

## 17.10: Ethics in Human Resources

### Learning Objectives

- Describe the human resource implications of ethics



In an increasingly volatile business environment, an organization's human resources may represent their most sustainable source of competitive advantage. Randy Conley, Ken Blanchard Companies' Trust Practice Leader, considers the ability to build and sustain high levels of trust and engagement a critical leadership competency. Conley states that with trust, "commitment, engagement, loyalty and excellence become more than empty words in a company mission statement, they become reality."<sup>[1]</sup>

Of course, trust doesn't just happen. According to Conley, trust is built and sustained by behavior that reflects four key elements: competence, integrity, care and dependability. Leaders who exhibit these behaviors cultivate a safe environment that prompts a high level of engagement and discretionary effort. Conley's summary of trust-positive and negative behaviors is a good point of reference for building healthy and productive relationships at any level in an organization.

Conley's Trust Building and Trust Eroding Behaviors

Behaviors That Build Trust	Behaviors That Erode Trust
Demonstrating role competence	Not having or developing role skills
Establishing a successful track record	Being disorganized or unresponsive
Acting honestly, ethically & legally	Treating people unfairly
Admitting mistakes	Not recognizing & rewarding others' contributions
Asking for & accepting feedback	Gossiping or not keeping confidences
Listening to learn (open to influence )	Hoarding information
"Walking the talk"	Avoiding conflict and accountability
Meeting commitments	Not following through on commitments

Trust is a particularly critical issue given changes in demographics and employee influence. The findings from global communications firm Edelman's 2019 Trust Barometer survey<sup>[2]</sup> reflect a significant shift from trust in authority and social networks—for example, a person like me—to trust in local relationships and sphere of control. Key development: "my employer" has emerged as the most trusted institution. This is especially relevant for human resource management since it represents not only an opportunity, but an expectation. Globally, 75% of respondents indicated that they trust their employer "to do what is right," versus a 57% vote of faith in NGOs, 56% in business in general and 47% in media. In presenting these results at the annual World Economic Forum in Davos in 2019, Edelman CEO Richard Edelman noted this sense of trust reflects a full-employment economy and the associated confidence that workers have the ability to influence corporate policy and procedures.<sup>[3]</sup>

## ? Practice Question

<https://assessments.lumenlearning.co...essments/17298>

For example, employees' activism—#GoogleWalkout and sit-in—forced Google to drop its policy of forced private arbitration of sexual harassment, sexual assault and discrimination disputes. Airbnb, Facebook and eBay followed suit in ending forced arbitration of sexual harassment claims.<sup>[4]</sup>



Google Walkout for Real Change informational flyer. Alternative text for the google walkout flyer can be found [here](#).

Google subsequently abandoned the policy of forced arbitration for any employer-employee disputes. What's remarkable about these actions is the speed of organization and the effectiveness of the actions. For perspective, read the Cut article: "[We're the Organizers of the Google Walkout. Here Are Our Demands.](#)"<sup>[5]</sup> In an article for CNBC.com, Technology Reporter Jillian D'Onfro observed that the "Google walkouts showed what the new tech resistance looks like, with lots of cues from union organizing."<sup>[6]</sup> Specifically, Google employees tapped into the power of collective bargaining, using unionizing techniques and theatrics—for example, staging a San Francisco rally in a plaza dedicated to union leader Harry Bridges—without incurring the delays, compromises or political distractions of unionization or union representation. Indeed, one Google employee remarked that the speed of the walkout orchestration felt like "lightning striking." D'Onfro also quoted Temple University professor Brishen Rogers, who specializes in the impact of technology on labor relations, saying "the numbers and level of coordination involved in the Google strike was unprecedented."<sup>[7]</sup> To put the ethics-unionization connection in perspective, a study reported in the *Journal of Financial Economics* found that a one standard deviation increase in employees' belief in their leaders integrity was associated with an increase in profitability and a decrease in the percentage of unionized workers.

1. Conley, Randy. "[Connecting the Dots: Trust, Leadership, and Engagement](#)." Leading with Trust. January 3, 2018. Accessed July 18, 2019. ↵
2. "2019 Edelman Trust Barometer" Edelman. January 20, 2019. Accessed July 18, 2019. ↵
3. "[Richard Edelman on the 2019 Edelman Trust Barometer](#)." YouTube. January 22, 2019. Accessed July 18, 2019. ↵
4. Martinez, Didi. "[Facebook, Airbnb and Ebay Join Google in Ending Forced Arbitration for Sexual Harassment Claims](#)." NBC News. November 12, 2018. Accessed July 18, 2019. ↵
5. Stapleton, Claire, Tanuja Gupta, Meredith Whittaker, Celie O'Neil-Hart, Stephanie Parker, Erica Anderson, and Amy Gaber. "[We're the Organizers of the Google Walkout. Here Are Our Demands](#)." The Cut. November 1, 2018. Accessed July 18, 2019. ↵
6. D'Onfro, Jillian. "[Google Walkouts Showed What the New Tech Resistance Looks Like, With Lots of Cues From Union Organizing](#)." CNBC. November 3, 2018. Accessed July 18, 2019. ↵
7. Ibid. ↵

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