

## Are you ethical?

WE CONTINUE TO HEAR ABOUT ethical missteps in many organizations. Those of us who suspected all along that Enron was more of a commonality than an anomaly are both validated and unsurprised, but we still wonder when the unethical behavior will end.

Before we get too comfortable thinking that the problem is only above us in the corporate board rooms, we might want to take a look at the practices we as managers and engineers execute each day. There are three key areas in which ethics come into play in our daily decisions: job assignments, vendor relations, and performance reporting.

Each day we make decisions about where people should work, and these decisions affect people's lives. Is it ethical to ask someone to work overtime on Saturday at the last minute? Is it ethical to pay a manager three times the amount that front-line workers get?

We all know we should get comparable quotes from suppliers. We are also aware that we should not accept gifts from suppliers, as doing so might affect our ability to make unbiased decisions.

How unethical does someone have to be before action is taken to address the issue? Simply coming up with a consensus definition for the term is tough enough, let alone trying to align all behaviors in an organization. That said, if we really want to raise the level of ethics in our companies, we have to have many

conversations about what ethics means to us as leaders.

While few managers keep two sets of books, managers do come across temptations to compromise personal beliefs during performance analysis and reporting. Something as basic as understating downtime or neglecting to report a \$500 material loss could be construed as unethical. Conversely, the way we might be treated if we told the truth could be unethical in its own right.

Thus the dilemma. On one hand, we are expected as managers to behave in an ethical manner and to encourage ethical behavior on the part of all employees. At the same time, we run up against the potential for receiving unethical treatment if we are frank in reporting all performance negatives. People act in a manner that helps them avoid pain. It is likely that reports of unethical behavior will result in additional unethical behavior as people attempt to stay out of trouble.

Creating an ethical workplace begins with hiring ethical people, but in most cases, we can't start over and hire a new work force. Finding the solution begins with looking for current sources of unfairness. By changing those systems that result in one group being treated differently or compensated differently with little justification, we can make workplaces more fair. As the perceived level of fairness rises, the temptation to behave in an unethical manner decreases.



*What you tolerate,  
you encourage.*

We as leaders can also do our best to set ethical examples. I recently came across a maxim that reinforces this need: What you tolerate, you encourage. Each time we allow people to behave in an inappropriate manner, we are essentially telling them that such behavior is OK. By simply speaking up, we might have a significant impact on people and their desire to repeat unethical behavior in the future.

By improving systems that are perceived as unfair, by setting a good example each day, and by challenging behaviors that are inconsistent with the directions we have established, we can raise the standard in our own work groups. In doing so, we will eventually make ethics more important and consistent at work ... if we choose to do so. ~

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