons:

> *The infinite variety of circumstances surrounding the individual and rightly influencing his action make it impossible to subject him in all things to rules rigidly prescribed and duly enforced. Thus there was wisely left the intermediate domain which . . . is a land of freedom of action, but in which the individual should feel that he was not wholly free.* (Moulton, p. 2)

Moulton also notes that, "All these three domains are essential to the properly organized life of the individual, and one must be on one's guard against thinking that any of them can safely be encroached upon."

Domains of Human Action

Laws	Ethics	Free Will
"Rules"	**"Values"**	**"Taste"**
Follow the rules or go to jail.	***Obedience to the unenforceable.***	***I have a right to do what I want to do.***
• Authority • Fear • Punishment	• Honesty • Promise-keeping • Loyalty • Fairness/Justice • Caring • Respect • Responsibility • Accountability • _____	• Choice • Freedom • No constraints

The true test of a nation's (or organization's) greatness is measured by the width of this domain or region.

This domain is the domain of trust.

Ethics, Quality, and Greatness

Lord Moulton argues that the greatness of a nation and

> *its true civilization, is measured by the extent of this . . . [domain] of Obedience to the Unenforceable. It measures the extent to which the nation trusts its citizens . . . Mere obedience to Law does not measure the greatness of a nation. It can easily be obtained by a strong executive, and most easily of all from a timorous people. . . The true test is the extent to which the individuals composing the nation can be trusted to obey self-imposed law.* (Moulton, p. 2)

The parallels of Moulton's argument of the true test of a nation's greatness with an organization's greatness are obvious; i.e., an organization's greatness, or quality, is measured by the extent to which the leaders of the organization trust the employees.

In the workplace, an authoritarian management style can be compared to Moulton's domain of law for a nation, and a dispersed leadership style can be compared to his domain of ethics. An authoritarian leader can, of course, force obedience and subordination from timorous and fearful employees, but this leader cannot establish a high-trust work environment that encourages and supports quality, creativity, and risk taking.

The level of trust in the work environment, then, is related to the size or width of the intermediate ethical domain -- the larger this domain, the more trusting the environment. This ethical domain is characterized not by forced obedience to rules and regulations, but by voluntary adherence to shared values. As pointed out earlier by Gardner, when the shared values of an organization are confused, weak, or unclear, an authoritarian management style rushes in to fill the void. But when shared values -- especially ethical ones -- are clarified, renewed, and regenerated a high-trust work environment develops.

An organization's greatness is measured by the extent to which its leaders trust its employees.

Ethical Growth

In the academic literature there are various models that describe the intellectual and ethical growth of individuals. Models developed by William G. Perry (Perry, 1970) and Lawrence Kohlberg (Kohlberg, 1981) describe ethical growth and maturity as a progression through a series of stages or levels. The lowest stages of ethical development are characterized by a belief in the unquestioned authority of others, whereas the highest stages are characterized by individual responsibility and accountability based on a commitment to shared (universal) ethical values.

Below I organize the significant characteristics of these models of ethical growth into three broad levels:

Level 1: Authority-based (similar to Moulton's domain of "Law")

- Value system is based on authority, fear, and punishment. Dualistic belief in a single right answer to every question.
- Narrow belief in "right vs. wrong" and "us vs. them."
- Distrust of those with different answers to questions.
- Eventual movement towards the realization that there are multiple authorities, and thus there may be a multiplicity of answers to complex questions.

Level 2: Free Will or Multiple Perspectives

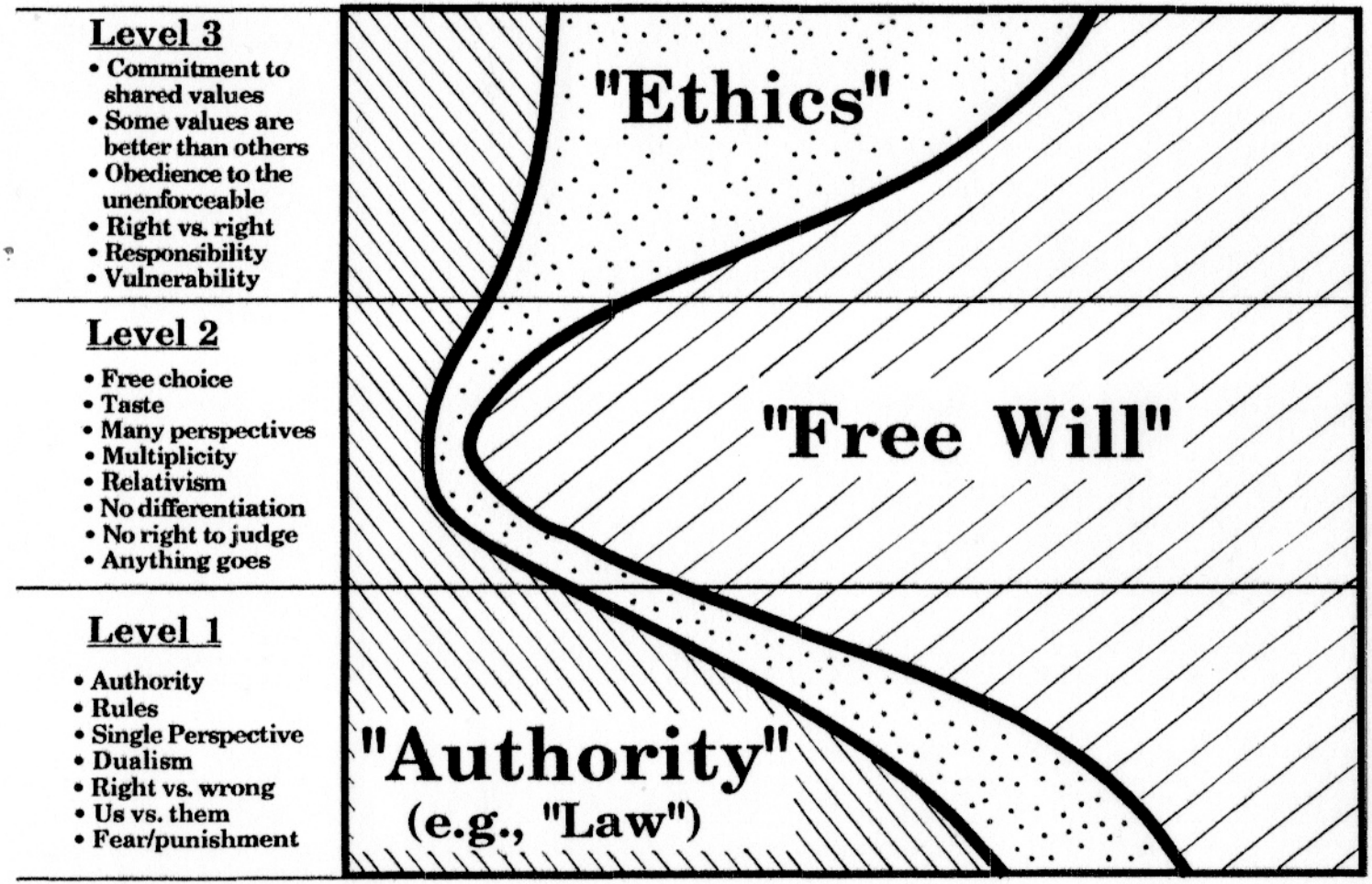
- There are multiple authorities. Anyone has a right to her/his own opinion. All answers are equally right, i.e., "I have no right to judge."
- Ambiguity and conflicting values are a fact of life.
- Eventual movement towards a regeneration of a value system in which not all answers are equally right. Some answers are more right than others, and answers are contextual. Some authorities are better than others.

Level 3: Shared Values and Personal Responsibility (similar to Moulton's intermediate domain of "Ethics")

- Voluntary "obedience" to the underlying shared, or universal, value system. Committed to and guided by this shared value system.
- Recognizes that "right and wrong" depend on context and must be determined from the shared value system. Also understands that many dilemmas in life are of the "right vs. right" form, in which two or more ethical values conflict.
- The shared values have been internalized, and the individual is always learning, growing, adapting.
- "I am responsible" -- a belief in personal responsibility in a complex world.
- Is willing to take a stand, take a risk, and to pay the price when necessary.
- Is willing to be vulnerable.

At the various levels of ethical maturity described above, the balance among "authority," "free will," and "ethics," which guide an individual's behavior and action, is different -- as illustrated in the figure on the next page.

Dynamics of Ethical Growth



Transition from Authority to Trust

There are strong parallels between (1) leadership and management styles and practices in the workplace and (2) the "three great domains of human action" as described by Lord Moulton (Moulton, 1924). For example, Moulton's domain of law ("obedience to the enforceable") for a nation can be compared with the practices of an organization whose style is controlling and authoritarian. Moulton's domain of ethics, which is defined by obedience to the shared value system of the nation, can be compared with the non-authoritarian or dispersed leadership style of a Total Quality Management (TQM) organization.

The parallels between Moulton's domains and leadership styles in the workplace are illustrated in the figure on the next page. Many organizations today operate primarily on an authoritarian (i.e., low trust) management style, as illustrated by the lowest level (Level 1) in the figure. Even though in an authoritarian organization there are some shared values and free will (individual values), its style is predominately controlling.

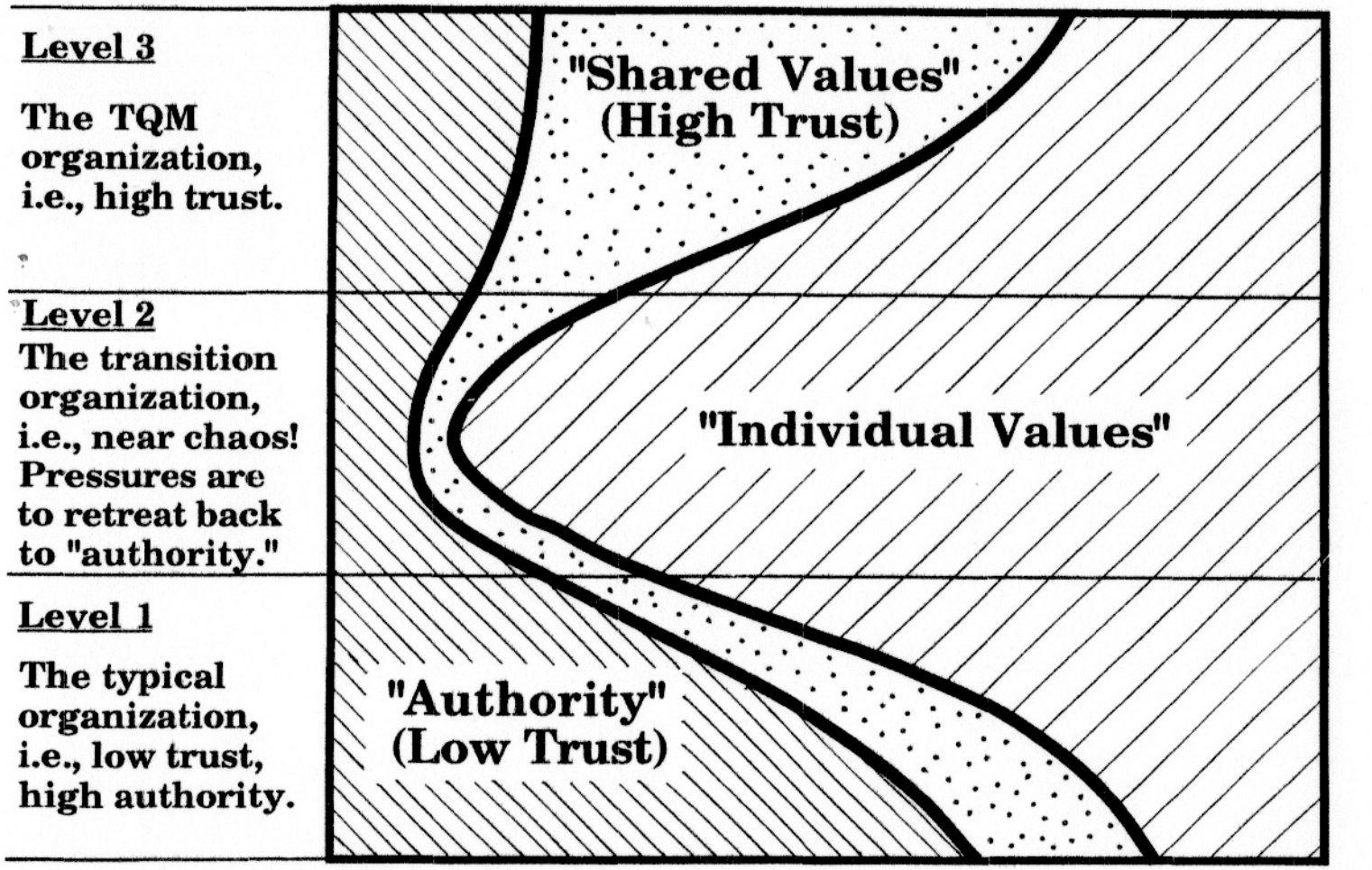
The TQM-type organization is found in the highest level (Level 3) of this figure because it establishes high levels of trust from clearly articulated shared values, which have been internalized by leaders, managers, and employees.

As the organization tries to change from an authoritarian style to a non-authoritarian TQM style, it must pass through the middle transition level (Level 2) illustrated in the figure. This level corresponds (somewhat) to Moulton's domain of free will, and it exists because the shared values have either not yet been articulated clearly or internalized. The transition can be very chaotic, because each employee, in the absence of internalized shared values, does what she or he thinks is best. The result is lots of confusion, frustration, and mistakes.

Without a clear vision of the shared values, managers can easily become alarmed by the confusion and mistakes of Level 2, and they will abandon their efforts to move into the high-trust environment of Level 3.

To transition successfully to the high-trust environment, leaders must ensure that the shared values of the organization are clearly articulated and have the patience and willpower to work through the chaotic transition level. Unfortunately, in the absence of a clear vision of the shared values, the authoritarian management style (Level 1) will reemerge as a convenient way to restore order and control.

From "Authority" to "Trust"



Ethical Decision Making Models

To move from good intentions to trust building, we need models to guide us in making decisions, taking actions, etc. based on our shared values.

Two main traditions in Western ethical thought are utilitarianism (or consequentialism) and deontology. The utilitarian tradition is found in the works of philosophers like Jeremy Bentham and John Stuart Mill, and the deontological tradition is generally identified with Immanuel Kant.

The utilitarian is more interested in the **ends** or outcomes of a decision or activity and less interested in the **means** or how the activity is accomplished, whereas the deontologist is more interested in **how** the activity is accomplished, and less interested in **what** is accomplished. Both utilitarian and deontological traditions express valid and important points of view (Nye, 1986, pp. 14-26), because **how you do something and what you do are both important**. In addition, **motives** (i.e., why you do something) are also important.

A third ethical tradition, known as the "Rule of Reciprocity," is common in both Western and non-Western traditions -- i.e., discussed by Confucius (500 B.C.) and Aristotle (325 B.C.) and in the *Mahabharata* (200 B.C.). In the Christian tradition, the Rule of Reciprocity is known as the "Golden Rule."

Contemporary ethicists have developed models based on these traditions that help us make decisions. Such models generally include the following principles (see, for example, Josephson, 1993, pp. 24-41):

- Moral responsibility: Everyone affected by a decision has a moral claim on the decision maker.

- Concern for others: All decisions must take into account and reflect a concern for the interests and well-being of others. Individuals must never be used as a means to an end.

- Values based: Ethical values and principles take precedence over non-ethical ones.

- When values conflict: When ethical values and principles clash, seek a balance of means and ends. Both **what** you do and **how** you do it are important.

Classical Ethical Principles

1. Ends-based thinking (Utilitarianism)

- **Outcome is more important than process (i.e., What you accomplished is more important than how you did it).**
- **Seek the "greatest good for the greatest number."**
- **Danger: "The ends justify the means."**

2. Rule-based thinking (Deontology, Immanuel Kant)

- **Focus is on duty or obligation.**
- **Process is more important than outcome (i.e., How you did something is more important than what you did).**
- **Universal Rule -- Ask the question: "What if everyone did it?"**
- **Rule of Respect -- Never use people as a means to an end.**

3. Care-based thinking (Reciprocity, "Golden Rule")

- **Care, concern, and respect for others.**
- **Shift into "frame of reference" of others.**
- **Good in "one-on-one" interactions.**

Reference: (Kidder, 1995, pp. 23-29.)

Practical Decision Making

A way to examine the ethics of complex issues is to use a holistic, or eclectic, approach that considers motives, means, and ends from the points of view, or perspectives, of the various individuals and groups that have involvement or interests in the issue.

These various individuals and groups are frequently called "stakeholders."

Such an approach can be developed from the "three-dimensional" ethical model of Joseph Nye and the "veil of ignorance" concept of John Rawls.

Nye believes that a careful appraisal of all three dimensions of a decision or activity -- i.e., the motives, the means, and the ends -- is a prerequisite to good moral reasoning. He believes that we should "be properly critical of 'one-dimensional' moral reasoning" -- i.e., reasoning that considers only motives, or means, or ends, but does not consider all three together (Nye, 1986, pp. 20-26).

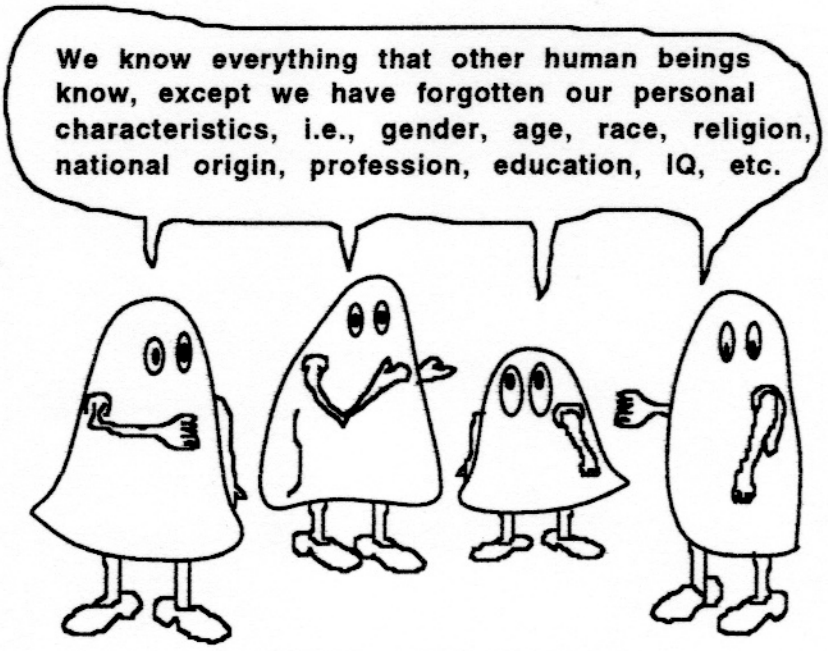
John Rawls, in his concept of "the veil of ignorance," suggests that decisions should be made such that we could live with these decisions no matter which stakeholder we are (Rawls, 1971, pp. 136-142).

Rawls' approach requires us to (1) look at our decisions and actions from the points of view of the various stakeholders that are involved in or affected by our decision and (2) assume that we will not know which stakeholder we will be (i.e., we wear a veil of ignorance) once the decision is made. In this way, impartiality in formulating the decision is encouraged.

Even though Rawls' approach requires us to assume the hypothetical positions of the other stakeholders (i.e., the other members of a "Rawlsian Committee"), it does give us practical insights into developing solutions that would be fairer than if we considered our own self-interests only. And we can move beyond a hypothetical approach by involving the actual stakeholders, or their representatives, in the decision making process.

This approach is especially useful when you consider issues of fairness and justice between generations -- issues such as natural resources utilization and concern for future generations. These issues are obviously important to future citizens and they have an interest in them, even though they haven't been born yet.

Veil of Ignorance



A Rawlsian Committee

Members of the Rawlsian Committee look for impartial solutions to complex social issues by debating the needs of all stakeholders.

Impartiality is encouraged because members do not know what their social positions will be at the conclusion of the debate, and they must be willing to live with the decision.

Values such as charity and humility assist committee members in arriving at a fair solution.

Drawing adapted from Palmer, 1991

Stakeholder Matrix

A practical framework for using a holistic approach combining the ideas of Nye and Rawls is shown in the "Stakeholder Matrix" on the next page. In assessing the ethics of the solution to an issue, we first identify the major values, goals, plans, and actions that are important to each stakeholder from the standpoint of their motives, means, and ends. These are entered into the appropriate boxes of the matrix.

Once we have identified these values, goals, plans, and actions we can then work to arrive at an approach to the issue that is consistent with these values, etc. We iterate on the approach until we arrive at those solutions (there could be more than one) that satisfy as many of the ethical requirements of the stakeholders as possible.

When we analyze a complex social issue using a broad holistic framework, we not only begin to understand the origins of the differences in opinion among the various stakeholders, but we also begin to understand the common ground.

A holistic approach is, of course, very time consuming and much more difficult to do than a one-dimensional approach that considers only the motives, the means, or the ends -- but the ethics of a complicated issue is not necessarily neat and tidy.

The matrix approach helps us see the points of view of other (individual or group) stakeholders and assists us in arriving at impartial solutions, i.e., solutions that all stakeholders can live with.

This approach also helps me with **charity** (i.e., understand and appreciate the legitimacy of the views of others, even when they differ from mine) and with **humility** (i.e., recognize that I am not always right), and it keeps me from slipping into self-righteous blindness as to what is valid in the perspectives of others. "There is an important difference between self-righteous moralizing and careful moral reasoning (Nye, 1986, p. 10)."

Self-righteousness can blind us to what is valid in the perspectives of others (Nye, 1986, p. 10).

Another danger in discounting the opinions of the stakeholders that disagree with us is that we will make up negative theories about their

Stakeholder Matrix

	Motives (Why?)	Means (How?)	Ends (What?)
Stakeholder 1			
Stakeholder 2			
Stakeholder 3			
Stakeholder 4			

motives, rather than objectively consider the strength of their argument; i.e., we try to diminish their personal statures rather than refute their moral positions. When we do this, we are involved in caricature, not in moral reasoning (Nye, 1986, pp. 11-12).

Value-Action Tree

Kidder (Kidder, 1994, pp. 322-324; Kidder, 1995, pp. 100-102) presents a framework for moving from **ethical or shared values** to **actions** that support the values, i.e., a methodology to "walk the talk." A modified version of Kidder's approach, which he calls the "Values-Tactics Ladder," is shown as the "Value-Action Tree," illustrated on the next two pages.

Shared values are located at the top of the tree (actually the framework is more like an upside-down tree). They are the "stuff from which real vision is made" (Kidder, 1994, p. 322) and it is at this level that "we have the best opportunity for creating consensus (Kidder, 1995, p. 100)."

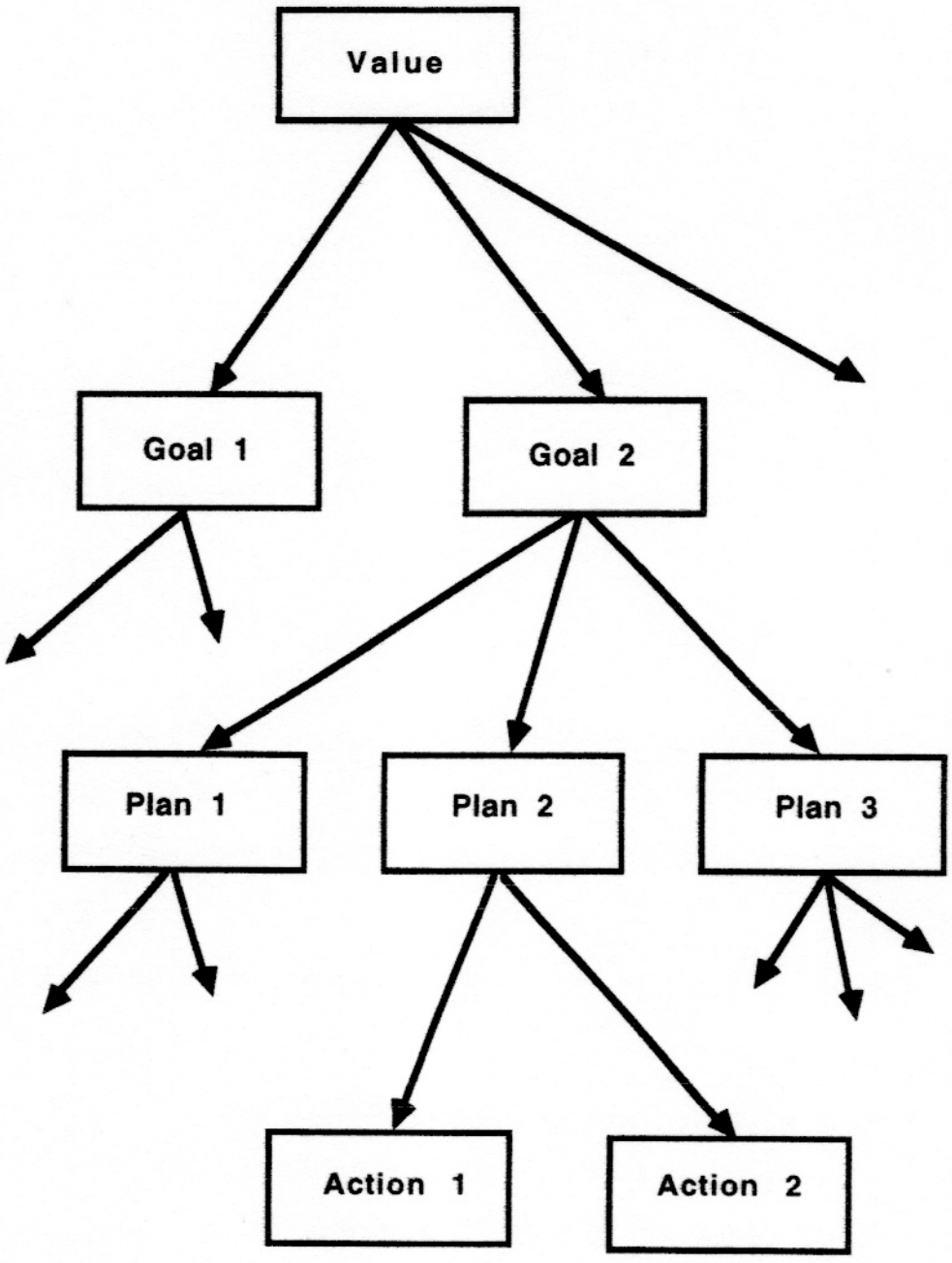
At the bottom of the tree are the practical **actions** we take that support the high-level values. Between the values and the actions are **goals** and **plans** that also support the values. As we move from the values to the actions, ideas become more specific.

The worksheet on page 40 helps us move from a shared value to specific actions, which support the value.

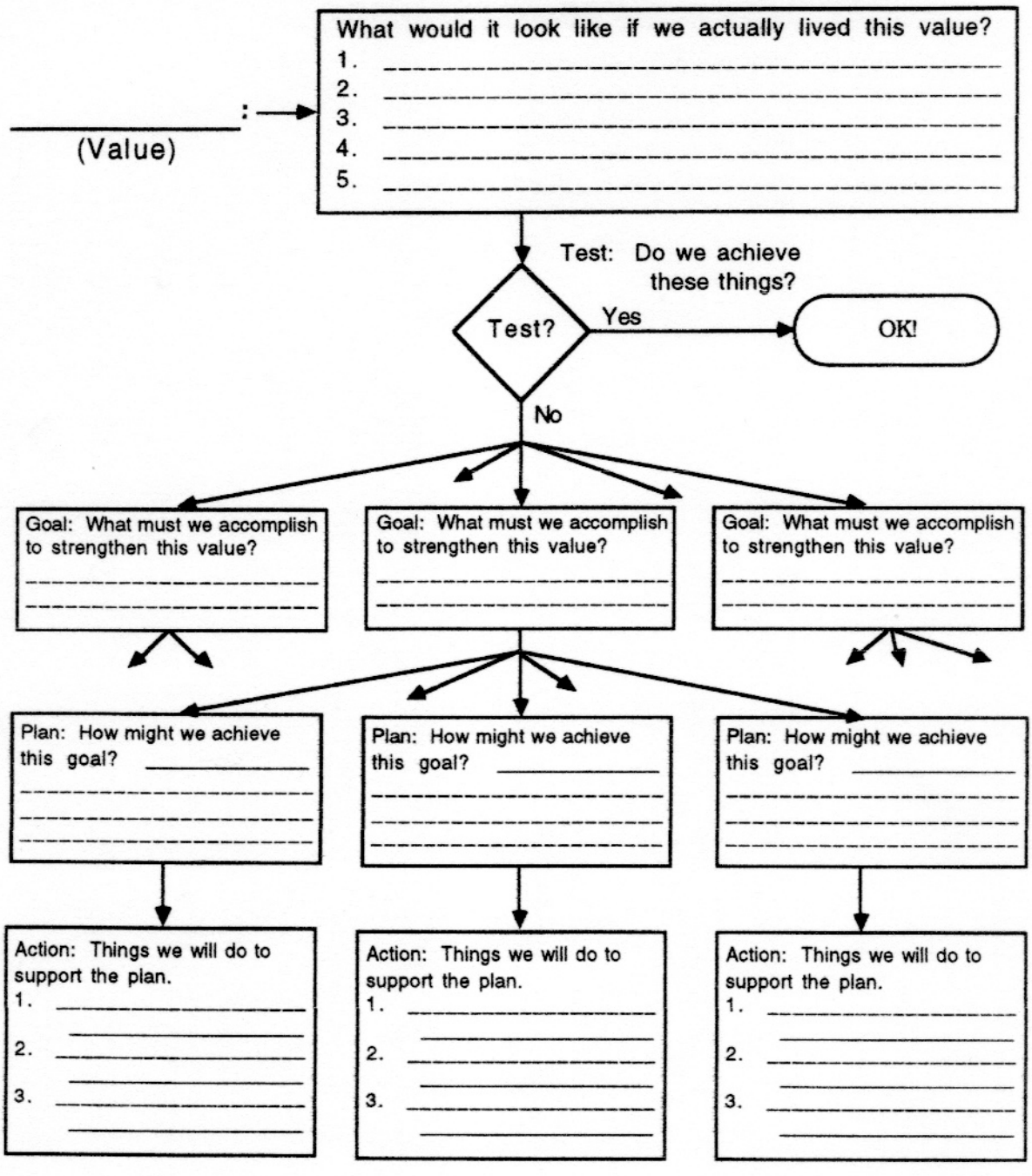
Kidder points out that "it is much easier to get agreement on the level of values than on the level of tactics [i.e., actions]," and that we should "rally around the highest vision we can find of our future direction, even though we don't always agree on the means [actions] for getting there (Kidder, 1995, p. 101)." He continues,

> *Leadership, especially in democratic organizations and nations, is not about tactics, micromanagement, and fine detail. It is about articulating shared values and developing a vision for the future--since that, after all, is how consensus is built and gridlock broken.*

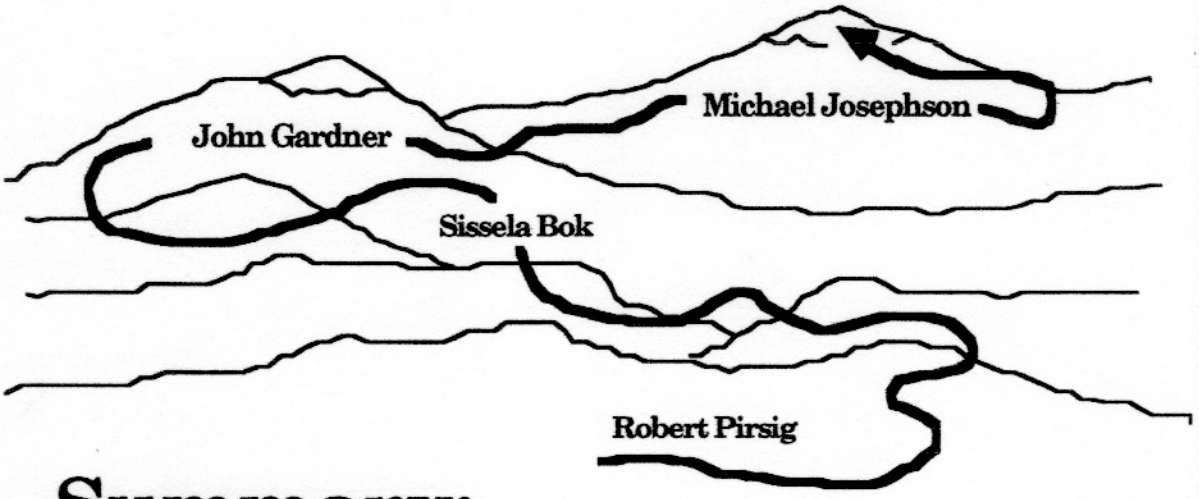
Framework of the Value-Action Tree



Value-Action Tree Worksheet



And the trip continues . . .



Summary:

Distrust and fear are not destiny -- they arise from the choices we make on how we lead our organizations.

Quality leadership is ethical leadership.

Ethics is the stuff of daily life; shared values are the glue that hold us together.

The quality and greatness of an organization is measured by the extent to which its leaders trust its employees.

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