Ethics in Industrial/Organisational Practice

"Ethics is knowing the difference between what you have a right to do and what is right to do" - Potter Stewart

Ethics has to do with defining what is meant by right and wrong or good and bad, and with justifying according to some rational system what one ought to do or what sort of person one should be. As applied to the practice of industrial-organisational psychology, professional ethics concerns the moral appropriateness of our work activities and the proper treatment of all those with and for whom we work, including employees, clients, client organizations and their various stakeholders, interns, students, and professional colleagues.

Many of the moral standards that guide such ethical practice are deontological, or rule-based in nature, having to do with principles such as the fulfillment of duties and obligations, keeping one's promises, respecting people's dignity and autonomy, maintaining their trust, and striving for fairness or justice. In some instances, determining the proper thing to do seems better understood from a consequentialist or utilitarian perspective, choosing the action that maximizes the aggregate good or minimizes the net harm resulting from a particular situation.

Types of Ethical Dilemmas

Despite the multitude of potential ethical dilemmas with which one might be faced, most of them can be characterized as falling into one of the following categories—or as a combination of more than one (the categories are not mutually exclusive).

Foreknowledge of someone to be harmed by a third party. For example, an organisational psychologist is asked to participate in a process of developing plans for a major reduction in force (RIF) and learns that management does not plan to announce the RIF to employees who may be terminated, until the last minute. Senior managers are concerned about possible adverse effects on productivity if it is announced too early, and the organisational psychologist is expected to comply with this timetable—which will exacerbate the RIF's harmful effects on those let go.

A self-serving act that will wrong or harm another. The behaviour may even be self-serving by proxy— that is, serving the needs of one's employer—and communicated as company policy. Although most managers want to behave ethically, research has indicated that the threshold for unethical behavior is lower when it is perceived as being on behalf of the organisation's goals and objectives rather than for personal gain only. For example, it might be tempting to allow management to direct employees' mandatory cooperation with one's data collection efforts even though it should be presented clearly as voluntary, with no consequences for non-participation. One might also be tempted to take on a project that is outside one's boundaries of professional competence, as determined by their education, training, study, and supervised or professional experience.

Competing obligations to two or more entities. Every good supervisor or manager has encountered situations in which it may not be easy to be fair and impartial to all employees in the distribution of organisational rewards, or with respect to other personnel decisions affecting subordinates. Industrial/organisational psychologists often face equivalent conflicts by virtue of our simultaneous obligations to both the client organisation (or employer) and the individual employees and managers with whom we work. A review by Carolyn Wiley of the codes of conduct of five professional human resources organisations revealed uniform acknowledgment of multiple obligations to

the public or society at large, the employer or client organisation, employees, colleagues, and to one's profession and professional association. When working with individuals or teams (e.g., in executive coaching, conducting focus groups, individual assessment, or organisational diagnosis), it is advisable to clarify beforehand and explain to those individuals or groups one's obligations to the organisation, such as any necessary limitations on anonymity or confidentiality.

A situation in which two or more equally important ethical values conflict. For example, if an anonymous survey respondent alleges some serious wrongdoing by a senior manager who is putatively damaging the company, the organisational psychologist must choose from several courses of action (which include doing nothing) that balance conflicting obligations to respect employee anonymity, to avoid harming a potential victim of mere gossip, and to prevent possible further damage to the organisation. The most appropriate response is likely to be determined by details of the situation.

Pressure to violate ethical principles. Business corporations, and the managers who run them, are not subject to all the ethical standards that characterize the professional responsibilities of psychologists, who are obliged by the preamble of our ethical codes to use knowledge to better people and organisations. The managers are, in fact, subject to pressures for productivity, efficiency, speed, and profitability, and these aims may at times be at odds with some ethical standards. For example, a senior manager might wish to use, for purposes of making personnel decisions, assessment or survey data that had been obtained confidentially after explaining to all participants that it would be used only for personal development or organisational improvement. The APA code (American ethics) indicates that if there is conflict between the ethical code and organisational demands, the psychologist must resolve the conflict in accordance with the code.

Preventing Ethical Problems

Although it is impossible to foresee all the ethical dilemmas one might encounter, some activities can help one to anticipate likely problems and prepare oneself for thinking through them when they arise.

1. Be familiar with the applicable ethical codes such as the Australian Psychological Society (APS) Code of Ethics, and applied sources and articles (such as the Society for Industrial and Organizational Psychology's ethical case book, edited by Rodney Lowman).

2. Be familiar with applicable state laws and federal regulations, such as those relevant to the licensing of psychologists; employment practices; and issues of confidentiality, malpractice, and research with human participants.

3. Know the rules and regulations of the institution at which you work. This knowledge helps assure competent practice in keeping with the organisation's expectations and can alert one to possible conflicts between organisational norms and professional ethical standards.

4. Engage in continuing ethical education by attending courses and workshops, reading literature on ethical practice, and subscribing to relevant journals (such as Ethics and Behavior, Professional Psychology, Journal of Business Ethics).

5. Attempt to identify areas of potential ethical difficulty before a problem arises. That identification will be aided by information gleaned from the preceding four activities.

6. Maintain a mind-set of ethical watchfulness. In addition to the previous steps, one can exercise one's moral sensitivity to avoid ethically ambiguous situations or attempt to clarify them before becoming involved.

7. Learn a systematic approach for analyzing ethical problems in complex situations. Many texts on applied ethics contain decision-making models for this purpose. The one presented by Joel Lefkowitz is in the context of industrial/organizational psychology.

8. Perhaps most important, find a trusted and knowledgeable confidant with whom to share your concerns. Ethical dilemmas can be very stressful, and it is best to not go through the process in isolation.