

The Role of Human Resource Managers (Hrm) In the Institutionalization of Ethical Working Policies in Organizations: A Qualitative Analysis

Enyindah, C. W¹., Dapper, M.E¹ , Nwiko, L.A¹., Ejire, S¹.

^{1,2,3,4}Department of Business Administration and Management, Rivers State Polytechnic, Bori.

Abstract: *The expediency of the institutionalization of ethical working policies in organizations as a strategic design, for Human Resources Manager in the administration of organizations is veritable and proactive. This paper examines the role played by HRM in the institutionalization of ethical working policies in organizations. The paper examines the divergent ethical issues in organizations. It also considered the strategic import of the institutionalization of the ethical working policies. The contributory implications of this approach to organizations are made manifest. The paper therefore concludes that institutionalization of ethical working policies has reciprocity implications to a hybrid of employers, and employees. Hence, a veritable tool for HRM in the directional and purposive management of organizations.*

Keywords: *Human Resources Managers, institutionalization, ethical working policies, organizations, productivity.*

I. Introduction

What constitutes ethics has been a subject of academic and managerial controversy (5). What may be ethical for one may not be for another (13). The values we have as individuals, families, communities, organizations and professionals are the pillars upon which the moral fibre of such an individual or group is anchored (13). In the legal profession, there are values and norms. The accounting profession has one and so does the teaching profession. (12) defines “ethics as the study which arises from human capacity to choose among values.” Two definitions of ethics are further offered. One is the singular definition and the plural definition. The singular definition of ethics is “the moral value of the conduct” while the plural definition is “social, religious or civil code of behaviour considered to be correct, especially that of a particular group or profession”. (18) contributing further, they gave three dimensions of ethics. One, ethics is in behaviour which stems from personal belief; should there be a conflict between the personal belief and law, the law prevails. The second is managerial ethics. This form of ethics is upheld by managers in line with the company’s policy. Finally, the professional ethics which governs the profession the manager belongs. The professional ethics prevails if it is in conflict with the company’s policy.

Similarly, (8) offered four practical ways ethics operate in an organization. One, ethics operates in the domain of impartiality. Two, no discriminatory treatment. Three, should be defended with reasons and, finally, borders on behavior. ((4) saw ethics as bordering on three pillars: one, fairness; two, deciding what is right and wrong; and three, the practices and rules which underpin responsible conduct. While policy has been defined as “a definite goal, course or method of action to guide and determine present and future decision (19). How successful has human resources manager been in this onerous task and what are the implications of doing so?

Although there has been a plethora of studies on ethics (15, 13, 4, 14), there is no study to the best of our knowledge on the contributory role of human resources managers on the institutionalization of ethical working policies. It is this research gap that this paper directionally intends to fill.

This paper therefore will look at the implications of introducing an ethical working policies and the role of the human resources manager in the policy implementation. Firstly, it will examine ethical issues in the organization. Secondly, it will x-ray the role of the human resource managers in the policy implementation. Thirdly, it will juxtapose the advantages and the disadvantages of introducing an ethical working policy. The paper will conclude that ethics remains a controversial subject in both academic and managerial circles and the well entrenched ethical values and awareness will guide individual and organizational behaviour.

II. Ethical Issues In The Organization

Ethical issues in the organization are many and can by no means be exhausted (7). (8), enumerated important and most frequent areas that often raise ethical questions in the workplace. One area, according to (8) is performance management. Members of staff are rewarded based on their performances. It is the duty of the human resource department to design and create the template upon which the performances of staff are based (20). Some employees do not know how they are appraised and therefore should not be made to pay for

information that was not made available to them by being refused promotion or rewarded (10). Again, (17) suggests that there are some jobs that are too hard to measure. He therefore opined that for management to arbitrarily allocate figures to those immeasurable tasks is unethical.

(8) also enumerated reward as one of the areas that raises questions of ethics in the organization. Reward in this context is the incentive given to a staff for meeting an expectation. He therefore queried the rationale for singling out one person for reward when there are many who contributed to the success for which one person was rewarded. For instance, for an electrical supervisor to be rewarded alone is unethical, when in actual fact, many contributed to the success for which he was rewarded. (16) also asserts that it is unethical because no amount of work can be quantified in monetary terms. It is therefore opined that rather than an individual rewarded, the team should be rewarded or the department.

Equality, according to (8) is yet another area that is shrouded in unethicality. Though there are laws that make for equal opportunity, it is discovered that the pay disparity between men and women in the UK and the gap is very wide; women earn 17% less than men (16). Again, (9), posit that levels of unemployment are higher for Asians and Black even with the same academic qualification with their White counterparts. Still on ethical issues, long working hours is a problem. According to (8), women are the affected. It is unethical to keep women long in the workplace when they have families to tend. They also posit that financially rewarding the overtime workers cannot be equated with the time they should have been with their families.

Furthermore, flexible labour, in this context means that not in permanent employment of the company. They include the casual workers, the temporary staff and those on contract (8). It is therefore questioned the rationale behind this set of workers not being pay-rolled as permanent workers. It is modern day slavery otherwise termed casualization of workers. According to them, those who work on flexible labour are bound to accept unfair labour policies for fear of being laid off because of the flexibility of their working condition.

Confidentiality of information is an ethical issue. Information leaked to outsiders can be used by competitors to unleash competitive strategies that will undermine management activities. Hence, employees are required to keep information confidential and the leakage of this tantamount to unethical behavior. Again, accepting kickbacks and gifts from suppliers is considered by some organizations as an unethical behavior. It blinds the staff when next the supplier under-performs and is not able to do any good job.

III. Role Of Human Resources In Institutionalizing Ethical Working Policies

While management or board decides on employment, the duty of setting standards, policies, task and work design rest squarely with the human resources (20). The discharge of the organizing as part of its function, (8), the human resources can adopt employee voice in its bid to implement ethical working policy. This can be strategically implemented through the instrumentality of the various trade unions in such organizations.

Employee voice according to (2) is used to express whole variety of processes and structures which enable, and sometimes empower employees directly and indirectly, to contribute to decision-making in the firm. This can be through participation or involvement (1). Being part of the process that initiated the policy will bring resistance to the barest minimum.

Training, besides its traditional objectives of increasing productivity and development for future job, can be used to 'strengthen the organization's culture' by developing a broad conceptualization of "the way that we do things here". (16). Training helps to make trainees see things clearly that they never understood before. Consultation of the labour unions about management's intention to adopt a policy can douse many tensions (2). By this, policies will not be seen as management's own business but since they were part of the process from the beginning, the level they will embrace it will be better compared to when they were not part of the process.

Human resources manager's role in the organization also includes controlling, that is ensuring that performances or activities conform to plan and where there deviations, corrections are effected. (5) suggest that sometimes the human resources department finds itself in a quandary. This is because there are some company's policies that may not jell with the human resource, but in terms of enforcing that policy, it has no other option than to comply, just as (18) advised that the company's policies should always prevail against individual values.

IV. Advantages And Disadvantages Of Institutionalizing Ethical Working Policy

An organization bound on ethical strings will have less observed misconduct in the workplace as ethics is a contagious moral issue that once management decides to do things ethically, the staff will follow suit (11). This is to say that the awareness of every staff has serve as a guide to the attitude and actions of the staff. The human resources department will have less work disciplining erring workers. Even the amount of money spent on remedial activities will be reduced. But (18) posit that a great number of the staff will be living in false expectation. According to them, it is difficult to whip some workers into line. You may achieve that through threat but the firm will have a great number of pretenders expose secrets if exposed will make management know that the trumpeted ethical awareness is just a mere sham.

Again, an organization that pursues ethics will have a satisfied staff as there is trust between management and staff (11). They further argue that job satisfaction will lead to increased productivity which also results in increase in profit. By this, it means that the transparent manner in which management conducts its business serves as a tonic for staff to put in their best. (20), again, punctured that argument. According to them, if management juxtaposes the amount of money it spends on training and development on ethical issues with what the workers produce, the organization is only making a cyclical movement. That is to say that there is high cost of imparting ethical awareness on staff. The question then becomes, of what benefit is increased productivity and profit when what is produced is also being consumed at high cost of training and development? This question is doused by the work of (3), which indicates that the accrued benefit of training and development is preponderant over the cost on the long run.

V. Conclusion

In conclusion, this paper has looked at the various definitions and dimensions of ethics by different authorities. It has also looked at the definition of working policy. Also considered are the divergent ethical issues in the organization and their concomitant implications. The role of the human resources managers in implementing ethical policy has also been examined in juxtaposition with the pros and cons of having an ethical working policy in an organization. It is therefore our considered stance in this paper that the institutionalization of ethical practices in an organization makes for an objective administration of human resources. It instills trust in the employees which leads to an enhanced employee commitment with increased productivity, profitability and stability.

VI. Recommendations

From the foregoing, the following recommendations are proffered:

1. There is the need for proper and precise definition of ethical values in organizations.
2. There HRM should be profoundly involved in the institutionalization of ethical values and standards in organizations.
3. The employment of employee voice in the establishment of ethical working polices in organizations should be greatly utilize.
4. Employee's participation should also be utilized in the institutionalization of ethical values to ensure efficiency of the policies.

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