Exercise 7–3 Organizational Ethics[103]

Evaluate your organization by circling the appropriate description of the prevailing climate—profit-maximizing, trusteeship, or quality-of-life management—for each of the 14 ethical dimensions listed in the first column.

Ethical Dimension	Profit-Maximizing	Trusteeship	Quality-of-Life Management
1. Social definition of *good*	What is good for me is what counts.	What is good for my organization is what counts.	What is good for humankind is good for my organization and ultimately is best for me.
2. Democracy at work	I am a rugged individualist and will do as I please.	I am an individualist, but I recognize the value of employee participation in the decision-making process.	Democratic management is fundamental to a successful organization.
3. Attitude toward profit	I seek as much profit as the market will bear.	I want a substantial profit.	Profit is necessary, but not to the exclusion of other considerations that influence human welfare.
4. Attitude toward wealth	My wealth is more important than other people's feelings.	Money is important, but so are people.	Other people's needs are more important than my wealth.
5. Labor relations	Labor is a commodity to be bought and sold.	Labor has certain rights that must be recognized.	It is essential to preserve employee dignity, even if profit is reduced.
6. Consumer protection	Let the buyer beware.	Let us not cheat the customer.	Consumer welfare comes first; satisfaction is guaranteed.
7. Self-interest versus altruism	My interest comes first.	Self-interest and the interests of others are considered.	I will always do what is in the best interest of all concerned.
8. Employee relations	Employee personal problems must be left at home.	I recognize that employees have needs and goals beyond economics.	I employ the whole person and am concerned with achieving maximum employee welfare.
9. Management accountability	Management is accountable solely to the owners.	Accountability of management is to the owners, customers, employees, and suppliers.	Accountability of management is to owners, customers, employees, suppliers, and society in general.
10. Attitude toward technology	Progress is more important than people's feelings.	Technology is important, but so are people.	Human needs are more important than technology advances.
11. Minority relations	Minorities have their place in society, but not with me.	Some people are more important than others, and they should be treated accordingly.	Everyone—regardless of age, color, creed, or sex—should be treated equally.
12. Attitude toward government	Government is best when it stays out of my way.	Government is a necessary evil.	Business and government should work together to solve society's problems.
13. Human–environment interface	The environment exists for economic ends.	People should control and manipulate the environment.	People must preserve the environment for the highest quality of life.
14. Aesthetic values	Aesthetic values are a low priority.	Aesthetic values are OK, but not to the exclusion of economic needs.	Aesthetic values must be preserved, even if economic costs are increased.

Scoring:

Assign a score of 1 to each *profit-maximizing* response, 2 to each *trusteeship* response, and 3 to each *quality-of-life management* response. Add the scores and enter the total here: ________.

Interpretation:

The terms *profit-maximizing, trusteeship,* and *quality-of-life management* correspond with Kohlberg's levels of morality—I, II, III. *Profit-maximizing* reflects preconventional morality. In this case, the organization's focus is on self-gain and avoidance of punishment. *Trusteeship* reflects conventional morality. The organization behaves to conform to the expectations of others and to satisfy higher authorities. *Quality-of-life management* reflects postconventional morality. Here, the ethical climate of the organization is to do what is right, over and above self-interest and apart from the influence of others. With this climate, ethical conduct is based on the highest moral principles. Use your total score to determine your organization's overall climate and level of morality.

Scores	Level of Morality
14–23	Profit-maximizing—level I, preconventional
24–32	Trusteeship—level II, conventional
33–42	Quality-of-life management—level III, postconventional

The following is an example of a *quality-of-life management–level III* company credo:

> ***We will be honest and trustworthy in all our dealings. We will treat every individual with respect and dignity. We will follow the Golden Rule in all matters. We will strive for excellence in all work performed. We will obey the laws of our land in fact and in spirit. We will always do the right thing in every situation to the best of our abilities. If we fail in abiding by these principles, we will do whatever is needed to make amends.***