



Competencies for Early-Career HR Professionals
PPT—Session 3: Ethical Practice
Instructor Notes

Slide 1

Materials for This Session:

- SHRM Competency Model

Instructor Notes:

- There are many ways to teach ethics. We have provided the basic theories of ethics and opportunities to explore ethics through case studies.
- Many instructors have their own content on ethics that they may choose to integrate into this lesson.
- We provide the option of using a role play in lieu of the cases studies provided. If you choose to do this, you will need more time than what we have allotted (probably an additional 30 minutes).

Slide 2

Instructor Notes:

- Review what is due today.
- Collect the activity assignments for grading purposes (if applicable).
- Ask students if there are any questions about the content that was covered in Session 2.

Slide 3

Instructor Notes:

- Review the learning objectives.

Slide 4

Instructor Notes:

- Review the lessons that are covered in today's session.

Slide 5

Instructor Notes:

- Direct students: Write about a time you personally observed an ethical dilemma either within the workplace or elsewhere if your work experience is limited. It is best if the ethical dilemma is related to the practice of HR, but it is not essential. Try to include the following types of information in your story:
 - What was the situation, and who did it involve (without naming companies or individuals)?
 - What was the genesis of the ethical dilemma?
 - What are the factors and divergent viewpoints that made the situation complex?
 - What process did the people involved use to try to solve the ethical dilemma?
 - What was the outcome?
 - How did this experience personally affect you?

Slide 6

Instructor Notes:

- Review the definition and description provided. Note: The definition on this slide is different than what is published in the competency model. SHRM will be updating the competency model starting in 2016 and may use this new definition for Ethical Practice.
- Feel free to elaborate on this information if you sense doing so will enhance understanding.
- Discuss how Ethical Practice is as much a state of mind as it is a specific set of skills. Most people want to operate in an ethical manner, and to do so requires you to have a moral compass based on a set of values that you believe in.
- However, at times we find ourselves in situations where there are conflicting values, and it takes a lot of awareness and deep thinking to determine what is the ethical choice. For example, we know it is not ethical to randomly fire people if they have been performing well and fit well with the company culture. However, in times of economic hardship, sometimes we are forced to participate in reductions in force. In these instances we must ask ourselves, is it better for a few people to lose their jobs to sustain the company so that others can work? If so, then what is the

most ethical way to select who will be let go? We know it is unethical to select people based on any type of demographic factors, but can we give special consideration to employees who we know are experiencing financial or emotional hardship already?

Slide 7

Instructor Notes:

- Ask the students the following questions as they review the list of subcompetencies:
 - What do you think rapport-building and trust-building have to do with ethical practice?
 - What role do professionalism and credibility play in ensuring ethical practice?
 - What do you think is being referred to when we say *personal and professional courage*?
- Capture the students responses on a whiteboard or flip chart.
- Some typical responses you may receive from students include:
 - Rapport really matters in making difficult decisions.
 - HR has to maintain a neutral tone and consistent approach.

Slide 8

Instructor Notes:

- Quickly review the Ethical Practice behaviors on the slides.
- Try to add in some other examples of your own of other behaviors you can think of.
- Ask the students which of these ethical behaviors seem particularly important to them.

Slide 9

Instructor Notes:

- Have the students review the ideas for developing Ethical Practice skills that are on the slide.
- Encourage them to provide additional ideas for how to develop this competency.
- This list of Ethical Practice skills is continued on the next page.

Slide 11

Instructor Notes:

- Before you jump into the content in this lesson (beginning on the slide), mention that we will have only a high-level overview of ethics and ethical theories due to the short amount of time we have.

Slide 12

Instructor Notes:

- **Note:** The information provided in this lesson comes from a much larger SHRM ethics course that is run in universities (Gusdorf's Ethics in Human Resource Management course).
- Keep in mind that you have very little time to cover this information (about 20 minutes), but if you want additional detail, access the Gusdorf course online at <http://www.shrm.org/academicinitiatives/universities/teachingresources/pages/ethicsinhumanresourcemanagement.aspx>
- The Gusdorf course materials provide more detailed information on HR ethics.
- Mention that there are a number of definitions of ethics, all focusing on moral principles and guidelines for behavior. Go over the three definitions provided on this slide (with references provided below).
- Ethics is a science of human choice concerned with the basic guidelines for how one ought to live one's life. It answers the question, "How should I live?" (Machan & Chesher, xiii.)
- Ethics can also be defined as the study and philosophy of human conduct with an emphasis on determining right and wrong (Ferrell, Fraedrich, & Ferrell, 8).
- Another definition for ethics is the systematic study of general principles of right and wrong behavior (Craig, xxii).
- Discuss the definitions on the slide, and ask the students to compare and contrast these definitions to the SHRM definition for Ethical Practice, which is "the integration of integrity and accountability throughout all organizational and business practices." Some of the things that you want them to notice are:
 - SHRM's definition examines how you put ethics into action, not just what ethics are.
 - Because of this, the SHRM definition talks about the *integration* of ethics into the way an organization does business.

- SHRM's definition specifies values, integrity and accountability as the main elements of ethics. The academic definitions on the slide focus on making choices based on the concept of right and wrong.
- Although all of these definitions are good, Ethical Practice as a competency has to provide information on *how* you go about making ethics a tangible piece of doing business.

Slide 13

Instructor Notes:

- Review the four ethical principles presented on the slide. Do not spend much time on this, because the ethical theories that we will soon cover really drive home the key points. The goal is for the students to see how different ethical principles connect to the various ethical theories.
- For "Respect for Autonomy" you may want to point out that there are two views that can be applied under this principle:
 - The paternalistic view: An authority over an individual may decide what is in the person's best interests, versus what the person wishes. For example, a person who possesses a medical power of attorney for his or her parents may decide to sustain a parent's life even though the parent has stated that he or she does not wish to have life-sustaining efforts.
 - The libertarian view: One person's wishes are more important than another person's best interests. An example would be physician-assisted suicide; here the physician would ignore his or her personal beliefs about "doing no harm" because the patient wishes to end a life that would otherwise end after a long and painful death.

Slide 14

Instructor Notes:

- Ask the students whether they can think of a simple way to distinguish between ethics and morals.
- Make the following key points:
 - Many people use the terms interchangeably; however, some ethical scholars tell us they are not always synonymous.
 - Ethics is most commonly described as a reason-based system for moral decision-making. Morals are said to be beliefs about right and wrong, and are often based on sociological conditions and learned behavior that may vary from one culture to another. What

seems perfectly natural and morally just in one culture may be abhorrent in another culture (Source: Weber, 2008).

Slide 15

Instructor Notes:

- Tell the students that you will quickly review each of the five theories listed on this slide.
- Mention that all of these ethical theories are based on ethical principles that are supposed to help individuals make decisions involving right or wrong.

Slide 16

Instructor Notes:

- Explain that the deontological theory states that people should adhere to their obligations and duties when analyzing an ethical dilemma.
- This means that a person will follow his or her obligations to another individual or society because upholding one's duty is what is considered ethically correct.
- Because duty is above all else, right and wrong are contextual.
- A person who follows this theory will produce very consistent decisions because the decisions will be based on the individual's set duties.
- Ask the students for some limitations of this theory.
- Ask if the students can contribute additional examples.
- Source: Descriptions of ethical theories and principles. Created by Catherine Rainbow for Biology 372 at Davidson College.
<http://www.bio.Davidson.edu/people/kabernd/indep/carainbow/theories.htm>

Slide 17

Instructor Notes:

- Describe the principles of utilitarianism, and then ask students to discuss some of the limitations of this theory.
- The utilitarian ethical theory is founded on the ability to predict the consequences of an action. To a utilitarian, the choice that yields the greatest benefit to the most people is the choice that is ethically correct.
- One benefit of this ethical theory is that the utilitarian can compare similar predicted solutions and use a point system to determine which choice is more beneficial for more people.

- This point system provides a logical and rationale argument for each decision and allows a person to use it on a case-by-case context.
- This theory benefits people by providing choices.
- Remind the students that this theory emphasizes the *greater good*.
- Ask the students for some limitations of this theory.
- See if the students can contribute additional examples.

Slide 18

Instructor Notes:

- In the rights ethical theory, the rights set forth by a society are protected and given the highest priority. Rights are considered to be ethically correct and valid since a large or ruling population endorses them. Individuals may also bestow rights on others if they have the ability and resources to do so. For example, a person may say that her friend may borrow her car for the afternoon. The friend who was given the ability to borrow the car now has a right to use the car in the afternoon.
- Ask students to discuss some of the limitations of this theory.
- Some things to think about:
 - How do we know what rights people have?
 - We do not all agree on what rights are universal. For example, many countries have socialized medicine because they believe in a person's universal right to have free access to health care. In our country, we have been debating this concept (especially in recent years as we continue to implement the Affordable Care Act). Some believe health care is a universal right; others believe each state should decide on its own what access to health care its citizens have, and/or they believe that the government should have no role in determining the policies around health care.
 - What happens when one person's rights conflict with another person's rights?
 - How do we determine whose rights take precedence? Sometimes there is no comfortable answer.
- Ask students to give examples where rights can be in conflict.

Slide 19

Instructor Notes:

- Explain that the casuist ethical theory is one that compares a current ethical dilemma with examples of similar ethical dilemmas and their outcomes.
- This allows one to determine the severity of the situation and to create the best possible solution according to others' experiences.
- Usually one will find paradigms that represent the extremes of the situation so that a compromise can be reached that will hopefully include the wisdom gained from the previous examples.
- Ask the students for some limitations of this theory.
- See if the students can suggest additional examples.

Slide 20

Instructor Notes:

- Explain that the virtue ethical theory judges a person by his or her character rather than by an action that may deviate from the person's normal behavior.
- This theory takes the person's morals, reputation and motivation into account when rating an unusual and irregular behavior that is considered unethical.
- For instance, if Mary plagiarized a passage that was later detected by Sam, a peer who knows Mary well, Sam will understand Mary's character and will be able to judge her. If Mary normally follows the rules and has good standing among her colleagues, Sam may be able to judge his friend more leniently. Conversely, a person who has a reputation for scientific misconduct is more likely to be judged harshly for plagiarizing because of his or her consistent past unethical behavior.
- Ask students to discuss some of the limitations of this theory.
- Something to think about: Are virtuous persons always ethical?
- Most of us tend to expect ethical behavior to reflect a person's virtue. However, sometimes virtuous people engage in unethical behaviors.
- Can we separate a person's character from a person's actions? Students may have different answers to this question. If asked, most students say they have high moral characters, yet we know the reality of cheating in college.
- Some students believe that actions are always a reflection of character and that high moral character is synonymous with ethical behavior.

Slide 21

Instructor Notes:

- Use the examples on this slide to encourage the students to talk about the ethical theories you just covered. Ask them questions such as:
 - What are some other ethical dilemmas that you can think of that may require an HR professional to apply one of these theories?
 - Can you think of a circumstance in which applying one of these theories might itself be unethical?
 - Which of these theories do you most subscribe to in your own life? Why?
- **Optional:** If you have a group of students who have a few years of business or HR experience, you may ask them what types of examples of “ethics in action” have they seen. Have them share stories of ethical dilemmas they have experienced and the approaches and techniques they used to solve them.

Slide 22

Instructor Notes:

- This lesson begins by giving examples of how an HR professional can help ensure an ethical culture.
- In this lesson you will also provide the students a case study to review and discuss. We are providing you two case studies to choose from (*When the Boss Doesn't Like Her* and *Real Sales or Wishful Thinking?*). We recommend that the entire class work on one case study (since time is short). You may want to assign the case as a reading assignment prior to Session 3 to save time during class.

Slide 23

Instructor Notes: Note, this is an animated slide; see the fourth bullet below.

- Explain that ethics can be a tricky discussion depending on the organization because there are so many causes of ethical dilemmas.
- What we know is that when organizations become unmoored from their values and their ethics, things go awry. It is not uncommon to find historical examples of companies that at one time truly operated according to a set of ethics, but other pressures arose that caused them to stray from this practice.
- Ask the students if they can guess whose ethical statements these are. Let them shout out as many company names as they can think of.
- Next, click the mouse and the Enron logo will run in.

- Discuss with the students how in the early days of Enron, the company did operate according to these values. Even the whistle-blowers who brought down Enron agree that the company at one time operated according to these ethics. However, as the company grew and myopically chased profits and investor confidence, slowly the ethics were cast aside.
- Mention that even though organizations have ethics compliance programs, ethical violations are still common. Does that mean compliance programs do not work? Most individuals recognize that it takes far more than just a compliance program to create an ethical organization. The next slide discusses compliance programs in the context of the organizational culture.

Slide 24

Instructor Notes:

- Make the following points:
 - To encourage an ethical organizational climate, many employers have ethics compliance programs that generally consist of written ethical codes and training for employees. Effective compliance programs should go beyond that and provide a process by which employees can report inappropriate behavior without fear of retaliation.
 - Publicly traded companies subject to the Sarbanes-Oxley Act are required to have a code of ethics designed to deter wrongdoing, including a statement promoting financial integrity that applies to senior financial officers. Source: SHRM. (2008)

Slide 25

Instructor Notes:

- Begin talking about this slide by mentioning that it takes more than just a compliance program. Organizations should not abandon their compliance programs, but a compliance program alone will not make an ethical organization. It is the overall culture of the organization that determines if employees will behave ethically, and a culture of ethics starts with ethical management.
- Review the points on the slide.

Slide 26

Instructor Notes:

- Discuss how HR plays a key role in organizational ethics.
- HR's involvement starts with developing ethics codes and compliance policies.
- In addition, HR trains employees on ethical practices, acts as a consultant and provides problem-solving when an ethical situation arises.

- Mention that the Appendix in Session 3 includes a lot of specific ideas on how HR professionals can foster ethical organizations.

Slide 27

Instructor Notes:

- Give the students about five minutes to read the case study (if they have not already done so prior to class).
- Have them discuss the questions that are provided at the end of the case study (the questions vary depending on which case you select).
- Also have them discuss the questions provided on this slide.
- You are provided an answer key with some potential answers to these questions. Please review this before class and decide which are the salient points you want to discuss during the class debrief.
- Give the students about 20 minutes to discuss the questions.
- Lead a class debrief using the questions in the case and on this slide as a guide.
- **Optional Role Play:**
- If you would prefer to do a role play in lieu of the case studies, here are some directions on how to structure the role play.
 1. Have students read the case “When the Boss Doesn’t Like Her.”
 2. Form triads (or you can have a group of four if you have an even number of students).
 3. **Round 1:** Assign the following rolls:
 - Anna (the office manager).
 - Justin (the district manager).
 - Observer (or two observers if you need to have a group of four).
 4. Have participants prepare for a five-minute meeting between Anna and Justin. Anna’s goals are to have Justin understand the ethical implementations of firing Janet. Justin should be prepared to provide his rationale for letting Janet go (i.e., he should not just be a “jerk” but provide an argument for why letting Janet go has benefits for the company or other employees). The observers should look for examples of how Justin and Anna are using ethical theories in their arguments.
 5. **Round 2:** Assign the following rolls:

- Anna (the office manager).
 - HR manager (choose any name you like).
 - Observer (or two observers if you have a group of four).
6. Based on the outcome of Round 1, have the students prepare to have a five-minute meeting between Anna and the HR manager. Have them discuss their options concerning Janet, using ethical theories as their basis. Observers should look for specific examples of when they used a particular ethical theory.

Slide 28

Instructor Notes:

- If time allows, spend a few minutes discussing the questions on the slides.
- It is usually best if you have the students initially form pairs and discuss the questions, and then lead a large-group discussion.
- Typical responses to “What are the most important things for an HR professional to do to ensure Ethical Practice?” might include:
 - Consistency matters.
 - Always maintain confidentiality.
 - Be proactive rather than reactive to ethical concerns.
 - Maintain integrity.
- A typical response to “What are some concrete steps you could take to assess your own strengths and weaknesses when it comes to Ethical Practice?” might be:
 - Step out of the situation and assess.
- Suggest making the one of the two cases into a role play.

Slide 29

Instructor Notes:

- Remind students of the assignments due next session for the lessons on Communication.
- Ask if there are any remaining questions from today’s session.