

# SPEAKING OF ETHICS



Editor, Tim Hatcher

What do you do when your consulting integrity is on the line?

In the complex and hectic world of work, it is becoming harder to live and work by values and behaviors based on integrity and principles. Pressures are placed upon us, other people don't always act the way they should, and problems are seldom black and white. Yet, most of us try to do the right thing most of the time. When we can't for whatever reasons or don't know what to do, it helps to understand what others have done in similar situations. That's the objective of *Speaking of Ethics*. Each month, a different real-life ethical dilemma related to training will be described, and two t&d professionals will tell what actions they'd take.

Those practitioners may refer to standards such as the Academy of Human Resource Development's *Standards on Ethics and Integrity* [www.ahrd.org](http://www.ahrd.org) but the cases aren't intended to provide absolute answers nor are they a resolution, standard operating procedure, or policy for ethical problems. They're designed to stimulate thinking about one's personal reaction to ethical dilemmas, point out that people have different points of view concerning ethics, and help people make better decisions when faced with similar challenges.

The first ethics case is about a small consulting firm placed in a precarious

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situation while conducting a needs assessment for a large company.

## The case of the stuck consultants

When you and your colleague were downsized, you decided to try your hand at consulting. Being in training and HRD for a combined total of 25 years and with two master's degrees, you believed you had the required experience and expertise.

Your first few contracts, although small, were successful and positive experiences. You now have your first big contract—a needs assessment in support of new production equipment for a firm with 14,000 employees. The client, the Allman Brothers Cookie Company, is a 100-year-old bakery with a solid reputation and a competitor that isn't afraid to play hardball.

You were awarded the contract over several well-known consulting firms because ABC's president "took a liking" to you and wanted to "give you a break." You were surprised and a little perplexed by the president's remarks but thrilled at the opportunity to move into the consulting big leagues. This contract could catapult you into consulting stardom, or wipe you out.

The needs assessment progressed well. Several focus groups with upper management gave you useful information and insights into what management described as a "family-oriented" company. But a few weeks after you started observing and interviewing the workers, perceptions changed. Several months of hard work on the production floor and a lot of bologna sandwiches, pick-up softball games, and heated union-management meetings began to reveal a different company from the one described by management. Workers said ABC was "ruthless and dedicated only to the bottom line," with a long history of "bad blood" between management and the workforce. Your data had

already shown that the new equipment required skills and knowledge the workers didn't have. But what really surprised you was the analysis that implied employees believed the needs assessment was mainly to justify massive layoffs. Validation of the data showed that workers were consistent and steadfast in their beliefs about the layoffs. When you and your colleague reviewed data from the management focus groups, you discovered inferences that further substantiated what the worker data told you.

Your contract is 50 percent completed, and you just received two large payments and are due two more. The contract language is boilerplate, except that ABC has "ownership and dissemination rights regarding all needs assessment data and any subsequent reports or summaries."

What do you do next?

## Response 1



**Johnni Beckle, senior director, global learning, Tricon Global Restaurants.** As a person who has led training for *Fortune* 500 firms for the past 15 years and frequently uses consultants as resources, my response is based on how I'd want my contracted partners to respond in that situation.

It's important to start with some assumptions. First, my contract and initial discussions with the client would have covered subject confidentiality, scope of work, business goals, how to communicate and involve employees in

the process, and what drives human performance. Those initial planning meetings should've uncovered any potential concerns of the president regarding the skills of the existing workforce or anticipated layoffs. It's typical during a needs analysis for nontraining-related items to come up and important to agree on how such items will be handled.

Another key assumption is that there will be ongoing communication with the client, including meetings, updates, and frequent dialogues. Last, it's not important that I was "given a break," chosen over large consulting firms, or the president "took a liking" to me. What's important is that I was contracted for professional support to help improve the business, and I have a responsibility to carry that out in a professional and ethical manner, keeping in mind the needs of the organization, individuals, and community. Using guiding principles gains me significant credibility and respect with my clients and wins more contracts in the long run.

In this case, the contract was to conduct a needs assessment in support of new production equipment. That means defining the current knowledge, skills, and gaps of the workforce to be able to operate the new equipment effectively. The reality is that new equipment often changes processes, and modification of organizational strategy may affect certain jobs and require layoffs. However, the issues are whether the president was honest regarding the purpose of the needs assessment and whether the needs assessment data would be misrepresented or misused.

Let's assume for a moment that he was honest and the issues uncovered are cultural and motivational concerns of the employees or a result of lack of communication between them and management. In one of the regularly scheduled meetings with the president, I would share some of the nontraining-related

issues that were identified, while maintaining subject confidentiality. I'd also inform the president that I'll address those issues in my recommendations and that I anticipate the equipment change will require an organizational change initiative to help the workforce understand and adapt accordingly. I'd recommend ramping up communication with employees about the change and purpose of the needs analysis, saying I'd uncovered some significant concerns. I'd take personal responsibility for helping the organization understand the scope of the issues, and I'd make recommendations on how to resolve the problems.

If I believed, based on my analysis and previous meetings with the president, that there was a chance my data would be misrepresented, I'd address that directly with the president. I'd share some of my early findings and present the data that's causing me to be concerned about the welfare of the workers and the integrity of my work. My goal would be to have an open dialogue with the client and agree to 1) complete the needs analysis and present unbiased results, 2) address employees' concerns, 3) identify required actions or recommendations based on the data, and 4) execute the recommendations in a professional and moral manner.

I'd feel I had an obligation and professional responsibility to the president, the organization, and the workers to help resolve the issues, while balancing the best interest of everyone involved. As a last resort if my results were going to be misused and employees' welfare was at risk, I'd cancel the contract in writing, provide the client with an analysis of the work done to date, and give a refund for any services paid for but not yet received.

This case is a perfect example of how important the partnership is between a client and a consultant. It's the foundation for ensuring that the consultant's work meets the client's expectations and

is carried out in a professional manner, and that issues and concerns of both parties are addressed openly along the way. As a client, a big part of the selection process for a consultant is based on a relationship of trust and moral obligation.

## Response 2



**Darlene Russ-Eft, director, research services, AchieveGlobal.** This case led me to think about similar cases I've encountered and to reread the *Standards on Ethics and Integrity* from the Academy of Human Resource Development. Although you might think of the consultants in this case as being stuck between a rock and a hard place, they have two different but rather clear paths. One would be to refuse to accept the continuing work by citing the general principles of professional responsibility and concern for others' welfare and social welfare. That would let the consultants feel satisfied that they did no harm to the workforce.

The other path would be to accept future work but cite the same principles. That may be the more difficult but more ethical path.

The general principle of professional responsibility is, "HRD professionals uphold professional standards of conduct, clarify their professional roles and obligations, and accept appropriate responsibility for their behavior," according to the *Standards*. By refusing future work, they also refuse to accept appropriate responsibility for their previous data collection. Furthermore,

as indicated by Joyce Thompsen in *Personal Communication* (October 30, 2001), when the consultants accepted the initial payment, they became legally bound to provide the needs assessment results. Beyond the legal obligation, they also had a professional obligation to complete their work. They identified a potentially explosive situation and bear some responsibility to help resolve it.

The general principle of concern for others' welfare states that "HRD professionals seek to contribute to the welfare of those with whom they interact professionally. In their professional actions, they weigh the welfare and rights of their clients," according to the *Standards*. In this case, the consultants must weigh the welfare and rights of both management and employees. They must bring to the attention of management that workers view the company as not "family oriented" but "ruthless" and "dedicated to the bottom line." The consultants can present the differing views of the company and obtain some confirmation and clarification of the situation.

The general principle of social responsibility includes the statement that HRD professionals "work to minimize adverse effects on individuals, groups, organizations, societies, and the environment." As a first step, the consultants could explore the issue of massive layoffs with management, asking the veracity of the rumors or justification if true. At the same time, the consultants could provide evidence of the cost-effectiveness of the proposed training to ensure that the workers can operate the new equipment. The consultants could also present documentation on the benefits of job retraining as part of a severance package for workers who might lose their jobs.

Lest this solution seem too simple, don't forget the contract language: "ABC has ownership and dissemination rights regarding all needs assess-

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## How to Participate

If you'd like to participate as a case respondent or have a good case you'd like to share, contact *Speaking of Ethics* editor Tim Hatcher at [hatcher@louisville.edu](mailto:hatcher@louisville.edu), 502.231.7787, or fax 502.852.4563.

Subsequent cases will address multiple relationships, privacy and confidentiality, social and professional responsibility, boundaries of competence, respect of others, publication of work, the design and implementation of interventions, and evaluation.

ment data and any subsequent reports or summaries." That could lead to a situation in which the consultants' work is misused and misrepresented. In such instances, *Standards* suggests "taking reasonable steps to correct or minimize the misuse or misrepresentation." One step would be to include written recommendations as an inseparable part of the needs assessment report. That can help minimize misrepresentation. But if there's a determination that management *is* misusing the needs assessment results, the consultants should notify management of its misunderstanding of the results. If all fails to persuade management to take appropriate actions, the consultants could suspend work or withdraw from the contract in writing—making reference to the needs assessment results, the recommendations, and their professional and social responsibilities according to *Standards*.

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