



# **41<sup>st</sup> AAPAM Roundtable Conference**

## **Human Resource Management Network Session**

### **Session: Leadership and Ethics**

**Venue: University of the Western Cape, Cape Town, South Africa**

**Wednesday 7<sup>th</sup> December 2022**

**Samuel B Macharia – HRM Expert**

# Human Resource Management at Work

- What Is Human Resource Management (HRM)?
  - The process of acquiring, training, appraising, and compensating employees, and of attending to their labor relations, health and safety, and fairness concerns.
- Organization
  - People with formally assigned roles who work together to achieve the organization's goals.
- Leader/Manager
  - The person responsible for accomplishing the organization's goals, and who does so by managing the efforts of the organization's people.

# Introduction to Leadership and Ethics

- Ethical leadership means that individuals behave according to a set of principles and values that are recognized by the majority as a sound basis for the common good. These include integrity, respect, trust, fairness, transparency, and honesty.
- “The best way to do is to be.” – Lao Tzu
- "Integrity is telling myself the truth. And honesty is telling the truth to other people." - Spencer Johnson

# The Case of Enron – Stunning fall from Grace

- “The tale of Enron is a story of human weakness, of hubris and greed and rampant self-delusion; of ambition run amok; of a grand experiment in the deregulated world; of a business model that didn’t work; and of smart people who believed their next gamble would cover their last disaster—and who couldn’t admit they were wrong.”

The Smartest Guys in the Room: The Amazing Rise and Scandalous Fall of Enron (**Bethany McLean**)

# Ethics for the HR Professional

- The study of ethics in HRM context is important because of the dynamic and interrelated shifts in the organization of work.
- Employees turn to Human Resources to assure an ethical workplace.
- Making an ethical decision requires three things:
  - Commitment: the desire to do the right thing even if it isn't easy.
  - Consciousness: the awareness to act consistently and apply moral convictions to daily behavior.
  - Competency: the ability to collect and evaluate information, develop alternatives, and foresee potential consequences and risks.

# Ethical Issues for HR Managers

- Understanding the rights and responsibilities of employers and employees.
- Understanding justice and fairness in the employment relationship.
- Considering the role of HRM in society.

# Work Ethics

## > **Work Ethics for an Employer**

- To provide a safe work environment for staff and employees.
- To treat employees with dignity and respect.
- To provide a fair wage for the services rendered.
- To handle all business transactions with integrity and honesty.

## > **Work Ethics for an Employee**

- To show up on time.
- To tend to company business the whole time while at work.
- To treat the company's resources, equipment and products with care.
- To give respect to the company by working with honesty and integrity.

# Some HRM-Related Ethics Activities

- Selection - fostering the perception of fairness in the processes of recruitment and hiring of people.
- Training – opportunities for all
- Performance appraisal – adhere to high ethical standards by measuring and rewarding employees who follow those standards.
- Reward and disciplinary systems – reward merit and punish unethical conduct.
  - Note employee privacy violations upheld by courts, e.g. intrusion, publication of private matters, disclosure of medical records etc.
- Lay-offs/ right-sizing – should be procedural and transparent.



# How to improve your ethical leadership skills

- Know your internal compass and values.
- Choose ethical business partners - employees, partners, consultants, attorneys, suppliers.
- Make your values visible – State your values clearly. The right people will partner with you.
- Set desired behaviors and put a control mechanism in place. Your values should be reflected in your behaviors.
- Support the development of your team members. (Train and perhaps lose than not train to keep).
- Acknowledge others. Don't take credit for someone else's work, even if it's someone that works under you.
- Prepare sound contracts and deliver as promised.

# Concluding Thoughts

You are the voice of ethics in the workplace.

- Protect your company from intolerant, unethical and illegal conduct by providing an alternative perspective.
- Practices and policies that are inclusive and respectful are the best choice for employees and the organization both because they avoid costly legal battles but also because they improve morale, performance, and loyalty.
- If one aims to be a leader, it is a long game. Behaving unethically can automatically take a leader out of the A-league and may heavily damage their personal or company brand.

Thank You