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Ethics, morality and values: on which values do we build our future?

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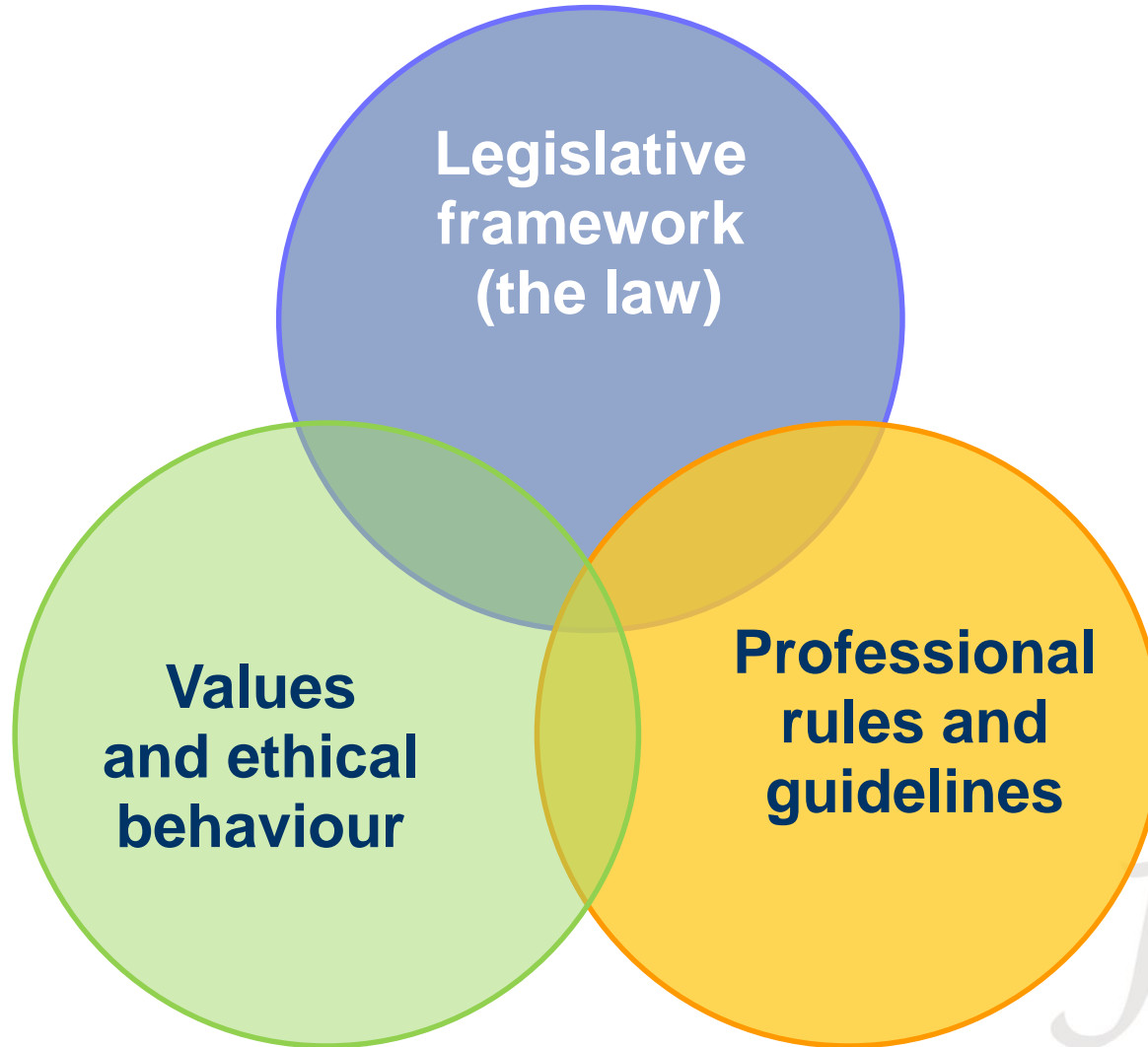
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Outline of presentation

- **The law, industry rules and universal values**
 - Ethics vocabulary
 - Ethical decision-making
- **Case study**
 - What it means to be honest
 - Benefits of being ethical
- **Questions**

Three imperatives



Ethics vocabulary



Ethics vocabulary

- Values are commonly held beliefs of what is important.
- We all have personal values, which influence our behaviour.
- These values are based on our fundamental beliefs.
- Universal values: something is of universal value if it has the same value or worth for all, or almost all people, or when all people have *reason* to believe that it has value.
- Universal values are unchangeable.
- The most frequently cited “universal” values are:
 - accountability, compassion, courage, honesty, integrity, fairness and respect.
- Living up to universal values is the highest standard of behaviour.

Ethics and morality

- **Morals:** unlike ethical conduct which is based on formalised or professional standards, morals are based on what society or a certain group of people regards as acceptable behaviour within a certain context e.g., what to wear to church.
- Morals change over time and they are not necessarily based on right and wrong, but on a personal choice or a personal value.
- **For example**, in a country where gambling is legal, it may none the less be seen as immoral (wrong) by those against whose system of beliefs gambling goes. It would not be regarded as unethical, however, since it does not breach any codified standard.

Living values

- Values will be “empty” promises if they are not “lived”.
- Professed values have no “value” if they are not put into action.
- Our decisions and actions need to be guided by our core values.
- If I say I am a person of integrity it means that I must keep my promises.
- When I live my values **I AM ethical.**
- When organisations practice their proclaimed values, it is an ethical organisation.

Being ethical

- To be ethical is to:
 - **do** right and not wrong;
 - **be** fair and not unfair; and
 - **do** good and not bad.
- But ethical conduct is not only concerned about doing what is right, good and fair, it also includes:
 - being responsible;
 - considering the interests of others; and
 - upholding formalised or known professional standards in a particular workplace or profession, such as the medical or the legal profession.

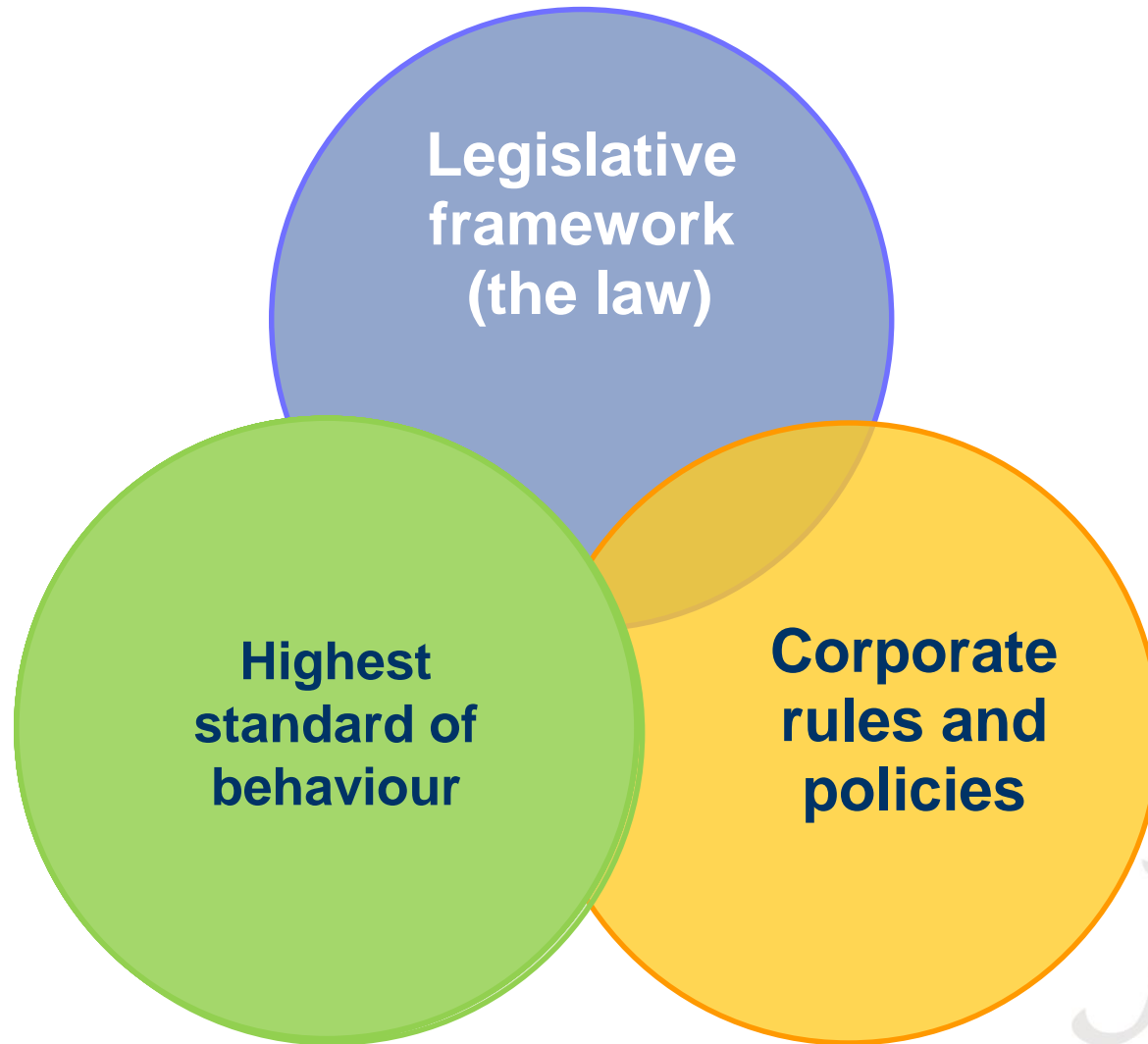
Being ethical (2)

- In other words, I am ethical when I do the right thing, in accordance with the known standards of professionalism in my industry/profession.
- **For example:**
 - *I do not divulge confidential information about my clients, unless required by law.*
 - *Or, I treat all my customers or staff the same, irrespective of background and culture.*

Being ethical (3)

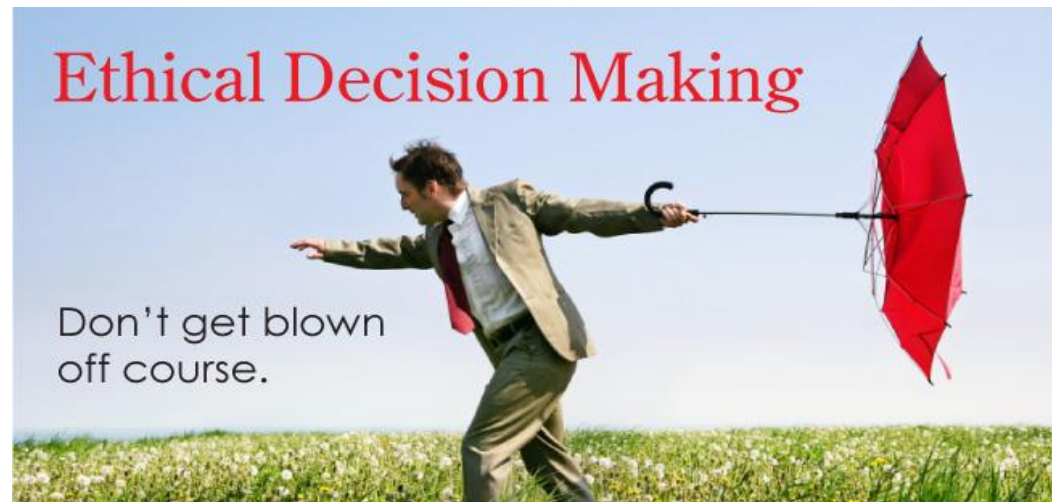
- Ethical behaviour could also go beyond mere compliance with legislation, policies and rules.
- It is the highest standard to comply to.
- Being ethical often requires **sacrifice** and **inconvenience**.
- Being an ethical professional requires more than just talking about the right thing, but actually doing the right thing.

Compliance framework



Ethical dilemma defined

- An ethical dilemma arises when two core ethical values clash or compete, and one has to choose one value above the other in particular circumstances.
- An ethical dilemma may be defined as a situation in which individuals:
 - Do not know the right course of action.
 - Find it difficult to do what they consider to be right.
 - Find the wrong choice very tempting.



Making the right decision



**When you are not sure what to do
use this test:**

- Is it legal?
- Does it comply with our company or industry rules?
- What would your family, colleagues or manager say about the decision you are about to make?
- How would you feel if your decision was reported in the media?
- How would your behaviour be viewed in one or five years from now?
- Would you be happy if you were treated this way?

Create a culture of integrity

- Because we often face ethical dilemmas and we all have different backgrounds (and values), an organisation **must choose and adopt corporate values to set a common standard for all stakeholders.**
- An organisation should actively build and promote a **culture of integrity.**
- A corporate or organisational culture can be described as “the way we do things around here” (when no one is looking).
- **The best set of policies or laws will have little impact when the culture is wrong.**
- On the other hand, when there is a culture of doing things ethically, things will most often be done right even if the policies are not in place. This does not mean that formal aspects (rules and policies) are unimportant.

Corporate values

- Organisations typically choose values such as:
 - Integrity (who we are: trustworthy, doing what we say)
 - Transparency
 - Honesty
 - Truthfulness
 - Fairness (even-handedness and how we treat others)
 - Respect (how we relate to others)
 - Dignity
 - Responsibility (how we take ownership of what we do)
 - Professionalism
- **Once these values have been chosen they must be put into practice. The values should be “lived” at all times.**

Does it pay to be ethical?

**Case study based on article by Prof Frank
J. Navran, ©2012 Navran Associates**

“There is more to it than simply not lying”

A large, faint, light gray version of the 'JM' logo is positioned in the bottom right corner of the slide.

The story

- *“In managing the country store, as in everything that he undertook for others, Lincoln did his very best. He was honest, civil, ready to do anything that should encourage customers to come to the place, full of pleasantries, patient, and alert.*
- *On one occasion, finding late at night, when he counted over his cash, that he had taken a few cents from a customer more than was due, he closed the store, and walked a long distance to make good the deficiency.*
- *At another time, discovering on the scales in the morning a weight with which he had weighed out a package of tea for a woman the night before, he saw that he had given her too little for her money. He weighed out what was due, and carried it to her, much to the surprise of the woman, who had not known that she was short in the amount of her purchase.”*
 - *Quoted from case study by Prof Navran*

Analysis

- After telling this story, Prof Navran discusses some truths about being honest. I am quoting some of his comments below:
- *“Honesty is among the most commonly noted of the “universal values”. Of course, while we all “value” honesty there is a cultural dimension to honesty, such that total, bald-faced truth telling is rarely the reality. For example, there are expectations in “polite society” that tact will “color” what we say lest the truth hurt too much. And those exceptions vary from culture to culture – be it national culture or organisational culture.”*
- *“The exceptions to honesty can be as simple as telling someone how nice they look when they really do not look especially nice at all, lest we hurt their feelings.”*
- *“Or, it can be as devious and deceitful as the lying, corrupt and totally untrustworthy politician referring to his equally disreputable colleague as the “honorable gentleman or gentlewoman ...”*

Benefits of “living” values

- According to Prof Navran, the benefits to “living” values in a profession or organisation are innumerable and can be measured in issues such as:
 - morale
 - efficiencies
 - motivation
 - communication
 - personal pride and self-esteem
 - productivity, quality, safety and many more.

“Not lying”

- Prof Navran explains that there is much more to honesty than simply not lying.
- He includes the following in “not lying”:
 - “Remaining silent, thus implying agreement or acquiescence, with what we, in fact, do not think to be the best course.*
 - Saying enough to end a discussion on acceptable terms, while withholding some information, questions or concerns that might lead to conflict or disagreement, thereby masking those questions or concerns.
 - Agreeing to support another’s position, implying a point of view that we do not actually hold/share, in order to avoid conflict.
 - Acting in accord with another’s position, while privately sharing our disagreement with others.”

***Note:** when we remain silent when we are told a lie, we are communicating that we accept the untruth.

Reasons for lying

- Lying is always a **choice**. We lie when:
 - we want to avoid being rude or hurt someone's feelings;
 - we believe the lie will not cause any "harm";
 - we don't want to know the truth and will rather let a lie pass because knowing the truth will place a responsibility on us, such as a boss who does not want to hear what is wrong;
 - we don't want others to know the truth, such as saying you are fine when you are ill; or
 - it is seen as the path of least resistance.
- Because we are **human**, we make mistakes and we fear the consequences of those mistakes if they are discovered.
- We often lie because we are **proud**. We fear that people will think less of us if they knew the truth.

Reasons for lying (2)

- It is clear that it is not always easy to tell the honest truth.
- Prof Navran mentions these examples of situations when it is **difficult** to tell the full truth:
- *“To tell a customer about known product flaws or limitations.*
- *To give an honest and meaningful review with specific strategies for performance improvement.*
- *To admit to a costly error that might go unnoticed if not brought to the attention of others.”*

Reasons for lying (3)

- Prof Navran believes that we find it difficult to tell the truth because:
 - it may require a level of honesty and/or courage that is beyond our reach; or
 - telling the truth in such a way that no one is harmed may require skills that we do not possess; or
 - certain topics, such as discussing an employee's performance and/or potential, may be beyond our competence or outside our comfort zone; and
 - we sometimes simply follow everyone else – it is “the way things are done around here” – no one is fully honest.

Honesty is always worthwhile

- In our discussion of what it means to be ethical, we have learnt that being ethical may require inconvenience and sacrifice.
- Thus, even if it is difficult, we should rather be honest, own up to and learn from any mistakes.
- Lying instead of doing the right thing (even if difficult) is the easy, lazy and cowardly way out.
- Being truthful often calls for courage and integrity.
- Telling the truth is often hard. It can be uncomfortable, awkward and can even produce undesired consequence for oneself or another.
- But honesty is always worth the effort, especially when there is a chance it could improve a future situation.

Teaching by example

- Leaders often make the mistake of believing that everyone was taught honesty as a child and will demonstrate it in the workplace.
- Many believe that since honesty has already been learned, there is nothing left for leaders to do but expect/demand honesty from those being led.
- This approach is unfortunately not enough.
- The best approach is to be a model of the behaviour we expect from others.
- We should “teach” what we mean by honesty through our words and actions/deeds.
- Nothing undermines respect for the ethical value of honesty faster than: “Do as I say, not as I do.”
- **Our actions must consistently match our words.**
- This is called **congruence** between what we say and what we do.

Building trust

- When there is congruence between our words and our actions, it builds **trust**.
- Trust is the outcome when universal values are lived.
- Honesty may be the most significant contributor to trust.
- Trust is “the residue of promises fulfilled”.
- Trust is what we experience when people act according to their professed values.
- Only when our **integrity** and **motives** are trusted, will people dare to tell us the truth.
- Honesty becomes the norm or “the way we do things around here (even if no one is watching)”.

Power of honesty

In conclusion, Prof Navran argues that the power of honesty is easy to see and yet many choose to ignore it as important. He says:

- *“For some ignoring honesty is a matter of ignorance. They just do not recognise the inherent power of creating an organisational culture built on the expectation of mutual honesty, and thus trust.”*
- *For others it is an ego thing, a matter of personal confidence or insecurity. If I am confident, I will dare to be honest with others first. If I lack confidence, I will wait for them to be honest with me first, and only then reciprocate.*
- **If you want honesty from others, then you have to be honest yourself.”**

Power of honesty (2)

Prof Navran has also experienced that honesty leads to:

- improved communication and commitment;
- self-confidence and self-esteem;
- group cohesion;
- information and resource sharing;
- a sense of purpose and enthusiasm for success; and
- a better bottom line.

Which of those benefits of an honest workplace or an honest career are you willing to do without?

Power of honesty (3)

- Honesty becomes the norm when there is a cumulative and consistent example of “living one’s values”.
- In other words, do the right thing because it is the right thing to do!
- **Treat others the way you would like to be treated if you were in their position.**

In summary

- On which values do the TLU build its future?
 - It starts with you - if you are honest and ethical at all times, you can demand the same from others.
 - Decide which core will best promote the mission and vision of the TLU.
 - Define or describe each of those values.
 - Implement the chosen values by allowing the values to guide decisions and influence behaviour.
 - Live the values, inside and outside the workplace.
 - Actively promote the values and demand ethical behaviour from all.



QUESTIONS?

Thank you very much for your attention.