

6.5: Summary

Section Summaries:

The Workplace Environment and Working Conditions

A company and its managers need to provide a workplace at which employees want to work, free of safety hazards and all types of harassment. Perks and benefits also make the company an attractive place to work. Yet another factor is managers who make employees feel valued and respected. A company can use all these tools to attract and retain top talent, helping to reach the goals of having a well-run company with a satisfied workforce. Philosophers Aristotle and Immanuel Kant said taking ethical action is the right thing to do. The decision to create an environment in which employees want to come to work each day is, in large part, an ethical choice, because it creates a healthy environment for all to encounter. However, the bonus comes when a satisfied workforce fosters increased quality and productivity, which leads to appreciative customers or clients and increased profitability. There is a financial payoff in that a well-treated workforce is also a productive one.

6.2 What Constitutes a Fair Wage?

The concept of paying people fairly can become complicated. It includes trying to allocate and compensate workers in the most effective manner for the company, but it takes judgement, wisdom, and a moral imperative to do it fairly. Managers must balance issues of compensation equity, employee morale, motivation, and profits—all of which may have legal, ethical, and business elements. The issue of a fair wage is particularly salient for those earning the minimum wage, which, in real terms, has declined by 23 percent since 1960, and for women, who continue to experience a significant pay gap as compared with their male counterparts.

6.3 An Organized Workforce

Employees seek fair treatment in the workplace and sometimes gain a negotiating advantage with management by choosing to be represented by a labor union. Union membership in the United States has fallen in recent years as federal and state law have expanded to include worker protections unions fought for, and as the nation has shifted from a manufacturing to a service economy. Public-sector employee groups such as teachers, professors, first responders, and nurses are unionized in some cities and states. U.S. workers have contributed to a long rise in productivity over the last forty years but have not generally shared in wage gains.

6.4 Privacy in the Workplace

Monitoring of employees, whether electronically or through drug testing, is a complex area of workforce management. Numerous state and federal legal restrictions apply, and employers must decide not only what they are legally allowed to do but also what they should do ethically, keeping in mind the individual privacy concerns of their employees.

Key Terms

business purpose exception

an exception to the Electronic Communications Privacy Act of 1986 that permits employers to monitor all oral and electronic communications, assuming they can show a legitimate business purpose for doing so

closed shop

a union environment that requires new hires to be automatically enrolled in the labor union and union dues to be automatically deducted from their pay

codetermination

a concept popular in Europe that gives workers the right to participate on the board of directors of their company

collective bargaining

union negotiations with an employer on behalf of employees

comparable worth

the idea that pay should be based upon a job holder's worth to the organization rather than on salary history

consent exception

an exception to the Electronic Communications Privacy Act of 1986 that allows employers to monitor employee communications provided employees have given their consent

EEOC

the Equal Employment Opportunity Commission, created by the U.S. Civil Rights Act of 1964 and which attempts to eliminate discrimination in the workplace based on race, gender, or creed

employment at will

a legal philosophy that holds that either the employee or the employer may dissolve the employment arrangement at will (i.e., without cause and at any time unless an employment contract is in effect that stipulates differently)

OSHA

the Occupational Safety and Health Act, which governs workplace safety, and the Occupational Safety and Health Administration, which administers the act at the federal level

pay ratio

the number of times greater the average executive's salary is than the average worker's

right-to-work law

a state law that says a worker cannot be forced to join a union

sexual harassment

unwelcome touching, requests for sexual favors, and other verbal or physical harassment of a sexual nature from a supervisor, coworker, client, or customer

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