Research Paper Management

Ethics of Human Resource Management

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ABSTRACT

Business Ethics is the application of ethical principles and methods of analysis to business. Ethics is important to a business in the way that ethics corresponds to basic human needs, values create credibility with the public, and values give management credibility with employees, values help better decision making. There is a going realization all over the world that Ethics is vitally important for any business and for the progress of any society. Ethics makes for an efficient economy; ethics alone, not government or laws, can protect society; ethics is good in itself; ethics and profits go together in the long run.

On a deeper level, it is believed that most people want, and even needs, to be ethical not only in their private lives, but also in their business affairs where a manager knows his decisions may affect the lives of thousands, perhaps even hundreds and thousands of people. A company perceived by the public to the ethically and socially concerned will be honored and respected even by those who have no intimate knowledge of its actual working. An ethically responsible company is one which has developed a culture of caring for people and for the environment; a culture which flows downwards from the top mangers and leaders.

KEYWORDS

What is Ethics?

Ethics is a "Science of Morals". The word ethics has emerged from Latin 'Ethicus' and Greek 'Ethicos'. The origin of these two words is from 'ethos' meaning character. Character unlike behavior is an intrinsic or basic factor which determines from inner most. Ethics in simple words is a treatise or science of morals, moral principles and social conduct rules. Ethics has been described as asset of moral principles or values of people or society, which informs them of what, is good and bad, right and wrong and which influence how people act and behave.

Ethics can also be described as a set of standard behavior which must be applied to a particular profession.

Ethics is a major branch of philosophy, encompassing right conduct and good life. It is significantly broader than the common conception of analyzing right and wrong. A central aspect of ethics is "the good life", the life worth living or life that is simply not satisfying, which is held by, many philosophers to be more important than moral.

Ethics has become an important issue for modern organizations as they face the inherent conflicts between the goals of profit maximization and social responsibility. Ethics can create different meaning to different people. It is abstract and does not have universal standards or acceptance due to the fact that ethics depend on morals and morals on value system of people.

- Moral standards change depending on value system.
- Ethical standards depend on moral standards.
- Value system is built by in family, upbringing, background and experience.
- Ethical practices differ in different organizations.
- Experiences in turn alter ethical practices.

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The businessman is not only a man and a citizen but a manager of a group with specific purpose. As a result he has obligations which arise specifically from his role as businessman. Since these obligations are additions to his duties, they form the proper matter of Business Ethics. In theory, the specifically business obligations can be derived by applying basic principles to particular business situations. In practice, the beginner is unable to do this effectively, since he is liable to overlook important factors. The necessity and hence the obligatory character of human economic efficiency needs to be stressed.

Human Resource Management is the strategic and coherent approach to the management of an organization's most valued assets - the people working there who individually and collectively contribute to the achievement of the objectives of the business. The terms "human resource management" and "human resources" have largely replaced the term "personnel management" as a description of the processes involved in managing people in organizations. Human Resource management is evolving rapidly. Human resource management is both an academic theory and a business practice that addresses the theoretical and practical techniques of managing a workforce.

Human aspects and human relations are applicable any where and in any department. Hence individuals behavior, group behavior, personality, attitudes, perception, conflicts, leadership are some of the factors which have taken into account to evaluate fair-unfair, good-bad or ethical-unethical behavior. Employees have feelings likes, dislikes, joys-sorrows, emotions and the behavior pattern change with experience. Higher the experience level better will be the work ethics**.**

Ethical issues that HR Department may face:
It is first important to highlight that HR department face many ethical dilemmas in the workplace. These include sensitive issues arising during recruitment, hiring, training, compensation, promotion, job assignment, job classification, counseling, rehabilitation, substance abuse monitoring, discipline, benefits, termination or layoffs, or retirement. They must also deal with issues associated with affirmative action, health and safety, and harassment. HR department also deal with ethical dilemmas including favoritism in employment decisions, inconsistency in pay and discipline, sexual harassment, sex and race discrimination, and breaches of confidentiality. In dealing with these issues the HR Department can make decisions within their own interests, those of the organisation and decisions that they believe are ethical.

The employees in organizations often feel compelled to engage in counter productive and unethical actions as the result of conflict between their perceptions of the organisations requirements, expectations or actions and their personal values. These employee behaviors are often ignored by management because of the beliefe that nothing can be done to prevent them. Employees in every segment of business, industry and government have developed their own unique responses to these ethical conflicts. Those responses negatively impact, both, the organisations effectiveness and the emplyees satisfaction.

Research commissioned by Fujitsu Siemens Computers finds that 35% of UK graduates would reject "non-green" employers.
Another recent survey, by The Times Newspaper, asked 16500 UK students job seekers about their employment preferences. The number one response was that they were seeking to work for a socially responsible company.

To improve productivity, quality and service while also reducing costs, the employers are redesinging jobs and affecting people. One of the challenges that the HR management faces with organisational restructuring is dealing with the human consequences of change. The changes can be attributed to the human cost associated with downsizing, increased workloads and a "survivors mentality" for those who remain; loss of employee and customer loyalty; and ultimately increased turnover of the remaining employees.

As part of organisational changes, many organisations have "rightsized" by:

- Eliminating layers of managers
- Closing facilities,
- Merging with other organisations,
- Outplacing workers

These organisational shifts have caused some organisations to reduce the number of employees, while at the same time scrambling to attract and retain employees with different capabilities than were previously needed. To respond to organisational cost pressures and restructurings, as well as the other Human Resourse challenges it faces, Human Resourse Mangement has had to transform the roles it plays in organisations.

Achieving a balance in the pursuit of organizational justice between avoiding rule violation and developing interactional justice or "felt fairness"at the level of the individual is, however, no simple matter. In the face of new employment rights, employer attention can all-too-easily become overly focused on the provision of a defense for decisions within organizations who, to remain competitive, are in pursuit of HR strategies which maximize workforce "leanness" and flexibility.

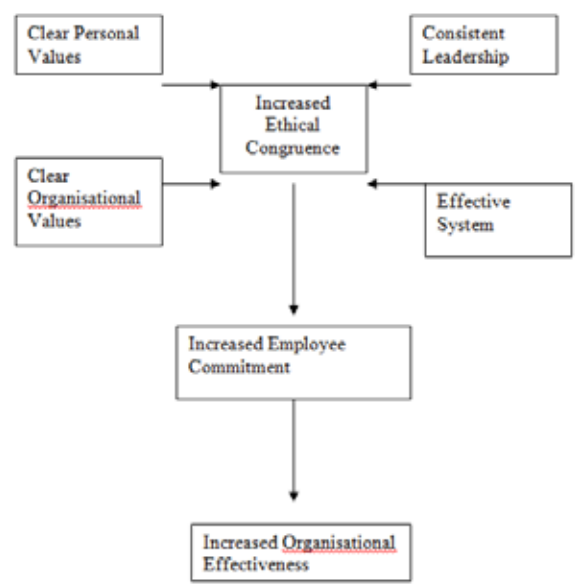
Several roles can be fulfilled by Human Resourse Management. The nature of these roles depends on both what the uppermanagement wants Human Resourse management to do and what competencies the Human Resourse Staff have demonstrated. Three roles are typlicaaly identified for Human Resourse

- **Administrative**: Focusing on HR clerical administration and record keeping.
- **Operational and Employee Advocate**: Managing most HR activities and serving as employee "Champion"
- **Strategic**: Becoming a contributor to organizational ethics.

Ethical Conflict and Ethical Congruence
Conflicts arise when the objectives pursued clash with the interest of society or of various groups. That is why codes of conduct have been devised to reduce or avoid conflicts altogether. But such codes are not in themselves effective tools to bring about ethical standards.

The organisational state where values, behaviors and perceptions are aligned is called Ethical Congruence**.** When there is a talk about lying**,** cheating and stealing in an organisation, the discussion is the direct tangible symptoms of ethical conflict. When there is a talk about finding and fixing ethical conflict, the discussion goes with the ways to increase total ethical congruence. The underlying assumption is that increasing ethical congruence reduces the motivation for counterproductive or retaliatory behavior.

Having completed the integrated analysis, there are a fairly straightforward steps for increasing ethical congruence.



Six step action plan of Ethical Congruence
- **Admit it:** Before any progress can be made, it is necessary for the leaders to admit that the data might just be accurate and that one could be facing ethical conflict in the organisation.
- **Build Ethical Congruence:** The leader should build a higher level of ethical congruence in the organisation
- **Communicate the Values:** Employees act on what they believe. They can better understand the organisational values if an effort is made to clarify what is expected of them, or what is required for them to be successful in the organisation and the motives and intensions behind these decisions.
- **Develop ethically congruent systems:** employees not only need to hear the organization's stated needs and requirements, they pay careful attention to the congruence between what their leaders demand and how the formal

systems support, monitor, measure and reward, both, compliance and non-compliance with those requirements.

- **Empower employees to excel:** When employees feel that they have some degree of control over their work, they are less inclined to strike back. Empowerment does not mean giving up control; it does mean sharing information and helping employees develop increased commitment to organisational values and goals through increasing ethical effectiveness.
- **Focus on ethically congruent leadership practices:** This is one factor over which leaders at all levels of the organisation have the most control and influence

The **Ethics of Human Resource Management** covers those ethical issues arising around the employer-employee relationship, such as the rights and duties owed between employer and employee.

- Discrimination issues include discrimination on the bases of age gender, race, religion, Disabilities weight and attractiveness.
- Issues surrounding the representation of employees and the democratization of the workplace.
- Issues affecting the privacy of the employee
- Issues affecting the privacy of the employer
- Issues relating to the fairness of the employment contract and the balance of power between employer and employee
- Occupational Safety and Health

Business philosophy of employee/employer partnership

- an "open door" that gives every employee access to higher levels of management;
- a work environment prohibiting retaliation and retribution, discrimination and harassment;
- external educational assistance available to all employees;
- a job opportunity system whereby employees are allowed to move from job to job within the company;
- Multiple, company-supported diversity networks, with a major goal of career development.

Conclusion

Ethical leadership is vital to create an ethical work force. It is a myth that employers are fully formed moral agents who can lead themselves when it comes to ethics. If the leadership and guidance is not provided by the leader of the organisation, employees will seek it elsewhere, most likely from their peers. When employees are given high values – Care, Concern and Respect for individual in areas like the way they are treated, facilities and benefits, career growth and development, help in personal problems, and a sense of freedom in easy access to Senior Management, freedom to commit honest mistakes, freedom to express opinions or values, freedom to make decision, freedom to experiment, employees will work with total commitment and the final outcome being the Organization's Success. Companies also need to better understand what drives employee disposition. In every business organisation no matter the size it is immensely beneficial to have a designated ethics officer. It is this person's responsibility to handle communication breakdowns and unethical conduct. Ethics Officers should have been trained in the knowledge that:

- People are basically good.
- A staff member will attempt to protect a benefactor from damage caused by unethical behavior.
- A staff member will eventually quit his post if he/she is the perpetrator of the unethical conduct.

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