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| **West Chester University** |
| Towards a Principled Future |
| A Call for a Universal Ethics Primer for the Three Sectors of Society |
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Executive Summary

When operating and managing within any of the three sectors of society (government, business, and nonprofit), ethical guidelines and standards are an important aspect of adhering to current laws and practices. While each sector has its own version of an ethical primer, they all have commonalities that unite them. Much of the scholarship on the three sectors and ethics has treated them separately; however there is an argument to be made for the creation of a universal ethics primer. This guideline would be accessible and appropriate for the use by all three sectors. The sectors deal with the same issues of principle, duty and virtue. A guideline made for the benefit of all three sectors would help to bridge them, creating a sense of unity and cohesion that is lacking in current scholarship. Future research would need to concentrate on how to best discover similarities in ethical considerations within all three sectors. Furthermore, scholarship should address how ethical violations are dealt with, what biases exist within each sector, and what standards and expectations differentiate and unite each of the three sectors.

Introduction

“In civilized life, law floats in a sea of ethics”, so spoke Earl Warren, the fourteenth Chief Justice of the Supreme Court and Vice Presidential running mate for Thomas Dewey. Ethical behavior is the driving force of modern society and culture. In our daily lives, performing our daily functions, we recognize the need to operate in a way that empowers our neighbors and colleagues.

Ethics is how we understand and treat each other with respect and dignity. It dictates our actions, as well as our motivations, in interacting with people. How we pay them; how we work with them; how we define our relationships. Practicing ethical behavior is an integral facet of living socially.

We have also begun to recognize the need for laws to enforce such behavior. Too often, the call of corruption can dissuade us from achieving our goals in an ethical manner. Other times, ignorance of law and standards can manifest in accidently crossing moral and ethical boundaries.

Each sector of the public administration field (public, private, and nonprofit) has its own ethical guidelines to adhere to. The three sectors are inherently different, and so require careful distinctions for achieving their ethical priorities. However, there are some similarities that can be discerned and prioritized that are applicable to all three sectors. The purpose of this paper is to clearly lay out a universal ethics primer, one that can be accessed and utilized by professionals and scholars in all three sectors.

This paper will begin with an overview of the history of ethics in all three sectors, as well as the current ethics guidelines for each sector. An explanation of the importance of an ethical primer in general will then be discussed. Finally, a universal ethics primer will be plotted out in detail which will act as a bridge between all three sectors.

Ethical Theory

Our understanding and appreciation of ethics originated in ancient Greece with the teachings of Aristotle. This philosopher narrowed our understanding of ethics to involve the human condition and how ethics can be applied to man. The ancient Greeks, including Plato and Socrates, all contributed the foundational theory of ethical thought and teaching (Rutgers, 2010). These thinkers used the study of ethics to determine the value of consequences, how to differentiate between good and evil, and the overall morality of people.

Modern attitudes towards ethical theory and practice have included a myriad of explanations and reasons as to why people act in an ethical manner. One modern theorist identified six components which children mature through to become ethical individuals. According to Kohlberg (Svara, 2007), some of the stages of development include learning to avoid society’s rules in order to avoid punishment, conforming to said rules to garner rewards, meeting standards to avoid legal punishments, and committing to values and standards that promote civility and respect amongst individuals in society. According to Kohlberg, children need to advance through each stage before they can become a fully realized ethical individual.

Most scholars advocate the need to distinguish between morality and law. While both help people understand and adhere to accepted standards, a clear distinction should be addressed. A moral individual is one who can clearly differentiate between the abstract meanings of good and evil, right and wrong. Usually, a person’s ability to distinguish between these aspects reflects their society or religion that they belong to. An ethical individual is someone who acts in tandem with the dominant social norms laid out by others operating in society (Bowman & Knox, 2008). They operate within the guidelines and standards that govern their community. Finally, the term legal refers to behaving in accordance with the law.

One of the more recent ethical theories revolves around the concepts of what primers try to achieve: instilling the values of principle, virtue, and an understanding of consequences in their managers and employees. The so called Ethics Triangle stems from the works of theorists who discovered the intrinsic similarities all organizations try to address. The nature of the Ethics Triangle and its individual parts is discussed in greater length later in this article.

Ethics and Business

The study of ethics and business is tied closely to the industrial revolution and the consequences to the invention of the managerial hierarchy. The 1800 to 1900 hundreds saw the emergence of a managerial structure to business, wherein the bosses of businesses shifted from control of the inventors and designers to that of men who studied and grasped how to manage others and successfully run a company (Tompkins, 2005). This shift led to workers being studied and assessed on how well they do a certain task. Our modern use of guidelines and proper ways of achieving our goals originated in this period. Managers of companies laid out clearly how many movements of a shovel were needed to scoop coal, and every worker was required to follow the model.

This model, while benefitting the management, treated employees as little more than property of the company. People were micromanaged and their own ideas of aspirations were not heeded. This outlook on employees persisted through the Industrial Revolution, and has only recently been dissuaded from the minds of managers. More employers are now approaching their businesses with an organic management style, actively seeking out and taking into consideration the suggestions of their employees. Newer companies, especially those created by a younger generation, are slowly altering the design of traditional business management hierarchy, and embracing a more flat design to how they run their companies.

Recent scholars have attributed the role of ethical standing of companies squarely on the shoulders of the managers who run the organizations (Schwartz, et al, 2005). They dictate the direction of a company, and so are directly responsible for the ethical actions of their employees. A company will thrive so long as its managers continue to act in an ethical manner and formulate ethical policies.

Ethics and Government

The study of how governmental bodies should best manage themselves truly began with the scholarship of Woodrow Wilson and his essay regarding the study and practice of administration (Shafritz & Hyde, 2008). His work, as with the writings of his contemporaries, regarded government as a business, and should thus act as a business. How governments handle complaints or review legislation should be based on a business model of operation, according to Wilson. Scholars of this time period sought to lessen the wastefulness and red tape associated with government, and their recommendation was that it could become much more efficient if government treated itself as a business entity.

Much of ethical law surrounding government institutions deals with disclosure of donor gifts and the proper recording of contributions to campaigns. Current law has a focus on the interpersonal actions of governmental employees, insofar as how they treat their constituency and how they work and operate within their institution.

Governmental bodies have existed for many centuries, and have only recently become concerned with operating in an ethical fashion. Current laws regarding ethical actions and behaviors of governments and governmental employees revolve around how one operates while adhering to strict regulations and procedures (Vance & Trani, 2008). Sometimes, managers within a government knowingly act in an unethical manner ( as with the recent General Patreus scandal). Often times though, managers and employees break ethical laws because they do know fully realize or appreciate the aspects of the law (Farazmand, 2009). One such example involves Los Angeles Mayor Antonio Villiagrosa. He faced record fines when he failed to disclose gifts given to him, which included tickets to various sporting and entertainment events.

The Mayor asserts he unintentionally violated ethics laws in failing to disclose the tickets. This oversight is just one reason why an ethical guideline for government employees is so essential (Clark, 1996). There are many nuances to disclosure and donor laws that politicians and their staff can be tripped up by them. Ethical oversight committees and political watchdog groups are society’s answer to minimizing ethical violations by our elected officials.

Ethics and the Third Sector

The third sector, more commonly known as nonprofit businesses, has its own set of challenges and topics covered by ethics guidelines. Nonprofits appear to be a distinct configuration of administrative priorities and challenges that the other sectors don’t necessarily deal with (McNeill, 2006). Like businesses, nonprofits need to take in capital; as with governments, nonprofits exist solely for the benefit of a certain group or community. This melding of responsibilities has made nonprofit organizations unique in their ethical issues challenges.

The funding for nonprofits usually comes from donors and grants. These organizations can make a profit, but are not strictly in the business of making money. While they do dedicate a large percentage of their funds to their mission, nonprofit organizations do need to invest in their employees, as well as general office supplies and literature. Many nonprofits are also putting revenue into fundraising, which has been shown to be a profitable investment (Worth, 2012).

The Ethical Primer

As the three sectors became more prominent entities in society, a need arose for an ethical guideline for employees to follow. Modern businesses now have the capability of retaining and managing hundreds and thousands of employees. In an effort to curb legal woes and misunderstandings, businesses instituted the creation of an ethics primer, a guide that laid out exact expectations and a clear chain of command for employees.

This creation has helped to stymy the proliferation of sexual harassment and bullying at work, while also empowering the lower level employees. Instead of feeling trapped by events, these people now have a means of taking legal action against their harassers by utilizing clear channels of communication to superiors. Separate from that, they can also contact their human resources department to help rectify the issue.

An ethics guide can be utilized for any number of issues that may arise at an institution. By consulting an ethics primer, employees and managers alike can rely on clear direction when it comes to addressing crucial and controversial situations that may arise. The importance of an ethical guideline for every business and institution cannot be overstated. Laws change over time, and in so doing reflect our ethical culture.

The Universal Ethics Primer

The three sectors, and the individual institutes within each sector, have their own ethical guidelines and standards to adhere to. While all businesses, governments and nonprofit organizations are all inherently different, they do rely on the same means of achieving their unique goals. The three sectors all (or at least should) be relying on a budget to help guide them; on empowering and cultivating their employees on all levels; on contributing to the overall wellbeing of the community in which they operate; and on following lawful practices when it relates to environmental, regulatory and professional standards accepted by society.

Often times, a practitioner in a certain field can deviate from ethical standards when an ethical guideline is not present. Without a clear set of codes, someone’s personal values can conflict with their professional ones (Eriksson, 2008). A creation of a universal ethics primer would seek to eliminate this discrepancy.

While all companies may go about their hiring process differently, they still need to follow the law as it relates to ethical hiring standards and appropriate filing and reporting of pertinent forms. In this one example, a universal ethics guideline would be appropriate to have for any of the sectors, as hiring practices are a standardized practice. The creation of a universal ethics guide would not only help to bridge the three sectors together, it would also instill a deeper understanding of how society operates and what principles are most valuable to us.

Many scholars have studied the role of an ethical guideline as it applies to the individual sectors. It is the contention of this paper that a universal ethics primer is advantageous for managers and specialists in any of the sectors. While all three sectors have their idiosyncrasies, ethics primers do tend to cover topics and issues that are applicable to all sectors.

For example, all three sectors have considerations and standards when it comes to hiring practices, taxes, and employee management, to name a few. While a universal ethics primer can address the lawful issues all institutions must adhere to, that is only an aspect of what could be achieved by a collective guideline.

Ethical primers strive to focus on the same core conceits; those of principle, consequences and virtue. These concepts, when ethically considered and applied, are the basis of what an organizations ethical guidelines should be. They form the Ethics Triangle, a conglomeration of the three ethical theories that all organizations can lean on for guidance.

Principle

The concept of Principle, as related to the study of ethics, refers to the value and respect organizations should have for the individuals that work and run them. Since the turn of the century and the creation of unions, along with state and federal laws that emphasize standards and expectations, has instilled in workers that they are a valued commodity in the organizations in which they work. Conversely, businesses take the time to sift through applicants and look for the one that has the most potential for growth and commitment to an organization. Many jobs offer impressive benefits packages, which include vacation time, healthcare coverage and bonus opportunity. These incentives attract caliber applicants who are willing and able to work for a company that is eager to invest in them.

A Universal Ethics Primer would encompass and expand upon the notion of acting in a principled manner. The three sectors in America are all expected to follow current laws. Such laws address social diversity and tolerance of employees (De Graff, 2008). Organizations cannot fire, or not adequately consider, a person who is physically handicapped, or show preference for a candidate over another. Ethical primers clearly lay out, under the Principle theory, that all people deserve respect and to be treated equally and fairly.

A principled universal guideline for organizations would reflect the priorities and values that are inherent in modern public policy. A multitude of laws exist today which address how to properly and ethically treat others. Whether with hiring practices or the maintenance of employees, ethical primers reveal and enforce the laws that protect employees and employers alike. As a community which shares common interests and goals, we tend to share common principles that are relevant to organizations. These principles include truth telling and justice for the individual.

While some principles may conflict with one another, depending on the situation, it is important to consider the other theories in the Ethics Triangle and how they would address a given situation. Often times, cross checking and reviewing the issues in a confrontation or conflict will help determine the ethical solution.

Universally speaking, the principles approach is applicable to all three sectors. Each sector has to deal with whistle blowing laws, hiring processes, and other such regulations. As individuals, we can be flawed and biased, and sometimes be confused on which outcome to choose. A universal ethical primer can alleviate the uncertainty and conflict that can be inconsistent with the best interests of our peers, as well as the standing of laws.

As a part of the Ethics Triangle, a principles approach for all three sectors would help steer people into treating others as equals, and put aside differences and biases that exist in an un-idealized world. While following a primer that stresses principles will not dissuade everyone from making unethical decisions in tough situations, it can offer assistance for most people looking for an ethical means of solving a conflict. Governments and businesses (for profit as well as nonprofit) seek to work in a manner that benefits the most amount of people, and to help the most disadvantaged of us.

Consequences

This aspect of administrative ethics is the utilitarian concept that says decisions are right or wrong based on the final outcome. This theory does not touch on the though process of making an ethical decision, as the other two do, but rather looks at decisions after they have been made and the result has been seen. This theory stresses rationality and efficacy, and believes in doing the most good for the greatest number of people.

This approach, taken alone, can be lacking in determining an appropriate ethical decision. There is no basis for right or wrong before an outcome is determined; rather, that distinction is only made after an outcome has been reached. Governments and businesses cannot create decisions and policies and wait to see if it is ethical in nature. Organizations need to rely on decisions that offer forethought and prudence when it relates to policy.

That is not to say that the consequential approach has no bearing with the three sectors, or even a universal guide. The consideration of real world consequences on decision making is a pivotal part of how managers and others need to approach problems. There can be many outcomes to a decision, particularly one that affects many people. To be mindful of how policies and laws will influence others is a necessary step in evaluating and implementing sound public policy.

Virtue

Taking the virtuous approach in administration means maintaining consistency and honesty in ethical decision making. The imperative for managers comes from within, rather than looking at prior strategies and analyzation of specific situations. The virtue portion of the Ethics Triangle emphasizes those traits that make us citizens and valuable members of an organization: trustworthiness, loyalty, and civility, to name a handful.

Virtuous managers who follow this approach rely on their experience and intuition to solve disputes and solve issues. Administrators hone and refine their virtue through life experiences, bringing to organizations the accumulated worth of their principles and values.

Ofcourse, with any of the parts, there are disadvantages to be mindful of. In administration, it isn’t so much a question of being good, but rather doing good. This distinction is important to be mindful of. Being a good person is an admirable trait for a manager to have in any of the three sectors. Without the proper training and education, however, a person’s good intentions could lead to mismanagement and exaserbate conflicts.

Some managers and administrators try to resolve conflicts by capitulating to the wishes of the people involved in a dispute. By giving everybody what they want though, a manager can undermine his or her own authority, as well as fail to take into consideration the best interests of the organization in which they work.

Duty

By following the theories and strategies of all three approaches, managers and staff members inspire a sense of duty in themselves and their co-workers. Duty is the sense of obligation and persistence in accomplishing tasks and goals of an organization. It is what pushes administrators to perform at their best while handling various conflicts and situations.

A sense of duty obligates managers to commit to the organization that they serve and obey all the laws applicable to their duties and responsibilities. As public administrators, it is important to remain impartial and passionate when it comes to carrying out their assigned functions (Ferraro & Garofalo, 2012). Principles, virtues, and a concern for consequences lead managers to the culmination of the Ethical Traingle, a sense of duty to their organization. The three sectors need leaders who feel a passionate and personal obligation to fulfilling the mission of the companies they work in.

For the three sectors, government, business and nonprofits, the Ethical Traingle, and a universal ethics triangle, can provide a means of attaining their individual goals while remaining ethical.

A Model for all Three Sectors

As laid out, the three sectors of public administration are different, both in their missions and goals. They carry out their individual missions differently, and have separate expectations for results. However, the commonality of the Ethical Triangle is what unites the three sectors in their search for a viable means of carrying out their ethical responsibilities. The theories and practices of principle, cognizant of consequences, and virtues all lie embedded in effective ethical primers.

While the individual sectors have their own goals and management styles, they do need to not only follow current laws, but should also strive to set an example for other organizations. The three sectors have it in them to reinvent managerial policy and show how ethical behavior and standards can benefit people and still bring in a profit for the organization.

The three sectors that administrators operate within share the same goals of attaining ethical standards and priorities, as well as following state and federal laws . These laws set precedence for how employees are treated and what steps managers should take when crafting policy. Administrators take similar initiatives across the three sectors when it relates to communication, human resources and policy analysis and implementation (Rooney & McKenna, 2008). A universal ethical primer can unite the three sectors in their pursuit for operating in ethical boundaries and making ethical decisions to resolve conflicts.

Further research on this topic should seek to implement a universal primer in the three sectors and note any measurable differences in procedures. The three sectors tend to overlap in certain areas. Nonprofits need to be mindful of their bottom line; businesses need to create and enforce policies that promote the growth of their employees. Governments, too, have an ethical obligation to spend wisely the monies that they bring in. The inherent uniqueness of the three sectors does not mean that they do not share the same values. Scholarship should focus on how administrators can be trained to function and manage in any of the three sectors, as well as how ethical standards can be cross referenced to all three sectors.

Conclusion

The three sectors are inherently different from one another. This is a fact that cannot be denied or ignored. Each sector of administration has its own priorities and needs that individualized ethics guidelines can address and help its employees manage tough situations. All the sectors, though, are dependent upon ethical norms for determining the proper decisions. These decisions play a role in shaping the perception of an organization, as well as deciding how to best handle company conflicts. Bearing in mind ethical considerations can assist all organizations in achieving their primary mission objectives.

The study and practice of public administration has evolved significantly since the concept of the manager class was established during the Industrial Revolution. We do not need to repeat the ethical mistakes we have made in the past in order to discern the best methods of decision making and conflict resolution. The mistakes the three sectors have made can be analyzed and taken into consideration when organizations craft policy. Ethics primers act as guides for managers and workers to not only improve their work lives, but also for the benefit of the organization itself.

Reflection

The practice and study of public service values is an important aspect of operating within a civilized society and community. There are a multitude of laws to follow, consequences to consider, and ethical boundaries to always be mindful of. Often times, it takes an unethical action to prompt a law for others to follow. With an ever growing populated and diverse workforce, organizations need to be mindful of the ignorance’s and injustices of the past so they can successfully lead and manage for the future.

The study of ethics has lead to the undertaking of holding governments and businesses accountable for how they operate and interact within society. As public administrators, one of our duties is to recognize how and when organizations veer from an ethical path, and be ready and willing to correct it. The understanding and practice of ethical theory in organizations will continue to produce public policy that broadens equality and treats people fairly. Similarly, businesses which operate in an ethical manner will serve as an example of how profits can be made while not breaking rules or treating workers harshly and unfairly.

The broad points discussed in this paper can help serve as a starting point for the task of not only studying ethical theory and moral standards, but also for making those standards applicable and designed for the three sectors of society. Maintaining clear principles of justice and equality can only empower public administrators to create the kind of legislation and working environment that is desperately needed around the world.

There are many topical headlines to consider when approaching the study and practice of ethics. Working conditions that put people’s lives in danger; women being paid less for the same work as men; how we treat and address people who want to live out the American dream even though they may look different than what we associate with a traditional America. These issues and more cannot be easily solved in a few short years. Change can come when passionate individuals dedicate themselves to a cause and spent lifetimes fighting for it.

The values instilled in me as a public administrator are that of fairness, equality and the inherent right of all people to dream and achieve as they see fit. We are aborning into a new era; one of a more diverse workforce that is looked to for leadership, not the proper carrying out of tasks. Our management and recommendations will deal with poverty, war, equality and fairness. Public administrators will be burdened with solving larger than life issues, some of which have festered for decades.

Yet, we should be confident in our resolve to address these issues, so long as we maintain a clear ethical eye towards our common goals. Too often, we resort to policy or plans that only benefit a few while barely addressing the needs of the many. Ethical theory and ethical practice can help all public administrators and professionals determine not which policy best serves a group or a label, but rather what needs to be done in order to help those less fortunate.

An ethical primer is one source for study of how managers and administrators can operate within a moral framework. The values that a country upholds, or even pays attention to, may differ frequently and alter regularly. However, ethical thought and behavior can be a strong guide for how to manage in organizations when laws change to reflect a changing culture. A universal ethical primer can be a boon to so many organizations and individuals who may not be aware of, or lack the training to, identify and empathize with various groups of people.

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