A while back I was doing some work with a medium-sized consultancy. Ethics was being discussed. Talk turned to customs and practices in different companies, sectors and countries; whether a tip was actually a bribe, if an ‘introduction fee’ was appropriate, how minor officials could supplement their incomes, how the power to delay was a perk for dock workers, how English councils ask developers for money under ‘section 106’, and how getting a visa quickly could be helped with a facilitation payment. After a while one of the partners thoughtfully said: “It seems to me that all we have a definite line we would not cross. My side of the line is fine, but an inch beyond is unethical. I think it is time we came up with an ethics policy.”

The Ethical Manager

More than 85% of the world’s largest companies have an ethics code and Harvard MBA graduates can now take an ethics oath; but do such things actually make any difference? In particular, do they affect behaviour? I remember being in the office of a senior manager when a huge hamper, that took two men to carry, was delivered by a famous London store. It was a Christmas present from a client. The company policy was to accept gifts of a value up to £100. “What do you think this cost?” he asked me. I told him and his face fell. He sent it back. What would you do? Of course all the readers of this magazine are ethical, but that statement raises all sorts of philosophical and practical issues – what do we mean by ethics; and what obligations do we have to be ethical at work?

“How we ought to live” is philosopher Peter Singer’s deceptively simple definition of ethics. So ethics is a set of ideas of how we should live and therefore how we should behave. Many civilizations going back as far as ancient Greece, Siamara and Babylon have sought to codify ethical ideas in laws. But that is the lower limit of what is required for a society to function. Most of us would accept that only sticking to laws would not be a good way to get along with others in society. We would expect people to be good citizens, good neighbours, good citizens, good neighbours, good citizens and reliable suppliers.

As managers we expect others to behave ethically, but as we have seen, context is everything. How getting a visa quickly could be helped with a facilitation payment. After a while one of the partners thoughtfully said: “It seems to me that all we have a definite line we would not cross. My side of the line is fine, but an inch beyond is unethical. I think it is time we came up with an ethics policy.”

“Put simply, this suggests that virtue can be learnt as a set of skills. But as we have seen, context is everything. How getting a visa quickly could be helped with a facilitation payment. After a while one of the partners thoughtfully said: “It seems to me that all we have a definite line we would not cross. My side of the line is fine, but an inch beyond is unethical. I think it is time we came up with an ethics policy.”

More than 85% of the world’s largest companies have an ethics code, but do such things actually make any difference? What does it really mean to be an ethical manager?

In organisations, other perspectives are possible beyond individual ethics but there are links the long-term responsible and sustainable viewpoint is critical. It is important to look beyond immediate shareholder value and the next quarter’s earnings to long-term stakeholder value and to take a global and long-term view. Taking that broader and longer perspective, are you - as a manager - truly behaving ethically? Where is that line that you will not cross? Should you move it? As ever, with a discussion based on philosophical positions, we may end up with more questions than answers; but it is asking those questions of ourselves that ultimately makes the difference.

By Dr Richard Kwiatkowski
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