Productivity & Ethical Conduct: A Correlation

Dr. Arpita Palchoudhury
(Engineering Sciences, Ramrao Adik Institute of Technology, University of Mumbai, India)

Abstract: Ethics refers to accepted standards of right and wrong in the Organizational scenario. In professional life, the ethical choices made by individual, affect their quality of work. In this article, I have tried to establish a correlation between the moral codes of conduct followed in an Organization and its productivity. The code of ethics affects the behavior of an individual in the workplace. The entire work culture of an Organization depends on the moral values of its employer as well as employee. An ethical work environment is highly motivating and is bound to increase productivity. Organizations with highly valued and ethical workforce have always been highly productive and have carved a niche for themselves in the business world.

Ethics, refers to accepted standards of right and wrong. In any sphere of life, especially at the workplace, decision making is inevitable. While taking decisions we usually consult our moral compass which tells us what is right. In a few situations, the right choice may be clear but most of the time, one has to weigh the good against the bad and find the solution that does the most good or the least harm. If we consider the term “Situational Ethics” then there may be some shades of gray areas where the right depends on the circumstances. Companies and Professions have an official “Code of Ethics” which provides written guidelines for workers to follow, based on some ethical standards and values. Ethical conduct of an individual and the company as a whole, can affect the productivity of both to a great extent.

If we examine the life of famous people, we see how personal values guided them, making them successful as well as iconoclastic. A well-known business CEO felt that technology should be easily accessible. And he could bring about a technology revolution in his organization. If one can implement the ethical values & codes of conduct in their day to day lives, great accomplishment and success are sure to follow. If we look at companies and organizations that have carved a niche for themselves, it can be seen that their ethical values are the key to their reputation and success. So, it becomes very obvious that proper implementation of ethics in the society as well as workplace, energizes everything associated with it. Individuals working in ethical organizations are motivated and energized and so are its customers, products & services and everyone else associated with that organization. Productivity of both, the individual as well as the organization is bound to increase in such a scenario.

Organizations, strive to maintain a healthy and effective work environment, whereby each and every individual is treated fairly and with respect. High standards of personal integrity are also maintained. A workplace, which is free of conduct that may be considered harassment, abusive or offensive, creates a more conducive work environment. Avoiding unlawful discrimination against any employee can also go a long way to motivate employers. Let us take the example of “Chevron”. The company’s foundation is built on ethical values and conduct. The company conducts its business in a socially responsible and ethical manner. The company values the uniqueness of individuals and various perspectives and talents, they provide. “Chevron” continually works to develop its employees, so they have the highest quality workforce. Chevron’s policy is to provide equal employment opportunity and to treat applicants and employees without illegal bias. No one is ever subjected to discrimination on the basis of Race, Religion, Color, National origin or gender identity. Nevertheless, employees are happy and they perform their best in such an ethical environment. Motivation, increases the productivity of the individual and the organization.

Ethical codes are often adopted by management, not to promote a particular moral theory, but rather because they are seen as pragmatic necessities for running an organization in a complex society, in which moral concepts play an important role. Even though ethical choices may not be easy, employers expect people to bring their consciences to work with them. In return, employees expect that the Organization they work for is ethical, honest and responsible. A person with integrity makes ethical choices based on moral values and principles, knowing very well that mistakes are bound to happen. But learning from the mistakes is what helps people to be conscious of the ethical choices they make. They become alert to the ethical demands of the Organization and contribute
wholeheartedly. As Robert Noyce says, “If ethics are poor at the top, that behavior is copied down through the Organization.” So the employer has to ensure that the ethical codes of conduct are consistently followed throughout the Organization, from the top to the shop floor level of hierarchy.

An employer hires, trains and pays a worker, and in return expects the worker to share the values and pursue the goals of the Organization. The employer rightly expects the employee to be reliable and consistent in his values. The values behind the conduct of the employee should be driven by the moral standards of both the employer and the employee, and the society in general. The employee in turn, has the right to expect goodwill and positive attitude, which will serve the needs and interests of the Organization. Studies have proved that loyalty at the workplace is a highly valued conduct. But ethical dilemmas can hamper organizational effectiveness. Rumors and gossip seem to be an inevitable part of everyday corporate functioning. To the manager the ethical dilemma is two fold: 1. Should gossip about other employees be listened to? 2. What should be done about rumors in the Organization? Managers appear to be on slippery ethical ground when they listen to gossip about fellow employees. This can cloud their judgement about people. The information can creep into performance evaluations and promotion decisions, even if unintentionally. Rumors can be disastrous for Corporations too. “Proctor & Gamble” spent years and thousands of dollars fighting a rumor that their corporate symbol represented a devil. Rumors, that McDonald’s added worms to its meat in order to increase protein content lowered sales. Though the rumors were unequivocally false the impact was great.

The importance of loyalty and integrity cannot be undermined. An employer who hires, trains and pays the worker, expects him to honestly pursue the goals of the Organization. The values behind one’s conduct on the job should be driven by his moral standards, as well as those of the employer and society in general. Goodwill and positive attitude goes a long way to serve the needs and interests of the Organization. As an employee, you are expected to come to work every day on time and focus on the work, so that the employer’s purpose and goals are achieved. Unethical practices, wasting time and resources, amounts to wasting the employer’s time and money. When an employee is unproductive, he/she is short-changing the Organization. Some people think that the little ways in which they abuse their position don’t amount to much. If the employees are only concerned about themselves and not the Organization, then eventually they will fall out because the business will eventually fail. The success of the Organization depends on the goodwill and conscientious effort of its workers as well as its leaders.

In the corporate culture of today, organizational ethics and moral standards have gained more prominence. “Enlightened” companies have recognized that commercial success means much more than profit margin. In the truest sense, it is the image of the company and the goodwill it generates, that determines its success. Such companies also attract the brightest and the best workforce. Studies have proved that, there is a direct correlation between ethical conduct and job satisfaction. A happy employee turns out to be a productive employee in an ethical environment. It is one of the greatest motivating factors and induces a strong sense of belonging and loyalty. Hence high ethical standards are an asset for a company and unethical conduct, a liability.

References
[1]. Masters & Wallace, Personal Development For Life and Work (New Delhi, Cengage Learning,2011)
[2]. Dr. K. Alex, Soft Skills (New Delhi, S.Chand & Company Ltd.,2009)
[3]. https://en.wikipedia.org/Wiki/Ethical-Code