

SPEAKING OF ETHICS



Legal or right?

Editor, Tim Hatcher

If the recent debacle of Enron and Andersen Consulting has taught us anything, it's that doing the right thing isn't always easy. 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. Each column of Speaking of Ethics presents an ethical dilemma related to training, and two practitioners describe what actions they'd take. Standards such as those in Standards on Ethics and Integrity ahrd.org/publications may be referred to, but the solutions aren't intended to provide absolute answers or a standard

operating procedure. They're designed to stimulate thinking about ethical dilemmas and help us make better decisions when facing similar challenges.

A Case of Accountability

This month's dilemma is about professional responsibility and accountability, and how we sometimes get caught in the middle between a legal or contractual obligation and what's right.

Feda Industries is a textile manufacturer supplying raw materials to high-end clothing companies throughout Europe. One of the world's leading textile suppliers in the 1970s and 1980s,

Feda faced intense competition from lower-cost foreign manufacturers by the 1990s. In 1999, it sold its three plants in England and consolidated all manufacturing within its two Scottish facilities, which at the time employed 1500 unionized production workers and 150 management, engineering, design, and administrative employees. Both plants were located in a region with a population of about 35,000. Feda, by far the largest employer in the region, is popular due mainly to good compensation and worker empowerment. However, union-management relations suffered since the closing of the other plants.

The region had been in an economic slump for several years with many companies closing their doors. The economic council had little success in attracting new business and foresaw limited opportunities for well-paying manufacturing jobs.

Your firm, KnowIt, a small consultancy, was contracted by Feda to perform a needs assessment in its two plants in Scotland. Feda was considering upgrading to technology-based equipment and was concerned about the technical skills of its production workers. You submitted a proposal outlining the goals of the needs assessment, proposed methodologies, a tentative schedule, and approximate contracting costs. The needs assessment included identifying the workers' technical skills levels, and conducting surveys and face-to-face interviews on their attitudes toward technology.

During proposal negotiations, Feda's management insisted that a member of the management team approve all interviewees. You convinced managers that a random selection would yield better results and assured confidentiality. They grudgingly accepted, adding a clause to restrict disclosure of final results to the operations director, who would circulate results as he saw fit. A contract was agreed to, and you started planning the needs assessment.

The commitment to the client must be protected, and the contract must be respected.

Several weeks later during the interviews, more than half of the participants told your team they thought management had no intention of purchasing new equipment and that this was a smokescreen to dispel rumors of future plant closures. Written survey results garnered similar responses. Most workers said proving the workforce was unprepared for new technology was an excuse for management to justify plant closures to the board of directors.

Your team members also reported that other production workers and a few industrial engineers told them they felt obligated to confide the "real reasons" for the needs assessment.

What will you do and what will you tell your client?

Response 1



Clarence Huff,
project lead,
MITRE
Corporation,
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Texas

This is a classic case. After years of profit and growth, Feda faces lower-cost competitors, and parts of the company have been sold or downsized. Management has hired me to perform a technology needs assessment.

As a rule, a legal representative should review any contract to exclude possible misrepresentation that could lead to

future litigation. After the contract has been signed, my responsibility is to deliver the work as described in the contract. There's no reason for me to suspect that my work, despite the stipulation about delivery to the operations director, would be used unprofessionally. That circumstance corresponds with the standard to make one's profession "a practice of which [one] need not feel morally justified embarrassment, shame, or guilt."

The commitment to the client must be protected, and the contract must be respected. The additional information from the randomly chosen interviewees mustn't interfere with those objectives. My job as a consultant is to remain neutral while completing the task. Although the workers' suspicions are plausible, I shouldn't let them influence the outcome of the needs assessment. If it shows that production workers' skill levels and attitudes toward technology are poor, that's the final outcome of the report. Even if I sympathize with workers' concerns about the future of their employment, my job is to deliver a neutral assessment to the client. Moreover, I must consider the additional information to be speculation. Even though, or perhaps because, most of the interviewees suspect deception, I mustn't shift my focus from the original needs assessment.

Speaking more broadly, I believe that one must feel responsible for acting on information one thinks could be dam-

<http://ethics.tamu.edu/ethics/essays/design.htm>

aging to a client. I'd consider it unethical not to inform my client about workers' suspicions. I'd set up a meeting with the management team to discuss the disquieting information and ask how to proceed. Feda has a choice: to let me continue with my work or have me perform a reassessment. I'd strongly propose a reassessment, that management and workers open a dialogue, and that the issue of plant closings be included in the reassessment.

Response 2



Annamarie Pluhar, founder, IDD Tech Solutions, Silver Spring, Maryland

What's really going on here? At first read, this case describes a

project in which consultants have been engaged on false grounds. The ethical dilemma for me as the consultant is, Do I complete the work knowing that I'm being used? Do I confront management? Do I ignore the situation?

Consultants have a moral responsibility to find out and present the broader truth. It's clear that mistrust of management exists throughout the workforce and that it's breeding anxiety, uncertainty, and fear. Feda may genuinely be looking at high-tech options and want to know whether the workforce has the ability to implement them, or rumors of plant closings may be true. The consultant has to determine whether management is disingenuously using the skills assessment to further its ends.

If deception is a real possibility, an OD consultant has to go deeper. It's my responsibility to write the technical part of the report and present my findings regarding workers' belief about the

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"real" purpose. The best way to do that is to discuss those findings privately with the management team.

The scenario doesn't tell me the depth of the relationship between the consultant from KnowIt and Feda's management. The only hint is the company's desire to control who is interviewed and who sees the final information. Why doesn't management want the information shared? What are its concerns? I'd probe for that information in the negotiating phase of this contract.

I wouldn't accept a contract in which information from employees isn't shared with them in some form. That's an ethical issue. The act of interviewing is a form of "taking" and must be reciprocated in some form of "giving." For the interviews to provide useful information, the interviewees must be willing participants. I'd therefore try to persuade management to share a summary of the report with the workforce. Writing the summary would be part of my deliverable.

How to Participate

If you'd like to participate as a case respondent or have a case you'd like to share, contact Speaking of Ethics editor Tim Hatcher at hatcher@louisville.edu, 502.231.7787, or fax 502.852.4563.

Once the skills assessment is complete, I'd meet with senior managers to present my findings of mistrust and rumors of plant closings, and to address the issue of deception on management's part. I'd promise that the meeting would be confidential, with the aim to have a frank exchange, explore the dynamics in the organization, and perhaps improve the culture.

I'd be prepared for several possible outcomes. If the rumors prove true, I'd want to know why management perpetuated the falsehood of engaging me to do a skills assessment. If Feda is looking at high-tech options and wants to know whether the workforce has the ability to use them, I'd point out that the atmosphere of mistrust is highly likely to sabotage the effort to introduce a new manufacturing process. I'd also ask whether senior managers have an interest in shaping a different organizational climate of cooperation, participation, and trust. If the answer is yes, I'd offer my expertise to help bring about such a change. If the answer is no, the job I contracted for is finished. I'd make a follow-up phone call the next month; perhaps the *no* would become a *yes*.

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