Getting the word out: Communicating ethical commitment

Communicating ethical commitment takes more than posting a corporate code of ethics on the office wall. Here's a seven-step model for organizational change.

by Frank J. Navran

There is a natural hierarchy of events that seems necessary if planned change is to occur in an organization. Following are the seven steps of organizational change needed to bring about ethical commitment in an organization, in what empirically has been shown to be the approximate chronological order. All seven steps must be followed in order to create lasting change. The question engineers in senior management need to ask themselves is how to use this model to be more effective in communicating individual and organizational commitment to stated values.

Formal statements of philosophy

These are the organization's official communications of its position on issues, such as total quality management, ethics, employee empowerment or customer satisfaction. Ethics statements take any number of forms. Typically, they describe the organization's commitment to values, such as social responsibility, excellence, the importance of customers and/or employees, or key principles such as truthfulness, fairness, promise keeping, compassion and courage.

Although formal statements are necessary, the typical pattern of "Print, Post and Pray" (print up the formal statement, post it to the office wall and pray for something to happen) does little to bring change about. When only this step is completed, both awareness of the stated position and skepticism/cynicism about it increase.

Difficulty can arise when the organization's position contradicts the values held by key stakeholders. For example, the Cracker Barrel restaurant chain's expression of family (Christian) values got them into trouble when that position was understood by some members of the media to mean that gay and lesbian employees were being disallowed.

Other problems can arise when there is widespread agreement within the organization on the stated values, but there is disagreement about what behaviours are congruent with those values. For example, all parties might agree that unfairness is an appropriate guiding principle, but there can be disagreement regarding whether a particular decision is fair or unfair. Take the case of layoffs. Employees can cite the decision to down-

size as evidence that the organization is insincere about its commitment to fairness, since layoffs are perceived by many employees as being inherently unfair.

Education and training

Education and training are the primary communications vehicles used by many organizations to get the word out to employees about ethics. They allow information about the formal position or philosophy to be shared and associated skills to be developed. But training does not cause change. Rather, it facilitates change caused by the remaining five steps.

When not supported by the remaining steps, training becomes a flea dip (when one treats a cat or dog for fleas, but does nothing to remove the fleas from the environment, ensuring that the treatment will have no long-term effect). To be optimally effective, training has to occur in a modified organizational environment.

Education and training are popular means of getting the word out on ethics. Formal training not only communicates expectations. It can also help employees develop the skills and behavioural responses they will need if they are to apply what they have learned back on the job.

The concern is that poorly conceived and/or executed training can reinforce two misleading preconceptions. First is the employee's belief that "I am already an ethical person, and the organization cannot and should not presume to tell me what is right or wrong." That concern reflects a misunderstanding of effective ethics training, which seeks to inform participants about specific ethics policies and procedures, and provide tools and guidelines for applying those policies and procedures to their business decisions. It is not the purpose of ethics training to teach adults how to tell right from wrong. More often, ethics training is about how to choose between competing "rights."

The second misconception is that ethical considerations are the exception to the rule. Ineffective ethics training can leave the impression that most issues do not have an ethical component and, therefore, one need only be concerned with ethics when a milestone decision is being made. In fact, the reverse is true. There is an ethical component to all but the most routine decisions. Decision makers should regularly ask the question: "Is this decision consistent with applicable personal and organizational values and ethics?"

Formal organizational systems

It is formal systems like organizational structures, policies and procedures, job design, methods, goal and objective setting, data management and quality control that determine what people do day-in and day-out. When systems support change, it happens. When systems are not updated to support desired change, it doesn't happen easily. Policy and procedure drive the bureaucratic middle-management levels of organizations. Failure to change these systems means that change will be actively resisted by those people driven by conformance to systems.

The most common formal ethics system is the formulation and dissemination of various ethics policies.

Informal leadership systems

Informal systems (leadership behaviour and operational norms) are different from formal organizational systems. Just as important as formal systems, they are not codified and are therefore more difficult to communicate or implement with any degree of consistency.

Informal systems answer a number of fundamental questions: "How are people really treated? What are the consequences of various choices? What does my immediate supervisor really expect/require? How should I act to be successful or safe?" The answers to these questions indicate what the organization truly values. If the informal systems support the stated philosophy, that philosophy is reinforced. If the informal systems contradict or ignore the philosophy, most people feel safe disregarding it too. Informal norms and leadership behaviour shape employee behaviour more effectively than stated philosophies, training or formal systems and structures.

Leadership behaviours communicate organizational expectations when they are congruent with the stated philosophy and the understood norms or informal rules for success within the organization. Leaders communicate individual requirements. Norms, the way things are under-stood to really work, do likewise.

When all three messages (stated philosophies, leader expectations and the unspoken rules) agree, the message is powerful. But they will not agree until an organization's leaders have established a consistent pattern of behaviour. The organization itself must also establish a history of integrity, demonstrating ethical commitment through its actions, so that observers can see the ways values are applied to the decision-making process.

The senior management agenda

Do people believe that senior management really cares about the stated position? Are they truly committed to the ethical position suggested by their rhetoric? These are the questions that seek to identify top management's real agenda.

People want to know that agenda, because they believe that achieving success in areas that matter to the people at the top counts more than success in areas that nobody in senior management cares about. If the message is ambiguous, people will presume that senior management has a hidden agenda and will speculate about it throughout the organization's grapevine.

Ultimately, senior managers communicate their real agenda in two ways: the decisions they make and the questions they ask. The ethical component of key decisions is not always apparent. It has to be spelled out, made explicit. Senior managers have an obligation to make the values and principles they apply to their own decisions evident to all interested stakeholders. In addition, senior managers can communicate their interest in how their employees apply these same ethical principles, by asking employees to describe the ethical issues and resolutions in decisions they are presenting for senior level approval.

The seven-step model suggests that getting the word out is a complex and ongoing responsibility, if ethical commitment is to be part of "business as usual." All seven steps have a communications component and all are necessary in order for enduring change to occur. ◆

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