Chapter 10

Tools and Strategies to Shape Ethical Cultures

The focus in this chapter is on the following areas:

- Leader roles and behaviors that shape ethical climate
- Program orientations for ethical climates
- Analysis of culture through metaphor
- Organizational value statements
- Building organizational cultures with integrity

Culture is inclusive of ethical climate; both are part of a web of understanding. In fact, “our worlds are often tangled webs” (de Vries, 1988, p. 147). Leaders are the force that help to provide direction in understanding the nature of the web by untangling the web and weaving new webs as they are needed for a more ethical climate. Margaret Wheatley describes the lesson of the participative universe: “Nothing lives alone” (1999, p. 145). Everything that is important comes into form because of relationships. We cocreate our world. In order to effect change then, the webs of relationships are the focus of the change effort. Wheatley (1999) reinforces two important metaphors that are relevant to shaping ethical meaning through the organizational culture. First, organizations are like a spider web: resilient and open to repair through reweaving the parts that are damaged. Second, from biology, a system can be restored to health by “connecting it to more of itself.” In other words, creating stronger relationships that, in turn, promote learning “about itself from itself.” The attention to relationships (enhancing connections) and increasing the possibility of learning valuable insights from all leaders and constituents (systems of feedback) are themes that will be repeated throughout this section on shaping ethical culture (and will reappear in Chapter 11).

In addition, change is a process, not a light switch. Barbara Kingsolver (1993), in one of her novels, notes that you “cannot turn a mile long train like a pony.” The momentum that has developed in the history of an organization, resulting in a
particular culture, is a force to understand and respect. Leaders must be sensitive and responsive to the organization's culture, but not act precipitously to change it (Nanus & Dobbs, 1999).

The previous chapter delineated the nature of culture and ethical climate as the context for ethical policies and practices. Culture and climate are social constructions that can be shaped and developed. For purposes of the discussion, culture and climate will be used interchangeably. This chapter builds on the conceptual ideas of Chapter 9 through the metaphor of the web. In addition, the role of the leader is accentuated. The ultimate responsibility for the success or failure in relation to culture rests on the involvement commitment of leaders. Tools and strategies that are helpful to leaders and constituents to analyze, shape, and enact ethical organizational cultures will be discussed.

The importance of leadership that is connected to a moral vision cannot be under-estimated in relation to ethical culture. Leadership has to come first. Messages about ethical vision and goals are uplifting and give all constituents an opportunity to reach beyond current practices to a better, more ethical future. However, it is difficult for constituents to take ethical risks in the face of leaders who remain uncommitted. For leaders to be transformational, they must “... have the vision to see beyond the horizon, along with sensitivity to really feel human needs, plus an almost contradictory toughness to build an organization capable of translating the vision and sensitivity into change” (Zdenek, 2002, p. 6). The leader is the key; “employees pay attention to what bosses care about” (Wright, 1999, p. 68). The old adage, “The buck stops here,” is relevant. The leader is responsible for what constituents perceive as valued in the organization through the modeling of the leader. Also, the commitment of leadership to providing the support and resources necessary is critical to the success in shaping an ethical culture. The leader as steward or servant to constituents is an attitude that helps greatly in shaping ethical cultures. Therefore, leadership roles and behaviors are discussed as the first strategies. Leaders demonstrate their ethical commitments through behaviors and roles.

**Leader Behaviors that Shape Culture**

Leaders behave in ways that intentionally or unintentionally convey particular messages to constituents. Awareness of the power of behavior in conveying particular values and expectations is important. The role of steward and servant leader sets the attitudinal perspectives for a culture of communication, role modeling, activities, and behaviors that shape culture (see Figure 10.1).

**Leader as Steward**

The steward role is “the subtlest role of leadership” according to Senge (1990, p. 12). This role is a matter of attitude and is critical for any leader who is trying to develop a learning organization (see Chapter 11). Leaders who take the role of steward are putting themselves in a servant role. Greenleaf (Senge, 1990, p. 12) explains:
Create a culture of communication
• Act as an ethical role model
• Pay attention to important organizational values
• Attend to crisis by preserving important values and apportioning responsibility
• Reward, recognize, and promote those with characteristics and behaviors that are desired and necessary for an ethical climate
• Stretch the boundaries of moral responsibility
• Be a voice for the unseen and the voiceless

FIGURE 10.1 Leader Behaviors that Shape Ethical Cultures

The servant leader is servant first. . . . It begins with the natural feeling that one wants to serve, to serve first. This conscious choice brings one to aspire to lead. That person is sharply different from one who is leader first, perhaps because of the need to assuage an unusual power drive or to acquire material possessions.

The leader as steward is doing the work for two reasons: to make a positive difference for the people who are their constituents and to be the shepherd for the mission and purpose that is the basis of the organization. To do the first, the leader must have a sensitivity and a keen appreciation for the effects of leadership on others. Employees and consumers can suffer from destructive, inept, or misdirected leadership. In addition, the work of engaging in shaping ethical cultures and learning to learn for the organization places constituents in a vulnerable position. Their “commitment and shared ownership” places them squarely in the forefront of responsibility, along with the leadership (Senge, 1990, p. 13).

The second part of stewardship, the connection to the purpose, emanates from the leader’s sense of moral vision and commitment. The servant leader is engaged in something larger than the organization’s profit or material success. Servant leaders are invested in changing the way the organization operates and conducts its work toward more productiveness and effectiveness. In this regard, the way the organization works with ethics and moral issues would be a primary focus of the servant leader. One of the most important activities, then, for a servant leader is that of communication with constituents.

Culture of Communication

The culture of communication sends a message about dialogue and feedback. Upper level leaders are viewed as setting the tone for the agency. One administrator noted that “how we operate affects the entire organization . . .” (Manning, 1990, p. 232). Leaders have identified several ways they create an ethical climate, primarily through use of self. Communication can create opportunities or act as a barrier for ethical and moral issues to be discussed. One leader said, “If you don’t want to hear it, then you won’t” (Manning, 1990, p. 233). Another manager said that the response, figuratively, to her concerns about unethical or questionable agency practices was “shut up.”
Leaders can use the system of communication to identify ethical issues for problem-solving and resolution. One leader (p. 233) described it this way: “If you don’t set the tone or create the opportunity, what you have are people talking about these issues, like in their offices behind closed doors. I think that’s great, too . . . But . . . it needs to come to an arena where it can be responded to and dealt with.” The culture of communication that is shaped by leadership gives permission for the level of challenge and feedback that will be accepted and also a message about the leader’s willingness to engage in ethical concerns.

**Leaders as Role Models**

Leaders are *role models*. The values and beliefs that are modeled are an important activity in establishing ethical culture. One leader noted, “the modeling impact is greater than anything” (Manning, 1990, p. 233). Leaders can teach about ethics through their own example. Friedman (1990, p. 111) makes the point that “other people’s ethical beliefs and standards cannot be controlled, regulated, legislated, or managed . . . many people don’t even like to be rubbed the right way.” Ordering people to be ethical will not work. Instead, leaders must think about how they send the invitation. The manner with which leaders treat employees and consumers, respond to concerns, and develop an atmosphere of trust will send a message to others about what is valued. Leaders will have to act directly to prevent unethical behavior. However, to accentuate the ethical behavior of constituents, an atmosphere that supports and rewards such behavior is necessary.

The leader can model permission for constituents to **participate in the ethical decision process**. That can include the permission to comment on the leader’s behavior as well as the reverse. A manager (Manning, 1990, p. 234) said, “If they think that I really screwed up, all five of them will be in here . . . and if they screw up all five of us will go to them too.” An atmosphere of participation allows for employees to participate in the decisions that affect them and to **take risks** and make mistakes. For example, “part of setting the tone . . . is openness; for people to make mistakes but to learn from those mistakes . . . setting an environment where people are not afraid to take risks or to ask about decisions they may need to make . . . but yet make their own decisions” (Manning, 1990, p. 234).

Leaders and constituents can model ethical behavior and can also **provide mentoring** to each other (Manning, 1990). Ethical behavior is enacted through a process and is not a “pat solution . . . Ethics simply establish a moral framework for decision making by providing guidance, clarification, and insight” (Friedman, 1990, p. 111). An organizational culture that promotes seeking advice and consultation is supporting all constituents in the development of ethical skills and understanding. A leader in mental health (Manning, 1999, p. 234) described his experience:

> That whole modeling issue . . . it’s true for most of us, it’s less what we’ve read and more what we’ve experienced in some fashion. The people who have been most important in my life have been the people who I could count on in terms of consistency and . . . honesty . . . fairness and equity, and the other kinds of values that I feel are real important.
Leaders reported the importance of being present and visible with an open door policy. In addition, the ethical treatment of constituents was related as a primary method of establishing an ethical climate: “It is easy to be unethical yourself when you’re treated unethically. I treat people ethically. My team leaders see I’ll do it [the right thing] and they say, ‘OK, now I can do it.’ So you empower people with ethics” (Manning, 1990, p. 236).

Leaders as role models convey messages about how to be in all of their daily activities, decisions, and behaviors. In order to change organizational culture, leaders must consider the “complex interplay of formal and informal systems” that support either ethical or unethical behavior (Sims, 2000, p. 66).

**Leader Activities that Shape Culture**

Several primary mechanisms assist leaders in thinking about how culture is shaped, based on their decisions and behaviors (Friedman, 1990; Manning, 1990; Schein, 1985; Sims, 2000). These mechanisms emphasize institutional as well as individual processes.

*What leaders pay attention to,* including what they ask about, measure, praise, or criticize, have an influence on the ethical nature of culture. Attention is what the leader emphasizes to employees that they should concentrate on, which communicates the leader’s and the organization’s values. “When things go wrong, you can’t turn a blind eye. Leadership must enforce values . . . I don’t just mean compliance with the law. I also mean issues of diversity, the treatment of women . . .” (Sims, 2000, p. 68).

*How leaders react to crisis,* especially how responsibility is apportioned and what they seek to preserve, provides constituents with a view of what is valued by leaders through their emotionality, which brings values to the surface. In response to the Salomon scandal in business, acting CEO Buffet provided full disclosure of the firm’s wrongdoing. He sent a directive to employees that asked them to evaluate any of their actions by considering if they would be willing to see it described on the front page of the local paper and read by “spouse, children and friends.” He said, “We simply want no part of any activities that pass legal tests but that we as citizens, would find offensive” (Sims, 2000, p. 69).

*How the leader behaves as a role model,* exemplifying certain values in speech and actions and demonstrating such qualities as empathy, loyalty, and self-sacrifice is the third mechanism. Refer to the discussion, “Leaders as Role Models,” about role modeling for the numerous examples of values that are communicated through leader behavior.

*Whom the leader chooses to reward,* recognize, or promote, and especially what characteristics or behaviors seemed to elicit those rewards is the fourth mechanism. The leader’s allocation of rewards communicates to constituents what is desired and necessary to succeed in the organization. A manager (describing who would be promoted in a mental health center) said, “The one who makes the least noise or creates the least problems . . . if you’re in that position, then you have to act unethically at times” (Manning, 1990, p. 238). In this organization the leadership promoted a value of compliance rather than feedback.

The last mechanism involves *whom the leader hires and fires,* which provides tangible evidence of the skill and attitudes that are valued and expected to contribute to
the success of the organization. The choice of hiring ambitious, aggressive people who will do anything to achieve success, at the cost of harming others, conveys a different message than hiring fair, prudent managers who demonstrate ethical integrity. Similarly, disciplining those who violate ethical standards and firing individuals who have acted grossly unethical or who cannot participate voluntarily in an ethical climate is a message.

**Stretch the Boundaries of Moral Responsibility**

It is easy for leaders to focus on the ethical events that stand out, the isolated incidents involving employees, clients, or organizational issues. However, it is “what we don’t see and don’t do” that can be just as “ethically problematic” (Friedman, 1990, p. 111). Leaders have to **stretch the boundaries of moral responsibility** in order to think about the populations not served, the needed services that are not delivered, and the funds not available. Friedman (1990, p. 111) argues that, “there is no ethical difference between crimes of omission and crimes of commission. What we do not notice can be just as ethically questionable as what we do notice and act on.” Both **omission** and **commission** reinforce values and norms to the constituents of the organization.

Leaders also convey messages about the **scope and breadth of ethical responsibility**. “We are responsible for both identified and statistical lives” (Friedman, 1990, p. 112). It is a common occurrence that those who are invisible are not retained in the awareness of leader’s conscious agendas. Thus, it is easy to neglect the unnamed. Rather than only directing energies toward services that are currently covered and available, leaders must take the time to pursue coverage, funding, and support for programs, services, and coverages that are not available. The mental health system is an example of a system that no longer has a safety net for the uninsured and the working poor. Only those with health insurance, Medicaid/Medicare, and/or the ability to pay for services have access, yet the philosophical and ethical foundation of community mental health services is access for all that need mental health, within the community where they live. Friedman poignantly notes (1990, p. 212), “Statistical lives are not less valuable because we have not put names to them; after all, each of us is only a statistic to most of the world.” A consciousness about statistical lives motivates political action and advocacy in collaboration with other leaders in the field.

A related leadership behavior is to have an awareness of and be “the voice” for the “voiceless and unseen” in the organization (Friedman, 1990, p. 212). Employees, who have the least status and the lowest positions are often without power or participation in decisions that impact their well-being. Friedman makes the point that everyone in an organization, from janitors to security guards, from finance and medical records to maintenance, is also a provider to clients. The powerful mechanism of parallel process is relevant here. How employees, especially those with the least power, are treated, will make a difference in how they behave with clients. Leaders have the ability to deepen values about respect and fairness and compassion and equality through their ethical treatment of those who are traditionally unseen. These leader behaviors take place within the context of a particular role. Thinking about the opportunities that exist within role is also important to shaping culture.
Leadership Role Activities and Relationship to Culture

The leader’s role, as envisioned in transformational leadership, is uniquely integrated with the necessary aspects for building ethical cultures. Leaders are responsible for particular role activities in regard to shaping culture (see Figure 10.2). Paine (1997) suggests four aspects of the leader’s role that help to develop and maintain culture: developing an ethical framework, aligning the organization, leading by example, and addressing external challenges.

FIGURE 10.2 The Web of Understanding: The Building Blocks of Ethical Culture
Building Ethical Frameworks

First, leaders must develop an ethical framework. The framework is similar to a compass; it is used to guide “planning, decision making, and the assessment of performance” (Sims, 2000, p. 76). The ethical framework includes the organization’s mission, value statement, and ethical code. It also includes the leader’s moral vision discussed earlier (see Chapters 3 and 5). The moral vision is the leader’s commitment to a moral future that can be enacted through the mission and purpose(s) of the organization. Contributions to the common good, the environment, the well-being of oppressed populations, sustainability, and so forth are large order examples of moral vision. However, moral vision also includes the moral commitments connected directly to the agency mission. A final component of the ethical framework has to be the moral identity of the leader (discussed in Chapter 5) that provides the moral commitment of the leader; the motivation to commit to “I want” and “I will” behavior, rather than just “I think” or “I wish.” The ethical framework communicates to other stakeholders the organization’s ethical stance.

Alignment of the Organization

Second, leaders must align the organization by attending to organizational design, structures, and processes (for example, communication, authority, supervision, performance evaluation, resource allocation, planning and goal setting, and policy and procedures), according to the values and ethical framework of the organization (discussed further in this chapter). Leaders are responsible for establishing, monitoring, and maintaining congruence between the ethical framework and the organizational structures and processes. Policies must create an ethical workplace where people perceive a general sense of fairness; equal treatment, equal application of policy, and equitability are key issues (McClenahen, 1999). Transformational leaders will develop participatory structures that include representatives from all constituencies to help in maintaining the alignment process.

For example, a value of equal opportunity would not only be identified, but would be integrated into personnel policies and procedures, the hiring and promotion process, and decisions and actions. An institution of higher education was recently offered a gift of membership to a men’s-only golf club for students to use for practice. Women students would not be able to practice there. Acceptance of the gift is incongruent with the goals and policies of the institution. The leaders were ethically obligated to refuse the gift or to ask that both men and women be allowed to play there. The gift offered a substantial material resource but would have been contradictory to the ethical culture. The leadership, after hearing from multiple voices (faculty and staff) refused the offer of the golf club membership.

An important component of aligning the organization is a long-term strategic and ethical plan to continue to create and maintain an ethical culture (Sims, 2000). The planning process is an opportunity to identify the strengths and deficits of the organization and the opportunities and constraints (internal and external) that impede ethical behavior and activities. Formal goals and objectives can be devised
and measured as a way to institutionalize ethics into the routine functions of the organization. Training programs and staff development activities for leaders and constituents that focus on ethical reasoning and decisionmaking can be formalized in the planning process. Budget resources can be allocated and persons accountable to carry the activities through to fruition can be assigned. Resources should be spent where there will be the best outcome, that is, where the effect is based on the constituents’ feelings about and understanding of ethics (for example, retreats to develop values consensus rather than the development of rules and requirements) (McClenahen, 1999).

Leading by Example

Leading by example is the third aspect for leaders. The organization’s ethical starting point is “most powerfully defined through the behavior of [those] invested with great authority. Their behavior sends a message clearer than any in a corporate ethics statement. Leaders must walk the talk, practice what they preach, live out what they say (McClenahen, 1999, p. 76). As was discussed earlier in regard to leader activities, pp. 215–222, the leader’s behavior is critical to the messages that are communicated about what to value, what is valued, and what will be rewarded and reinforced.

Address External Ethical Challenges

The fourth aspect is the leader’s role in addressing the external ethical challenges that are inherent in human service delivery systems and environments. These challenges pose conflicts and impediments to employee behavior. Many examples have been discussed in relation to the force of revenue generation and cost efficiency, the privatization movement and the attacks on quality of services, and the lack of access to basic and necessary services for stigmatized and oppressed populations, to name just a few. Confronting the ethical challenges imposed by the external environment takes courage. Friedman (1990, p. 113) argues that embracing ethics requires taking risks. “Risk-taking behavior means going against the odds.” The leader’s willingness to address these external challenges in human services plays an important role in organizational culture. One of the greatest risks, according to Friedman (1990, p. 113), “…is the poisoning of the culture in which one works, of which we want to be proud. An ethical corporate culture cannot rest on cowardice.”

The ideal of organizational culture, then, is one that rests on integrity of leaders and constituents. The lens that provides the focus on how ethics are imbued to members makes a difference in how they are received and used. As leaders move from their own roles and behaviors to a focus on the organization, an ethical program orientation must be considered.

Program Orientations for Ethical Cultures

There are two schools of thought in relation to ethical program orientations: compliance-based programs and value-based programs. The climate of an organization,
based on a foundation of collective values, has been identified as a more important factor in determining ethical behavior than structures and strategies. Written codes, ethical compliance hotlines, and ethics programs that emphasize rules, legal compliance, control, and discipline can provide some positive guidance, but are not as effective as climate (McClenahen, 1999; Paine, 1994; Weaver & Trevino, 1999). Organizations that emphasize values, counseling, and responsible conduct are more likely to have lasting impact than compliance-based programs (Paine, 1994).

**Compliance Programs**

A compliance program does help to define expectations, but they are imposed from outside the employee and present a top-down imposition (Weaver & Trevino, 1999). These programs are oriented toward rule compliance achieved through coercion and punishment. Standards and rules are written in terms of legal compliance, and communication with employees is in regard to learning the rules. There may be orientations or seminars to teach employees the proscribed rules and/or the organization’s ethical code. The focus would be information dissemination rather than critical discussion and evaluation. This approach does little to generate “moral imagination or commitment,” rather it promotes a more “minimalist” motivation of “don’t get caught” (Paine, 1994, p. 1).

**Value-Based Programs**

A value-based program influences employees by encouraging the development of meaningful, shared ethical values and emphasizing activities that help employees in decisionmaking through advice, support, and consensus. This program assumes that employees want to be ethical and are committed to ethical behavior. The values orientation makes awareness of ethical issues an in-role behavior and helps to reduce the tendency of employees to develop moral muteness, in which they choose to remain silent about ethical issues and challenges. An additional strength of the values orientation is that it supports the aspirations of employees so that the organization “embodies a collective commitment that applies equally to all persons” (Weaver & Trevino, 1999, p. 4). The collective commitment reflects the shared interests and collective vision promoted through the transformational leadership paradigm (discussed in Chapter 3).

The values orientation is most congruent with human service organizations. It is also directly related to the metaphors of re-weaving and restoring using relationship and organizational learning for repair of a nonexistent or ineffective ethical climate. Finally, the values orientation relies on dialogue and feedback to develop and sustain a foundation of ethics.

A values program is a step toward cultivating the habit of ethical behavior for leaders and employees, based on a clear understanding of what is required ethically in performing tasks and providing services. The institutionalized values of the organization become internalized to each member, integrating with personal and professional values. The result is what Aristotle argued. “We are what we repeatedly do.”
Member’s behavior in regard to ethics becomes more a matter of habit, rather than an isolated act (Kelly, 2000).

The tools that work best in reducing unethical conduct—being consistent in policy and actions, rewarding ethical conduct, treating employees fairly, and providing leadership—are part of establishing an ethical climate. Ethicists in business have emphasized the results of research that promote the adage “actions speak louder than words” (McClenahen, 1999). One trainer stated, “. . . We have learned to minimize . . . walking people through some booklet and the policies in detail . . . It’s what people are thinking that you have to get behind and try to understand, because perceptions are reality when it comes to a lot of this [ethical or unethical] conduct” (McClenahen, 1999, p. 2).

The first step in shaping the values orientation is to analyze the current organizational culture in relation to values and beliefs. The process of shaping culture rests on an assessment of the meaning of the current culture—or the groundwork for enactment. Therefore, it is important to analyze organizational culture as a prerequisite to change. Metaphor is a useful tool for analysis (Morgan, 1997).

Analysis of Culture: The Metaphor

Organizations have shared systems of values and beliefs that take on the form of identity (Ritchie, 1988). This identity becomes a symbol of meaning that is important to leaders and constituents. People in human service organizations are most often there because of the meaning they attach to the purpose or mission of the organization. The values that are actualized through the work of the organization, then, are equally meaningful. The organization has the opportunity to “unite its work force around a strong set of ethical values,” which are incorporated through the culture (Ritchie, 1988, p. 178).

Metaphor is a useful tool to learn to read an organization in respect to climate and culture. The nature of a metaphor is that it has a capacity to organize complex information and also to help identify the different dimensions of a situation (Morgan, 1997). Metaphors can be a method of analysis and can also provide direction for shaping the ethical climate; “metaphors create ways of seeing and shaping organizational life” (Morgan, 1997, p. 349). Using metaphors to describe or capture the characteristics, norms, values, and so forth of the organization that are significant to ethical climate provides important information about where people are and where they would like to go. For example, the metaphor of education may describe an organizational commitment to lifelong learning. “Life is a learning experience” (Ritchie, 1988, p. 179). Values in this organization would probably include the importance of reflecting, learning new knowledge, developing strategies like double-loop learning, and continuing education for all constituents. The metaphor of music promotes such values as “. . . harmony, balance, rhythm” and the importance of “inspiration and passion” being a part of organizational life (Ritchie, 1988, p. 179). Leadership, through this metaphor, could be similar to the conductor, leading from the front with a great
deal of direction, or a jazz leader, who leads from within the group, encouraging participation, creativity, and innovation.

The use of metaphor can provide the following kinds of information (Morgan, 1997):

- Help understand the symbolic significance of organizational life
- Provide a new focus and an avenue for the creation of organized action to shape culture
- Determine how reality in the organization is defined by constituents
- Learn about situations from different standpoints
- Follow a powerful image to its logical conclusion (for example, Morgan’s (1997) metaphors of organization as machine, as brain, or as prison)
- Provide images that are theories or conceptual frameworks for the organization

Leaders who learn to read the situation from different points of view have an advantage over those committed to a fixed position (Morgan, 1997).

Different lenses or perspectives identify limitations of a given perspective, how the situation and problems can be framed and reframed in different ways, and the possibility of new solutions. From this perspective, leaders and constituents can apply different metaphors to the organizational culture to accentuate what exists, what is missing, and what would strengthen the ethical climate. For example, managers and administrators developed metaphors or analogies to describe the ethical culture in their organization (Manning, 1990). The metaphors included examples such as “dream into nightmare”; “blind people touching an elephant”; “Russian roulette”; “the noose and the guillotine.” These metaphors can be used to unravel multiple patterns of significance and the interrelationship among those patterns (Morgan, 1997). For instance, the Russian roulette metaphor captures the experience of a leader who never knew when punishment would ensue in response to an ethical dilemma. Patterns of power and authority, communication, nature of supervisory relationship, and so forth could be explored in relation to this metaphor for an organization.

A simple exercise to elicit metaphors from any individual or group that can help uncover the ethical climate is to ask each individual to create a metaphor in reaction to one or both of the following statements (Twinam, 1990):

- Making an ethical decision in my organization is (or is like)
- Working with moral and ethical issues in our agency is (or is like)

Write the metaphors on a blackboard or flipchart board and ask each person to interpret the metaphor in relation to ethical climate. Look for common themes that help elucidate characteristics of the climate. Use the discussion as a starting point for reviewing and shaping the climate for ethical decisionmaking. Shaping the climate, however, must start with the identification of core values to guide the organization in decisionmaking.
Values for an Ethical Culture

The heart of any organization, and particularly human service organizations, is values (Zdenek, 2002). The adopted values are the explicit meanings and principles that the organization is trying to achieve. The articulated values of an organization lead to shared meanings, referred to as emergent understandings, that are constructed by the members of a group as they interact together (Schein, 1985). These meanings should be congruent with the mission and should reflect “a consensus of the ethical culture” of the organization as a whole (CANPO, 1994). Values, then, can be useful in building an ethical culture in an organization. A values statement for the organization can be described as the organization’s “manifesto.” A code of ethics for the organization can then be developed that puts those values into action.

The values statement must reflect a consensus of the different groups who make up the organization—administrators, employees, board members, consumers, and volunteers (CANPO, 1994). This creates an opportunity for all stakeholders to explore differences, find common understandings, and celebrate a renewed commitment to the mission. Therefore, participation of as many members as possible is important. “The greater the participation in their formulation, the greater the emotional investment and sense of ownership by the organization’s stakeholders” (CANPO, 1994, p. 4). Similar to the mission, the values statement should articulate the essence of the organization that the leader(s) wants to develop and nurture.

Developing a Values Statement

The steps for developing a values statement are similar to any major planning activity. First, decide who should be involved. Leadership, board members, and at least representatives of all stakeholder groups are important in order to contribute different perspectives to the process. Because a major challenge that human service organizations face is the “growing diversity of society,” the participation of members who represent gender, race/ethnicity, language, special interest groups, and so forth will strengthen the overall result (Zdenek, 2002, p. 5). The organization’s ability to serve diverse communities is based on finding a base of shared values and assumptions that are relevant and responsive to diverse constituencies.

Establish a timeline and a process for members to interact together about the different value perspectives. Develop a plan for the facilitation of the process, which could include the use of an outside consultant (particularly important for equal participation of all members and in regard to handling conflicts). The dialogue that ensues “opens the space for multiple realities and perspectives” (Allen, 1993). Based on the constructivist approach, the commitment to dialogue is based on the assumption that every person’s reality is valid. The dialogue of a value statement activity helps to bring forward “subjugated knowledge . . . the untold stories and ways of thinking and being that have never been admitted to the mainstream conversation” (Allen, 1993, p. 38). This approach is respectful of diversity and provides an avenue for different perspectives, which is important to shaping an ethical culture that is inclusive of all groups.
This kind of process will involve a commitment of time. The format could range from a day-long meeting with everyone represented to several short meetings among stakeholder groups, with representatives bringing the results to a larger meeting. Prepare members for the meeting process (CANPO, 1994): (a) supply each with a mission statement and any previous value statements, (b) ask each participant to think about their own personal values as well as organizational values, and (c) encourage all participants to bring any materials to the meeting they believe would be useful (for example, articles, other organizations’ value statements, and so forth). CANPO suggests providing a questionnaire to be prepared ahead of time that asks the following questions:

- What principles/qualities do you hold in regard within the organization?
- How are these values reflected or acted on in our organization?
- How do these values reflect or conflict with your personal values?

Allen (2002) has some other perspectives that may also be useful:

- What core values might inspire collective action?
- What differences exist in the ways subgroups view organizational values?
- What norms or values stand in the way of, or support, the mission?

The answers to these questions can be the start of developing lists of common values. The emphasis should be on consensus of the values to be included. Areas of disagreement can be used as the identification of underlying difficulties to be addressed.

The following questions can be useful in clarifying which values should be included in a values statement (CANPO, 1994, pp. 6, 7):

- What values motivated formulation of the mission in the first place?
- What values must be prominent in society for the mission to succeed? What are the values of the ideal society toward which the organization is making a contribution?
- What values important to the nonprofit (public or private?) sector ought to be included in the values statement (for example, community, diversity, tolerance, efficiency, and so forth)?
- What values ought to guide the personal conduct and day-to-day operation of the organization?
- What other values (for example, ecological, social, or spiritual) should the organization respect?

The final step is formulating the statement. A person or small group that develops a draft to bring back to the large group can facilitate this. The final statement should be short (one to three pages), and forceful. Sentences using active verbs such as “We value honesty” are powerful for people internal to the organization and those in the community. The values statement should be congruent with the work of the organization, rather than a generalized listing of values that are important, but not relevant. An important evaluative tool is to consider the statement’s future orientation.
Could the values statement outlive the individuals who wrote it? Always return to the mission to work with drafting problems or difficulties. The group can assess the first draft by considering the following questions (CANPO, 1994, p. 8):

- Do we believe in this statement?
- What if only some believe in this statement?
- How will we ensure that our values are acted upon?
- What do we do if our actions are incongruent with our values?

It is the last two questions that lead to the development of a code of ethics for the organization (discussed in Chapter 11, see also Appendix A).

The process of developing a values statement is a concrete example of reweaving and restoring the ethical climate of an organization. Relationships are developed that did not exist previously, and the identification of common values as well as differences in values leads to a consensus of values that restores the ethical climate. The organization learns from itself based on the contributions of leaders and constituents. A consensus of values is the foundation for culture change. The role of all constituents in the socialization of an organization’s members is crucial to the success of organizational integrity.

**Cultures Based on Integrity**

An ethical culture based on integrity is indispensable to human service organizations because, as Friedman (1990, p. 18) argues in this way:

. . . they are held to a higher standard. Much more is expected of them . . . From people who hold other people’s lives in their hands, the public expects a whole lot . . . only by fulfilling the public’s expectations of proper ethical behavior can such organizations retain the unique privileges society has given them. Thus ethical management is good management, and ethical corporate culture is a good corporate culture—and both are critical to the provider’s survival.

The elements of an ethical culture that build integrity are also the responsibility of all stakeholders, not just leaders. Integrity helps to promote the integration of the organization and to provide a sense of balance for constituents and leaders. The following elements are tools that contribute to the shaping, monitoring, and evaluation of ethical cultures (see Figure 10.2, p. 220).

*Sensible, clearly communicated values and commitments* that articulate the obligations of the organization to external stakeholders (funders, other organizations, consumer groups, advocacy groups, or political entities) are the organization’s message to the outside world (Paine, 1994). Based on the values-statement process, all constituents are aware of, and are committed to, the vision they developed.

*Values are part of the routine decisionmaking process* and are factored into every important organizational activity (Paine, 1994). Ethics and values are considered as an integral part of the management systems of planning, goal setting, budgeting, sharing...
embedded values (de Vries, 1988). Constituents consider the values as they make decisions and carry out the tasks of human service delivery.

However, people can only be fully congruent with the structures of embedded values when they are encouraged to “reflect on and evaluate those values at the same time. Otherwise those values are mere habits and prejudices” (de Vries, 1988, p. 141). Therefore, the other needed ingredient is embedded reflection. Embedded reflection becomes part of the learning activities for all members as they consider, discuss, and disagree about the nature of the embedded values. Embedded reflection must be cultivated and nurtured as part of the ethical climate.

Systems and structures support and reinforce organizational commitments (Paine, 1994). The design and process of the organization is used to pursue the ethical commitments identified in the ethical framework. If participation is valued, structures that formally provide for participation from employees, consumers, and community citizens reflect that value (see Chapter 11). If feedback is encouraged and desired, policies and structures that encourage and reward feedback are evident. Values, such as diversity, equal opportunity, and so forth, are clearly identifiable through policies that articulate hiring and promotion practices and in the objective data about the demographics of the workplace.

Leaders and constituents in the organization have the knowledge and skills they need to make ethical decisions (Paine, 1994). Ethics is not considered a by-the-seat-of-your-pants activity. The organization invests in the education necessary for all members to be ethical and to know when they need consultation and advice; education is for “the process of moving from cocksure ignorance to thoughtful uncertainty” (Friedman, 1990, p. 20). The commitment of leadership to ethics training and learning will be reflected in the budget as well as in activities.

All constituents who bring forward ethical issues, concerns, and challenges are encouraged, protected, and responded to (Friedman, 1990; Manning, 1990). Feedback is celebrated. As argued throughout this chapter, ethical culture rests on the opportunity and support for issues to be discussed, debated, and resolved openly. People must perceive permission, but also be openly rewarded for taking the risks to be in loyal opposition.

The organization encourages ethical achievement rather than avoidance of ethical failure (Friedman, 1990). Members are acknowledged for thinking about ethics, initiating ethical practices, commenting on moral issues to be considered, and so forth. Organizational assessment is not just focused on ethical wrongs, but also ethical rights. The practices and policies that may be unethical are not ignored, but are not the only focus.

The organization avoids hypocrisy and incongruity between mission and policy and between stated values and behavior (Friedman, 1990; Manning, 1990). The statement of mission is factual and true. The description of services to others through marketing and public relations efforts are accurate and do not mislead or misrepresent. Friedman (1990, p. 19) also notes that “it is not healthy to have two standards: one for how patients are treated and another for how employees are treated.”

Maintaining a culture that has integrity means being on the lookout for warning signs that may be putting an organization at ethical risk. Cooke (1991) has suggested several points to consider as early warning signs. They include a short-term
revenue emphasis, arbitrary performance-appraisal standards, and internal environments that discourage ethical behavior and ethical problems being brought forward to experts and leaders. For-profit organizations need to be alert to the red flag of making the shareholder's wealth the primary priority over and above ethical concerns.

Conclusion

Shaping ethical cultures begins with leadership and the messages conveyed through leader behavior. Leaders set the tone. The ethical framework that guides the transformational leaders is enacted through their roles and responsibilities; they have an ongoing opportunity to cocreate ethical culture with constituents. The constituents of the organization, through the development of a values statement and value orientation, can reweave the moral and ethical messages that underlie all processes at work. Establishing organizational integrity through “connecting the organization more to itself” through relationships and dialogue provides the opportunity to repair the ethical failures and to promote a culture of feedback. Aligning the values of the organization with the structures and processes and then continuously evaluating the congruence between mission, policy, structures, values, behavior, and decisions provides the compass to stay on course. The following chapter will focus on tools and strategies through the architecture of the organization to promote congruence with the ethical cultures that develop.

QUESTIONS AND APPLICATIONS

1. Analyze the ethical culture in your agency (if possible with other constituents) by completing the following statement with a metaphor or analogy: Working in my (our) organization is (or is like) . . . Then, answer the following questions:
   - What characteristics or attributes of organizational culture are evident in the metaphor(s)?
   - What values in the organization are conveyed through metaphor(s)?
   - If you were having a conversation with the situation conveyed through the metaphor, how could it be understood from other vantage points, roles, or hierarchical levels?
   - What values are missing? What values would the group want to create?

2. Reflect on your ethical framework as a leader. What is your moral vision? What ethical future do you envision for the work of the organization? Develop a one-page essay that describes your ethical framework.

3. Analyze the ethical culture and climate of your organization based on values, program orientation, and the elements of organizational integrity. What would you recommend based on your analysis?