Public Ethics Congruence: an Illusion or Strategic Prerequisite

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ABSTRACT

The prevailing assumption is that an organisation's performance could be undermined if the ethical values of the organisation or employer due not reconcile with the ethical values of the individual or employee. Research studies have attempted to find a positive correlation between the two constructs. The assumption is that positive externalities will manifest such as job satisfaction, achievement of organizational goals and good client relations should a positive congruence exist.

The paper attempts to ascertain whether employer and employee congruence is practically possible as a prerequisite or is it an illusion. To achieve the foregoing, an attempt was made through a review of the current literature and doctoral studies on values management, as it relates to the organisation or employer and the individual. The utilitarian moral theory was adopted as the premise to support the analysis of the literature with the focus on the better good of the society.

However, the research findings and views presented are inconclusive as to whether this is possible and also what remedies should be introduced to achieve congruence.

The conclusion presented is that ethical values congruence is an illusion, although as stated, it is a strategic necessity. Furthermore, in terms of the changing context and dynamic environment in which organisations and individuals operate, it is essential that a values management approach be adopted, rather than a rules management approach.

1.   INTRODUCTION

Ethical behaviour in any organization is desirable, as it establishes a culture of trust, honesty, probity and confidence which is manifested in the organizations relationship with all stakeholders, clients and the broader

society. However, an organization's performance could be undermined if the ethical values of the organization or employer do not reconcile with the ethical values of the individual or employee. Ethical value congruence is defined by Thomas (2013:25) as the similarity between an individual's values and those of the organization when at least one entity provides what the other needs or they share the same characteristics or both. Research studies and similar studies undertaken by Diskiene and Gostautus (2010), Thomas (2013) and Paarlberg (2006) have further attempted to prove that if a positive correlation does exist between the two constructs, positive externalities will manifest such as job satisfaction, achievement of organizational goals and client relations.

Despite increased legislation and corporate governance guidelines, such as the King II report on Corporate Governance in South Africa, dated March 2002, internal organizational policies on governance and ethics including codes of ethical conduct has till not facilitated an ethical congruence between the employer and the employees, as it relates to ethical values and behavior. The foregoing is supported by the number of high profile breaches of ethical standards, such as the spectacular example of the South African Broadcasting Corporation (SABC), where the ethics in human resources management were breached. (Schoeman, 2015).

The discussion will be premised on the utilitarian theory which is one of the following three classical ethical theories as propagated by the generally accepted classical representatives of these moral theories, namely:

- the virtue theory of Aristotle;
- the utilitarian theory of Mill; and
- the deontological theory of Kant.

The paper will not include a discussion on the influence of two variables such as organizational culture and the generic leadership models as presented by business science scholars.

The purpose of the paper is to assess whether employer and employee congruence is practically possible as a prerequisite or an illusion. To achieve the purpose of this paper the following four aspects will be explained, namely ethical and unethical behaviour in terms of the utilitarian theory, the distinction between employer and employee ethical values, barriers which prevent congruence and attempt to propose remedies to facilitate a positive congruence between employer and employee ethical behaviour.

A qualitative methodology in terms of the literature review method has been adopted. The remedies proposed have been formulated from the findings arising from the analysis of the relevant literature.

2. ETHICAL AND UNETHICAL BEHAVIOUR

Schoeman (2015:15) submits a very simplistic and unsatisfactory explanation of ethics which is reduced to an employee deciding what is right or wrong and good or bad on the assumption that each employee has some insight into ethics. The criticism is that a rational choice which is deemed to be wrong or bad, could result in positive consequences to others in terms of the utilitarian theory as propagated by Mill. Rossouw (2012:79) states further that this moral theory differs from the proponents of the deontological theory which assess the quality of the actions in terms of the objective moral rule which guides all moral decisions.
A case could be presented in terms of Schoeman's (2015:15) approach which in terms of the provisions of the deontological theory provides that any action which abuses the rights of other persons in order to achieve personal gain or profit is wrong. In terms of the nature and context of this paper both moral theories could be deemed to be applicable and complimentary. However, in an organizational context most decisions are made collectively to the benefit of the common good which is reflected in the mission, vision and strategic objectives of the employer. All decisions formulated by the employee (individual) are usually not taken in a collective setting and care should be taken that all personal bias and undue influences are excluded for the interest of the general good even it runs counter to one's own point of view or school of thought. In other words individual or employee decision making should support and actualize the decisions taken by the employer to achieve the strategic objectives, as mentioned above.

In view of the foregoing, Thomas (2013:5) is of the view that also needed are values that provide intrinsic motivation to make ethical decisions and proposes virtue ethics as one of two elements for ethical decision making, the other being principle ethics. Thomas (2015:5) explains principle ethics as providing a framework which enables the decision maker to resolve moral issues by using a systematic approach and a guide for future ethical thinking and behaviour. The virtue theory which is premised on character traits to achieve a sense of well being is not relevant in an organizational context as the ultimate goal is to achieve the strategic objectives of the organization irrespective of the prevailing dispositions of the individual in that particular context.

3. EMPLOYEE AND EMPLOYER ETHICAL VALUES

Diskiene and Gostautus (2010:298) and Thomas (2013:23) cite Schwartz and Sagiv's (1995) definition of human values which is regarded as desireable, trans-situational goals varying in importance that serve as guiding principles in peoples lives. Rokeach (1979) in Diskiene and Gostautus (2010:298) states that individual values are the result of social demands and psychological needs. Diskiene and Gostautus (2010:298) state further that values are learned and are influenced by culture, society, institutions and personal experiences which nurture attitudes, judgements, choices, choices, attributions and actions. Diskiene and Gostautus (2010:298) argue that individual or employee values are capable of undergoing changes as a result of changes in society, situation and self-awareness.

Diskiene and Gostautus (2010:299) proceed to explain organizational or employer values as standards and desireable end states on which the organizations employee behaviour is premised. The foregoing is actualized by the employer in the formulation of their vision and mission statements which incorporate the organizational values.. In other words, employer values are a socially shared representation of organizational goals. Thomas (2013:25) supports the foregoing by stating that "…organizational values develop organizational norms, guidelines or expectations that prescribe appropriate kinds of behaviour by employees in particular situations and direct the behaviour of organizational members towards one another." Thomas (2013:25) refers to Atchison (2007) who states that organizational values should be developed and implemented properly otherwise they will not positively influence workplace practices and behaviour.

A review of the literature by Diskiene and Gostautus (2010:299) reveals that authors such as Hofstede (1989), Posner and Schmidt (1992) and Francesco and Chen (2004) differentiate between organizational and personal or employee values. Dolan and Garcia (2006) do not however, separate organizational values from individual or employee values.

For the purposes of this paper it is deemed that individual and organizational values are separate and it is assumed that in terms of the principles of the utilitarian moral theory both the individual and organization strive to act in the interest of the broader community and not for self interest.

4. FACTORS PREVENTING CONGRUENCE

Schoeman (2015:22) presents the general argument that appears to undermine a value-based approach in that values are different for different people. Schoeman (2015:22) concedes that employees have their own

personal values which can differ widely as they are affected by a variety of factors including upbringing and culture.

The foregoing is supported by Rossouw (2012:19) who is of the view that people do not share the same values. Rossouw (2012:19) expands this view by stating that differences in peoples values are due to a variety of factors such as: culture, religion, climate, social and economic status, personal experiences, age, gender and other. As employee values are different which leads to differences in ethical judgements, implies that not all ethical values are ethical.

Consequently, employee personal ethical values can differ from those of the organization which is referred to by Rossouw (2012:19) as a social dilemma, which is reconcilable. According to Schoeman (2015:22) this could be seen as a problem as individuals are entitled to their personal values – "a right that is protected by section 15 of the Bill of Rights in the Republic of South Africa Constitution Act, 1996 which states that everyone has the right to freedom of conscience, religion, thought, belief and opinion." However, Schoeman (2015:22) states that this right does not permit or condone unethical conduct in the workplace.

Arising from the above discussion, it will appear that due to these differences no full congruence can occur between ethical values of the employer and employee unless negotiated, so as to establish an acceptable middle ground between the employer and the individual employee. Congruence will then be deemed to be an illusion.

The question is: whether full congruence can be achieved? Despite the variables detailed above, what conditions or remedies should be applied to ensure full congruence which is conceded is a strategic imperative?

5. POSSIBLE REMEDIES TO ENSURE POSITIVE CONGRUENCE

Thomas (2013:22) refers to McCoy (2008) who states that organizations who do not have accepted shared values become "…unhinged…" Furthermore, Thomas (2013:22) continues with McCoy's (2008) contention that as individuals and organizations are independent, it is necessary for both parties to accept, as what is regarded, as correct behaviour.

Paarlberg and Perry (2006:405) attempted to clarify which systems management should be adopted to align employee values with the organizations values and their findings appear to be inconclusive. In terms of management theory and approaches a school of thought exists whereby it is assumed that through various systems such as performance management, incentive schemes and the imposition of sanctions would

achieve this alignment, whereby the employees would attempt to achieve the strategic values of the organization. In addition, Paarlberg and Perry (2006:405) confirm that the accepted current approach is that values are determined from the "top" and imposed or enforced through the hierarchy.

The foregoing, is supported by Schoeman (2015:23) who states that the role of management is not to accommodate the diversity of values but to rather work on aligning the values of the employees or individuals behind the organizational values and that the employer should institute action against those employees who contravene these values. Schoemans (2015) approach is not sound and assumes a position that values could aligned through enforcement or through the adoption of various management systems of control.

In contrast, Paarlberg and Perry (2006:405) conclude from the analysis of their research findings that organizations cannot influence behaviour and employee values by communicating "top down" from the leadership though employee workshops, internal communication networks and management presentations.

The research undertaken by Paarlberg and Perry (2006) confirm the assumption that the process of aligning values is a social process that occurs through routine interactions between employees, managers, customers and stakeholders. The routine interactions reinforce the employees existing values. However, Paarlberg and Perry (2006:405) concede and qualify their findings by stating that there is no suggestion that this could occur without the influence of the leadership and supporting management tools. Paarl and Perry (2006:405)

6.   CONCLUSION

An attempt was made through a review of the current literature and doctoral studies on values management as it relates to the organization or employer and the individual, the employee. As indicated, the utilitarian moral theory was adopted as the premise to support the analysis of the literature with the focus on the better good of the society which the organization and the individuals within the organization strive to achieve. Although most authors support the assumption the congruence between the values of the organization and the individuals will achieve this focus and the strategic goals of the organization.

However, the research findings and views presented are inconclusive as to whether this is possible and what remedies should be introduced to achieve congruence. The tendency is to rely on management systems like performance management and the role of the leadership of the organization, which does not guarantee congruence as leaders and the

administrators of the management systems all possess a certain values bias.

The conclusion presented is that ethical values congruence is an illusion, although as stated, is a strategic necessity. Ethical congruence is not achievable from an organizational perspective due to the strong influence of the following variables; racial, cultural and religious diversity. The influence of these social variables are further compounded by; types of organizational structures and hierarchies, work unit and individual performances. Hence, additional research should be undertaken in this regard.

Furthermore, in terms of the changing context and dynamic environment in which organizations and individuals operate, it is essential that a values management approach be adopted, rather than a rules management approach. The socialization of values within an organization requires a determined formulated socialization process for which further research is required as to the methods/remedies to be implemented to achieve congruence.

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