

Moral Issues in Business

Chapter 8

The Workplace (1) :Basic Issues

The Absence of Civil Liberties in the Workplace

- “Scientific Management”
 - In the past, the man has been first. In the future, the system must be first. – Frederick Winslow Taylor
- “Employment-at-Will”
 - Employers may dismiss their employees at will...for good cause, for no cause, or even for a cause morally wrong, without thereby being guilty of legal wrong. Tennessee Court

Protecting Civil Liberties in the Workplace

- The Wagner Act of 1935
 - Prohibited firing workers because of union membership or union activities
- The Civil Rights Act of 1964
 - Prohibits discrimination based on race, creed, nationality, sex or age
- The U.S. Constitution
 - Protects public employees from dismissal except for cause.
- Union Contracts
 - Protect employees from unjust dismissal

Hiring

- Screening
 - Job description – What is to be done
 - Job specification – Qualifications needed
- Tests
 - Validity – Do test results correlate with job performance?
 - Reliability – Is the test constructed and administered so that results are consistent?
 - Fairness – Are the tests culturally biased? Are they relevant to the skill level needed for the job?
- Interviews
 - Is the interviewer able to put aside his biases and stereotypes and focus on the humanity of the applicant?

Promotions

- Seniority
 - Should employees be promoted based on length of time on the job or on competency?
- Inbreeding
 - Should companies look outside the company to or always promote from within?
- Nepotism
 - Is it appropriate to show favoritism to relatives and friends when hiring or promoting?

Discipline and Discharge

- Just Cause
 - Does the reason for the discharge have to do with job related issues?
- Due Process
 - Are the rules concerning discipline and discharge administered consistently and without discrimination or favoritism? Are workers given a fair and impartial hearing?

Four Types of Discharge

- Firing
 - Dismissal for cause (theft, breaking confidence)
- Termination
 - Dismissal for poor performance
- Layoff
 - Dismissal for lack of available work (may be recalled)
- Position Elimination
 - Permanent elimination of a job position

Ethical Guidelines for Paying a Just Wage

- What is the law? Minimum wage: federal, state, local
- What is the prevailing wage in the industry?
- What is the nature of the job itself?
- Training, education, skill, risk, unpleasantness
- Is the job secure? What are its prospects?
- Will the job be there tomorrow? Is there opportunity to advance?
- What are the employer's financial capabilities?
- What are other employees inside the organization earning for comparable work?
- Is there discrimination based on race, gender, etc? Favoritism?

Union Goals

- To protect workers from abuses of power at the hands of employees
- To give workers a voice in matters that affect their lives.

Criticisms of Unions

- Workers' freedom is infringed upon when they are forced to join a union or pay union dues.
- Agreements between employers and unions sometimes result in discrimination against non-union employees.

Union Tactics

- Direct Strikes - A just strike should be:
 - For just cause (legitimate grievances, not revenge)
 - Properly authorized (workers should freely agree)
 - Undertaken as a last resort (good-faith negotiation)
- Sympathetic Strikes
 - Members of other unions working for same company
 - Members of same union working for other company
 - Members of other unions working for other company

- Boycotts and Corporate Campaigns
 - o Urging consumers not to buy the company's products
 - o Urging the company's creditors to pressure the company to resolve the strike.