

# ETHICS IN THE WORKPLACE

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**Abstract-** This paper focuses on current work ethics, duties and work place environment situations of the author. Each day dealing with customers both internal and external is like walking a tight rope. While an individual must speak his mind, he must also take into account the ethical issues from what may be shared between different people that the author deals with from time to time. He must also remember the laws of both company and local ordinances are kept in check.

## I. INTRODUCTION

### A.) Ethics in the Workplace

Ethics is an action that the author lives with each work day. Without ethics he has nothing. Along the same line, each person the author deals with must trust his ethical values before sharing information that may lead to intellectual property being traded. The author is a research and development engineer who calls on many different competing companies. He hears what each of the competitors is working on and what their problems that they have or are trying to solve. Being careful not to share the trade secrets of a competitor is always a fine line when they may indeed be trying to grab the same share of the market for which they are dealing in. If the author were to share an idea of one company to another may provide an advantage over the competitor. One way that each company protects its resources and trade secrets are through the use of nondisclosure agreements. The basic purpose of a nondisclosure agreement is to preventing the unauthorized disclosure of certain proprietary and confidential information. It defines what is considered confidential information as information

or material that could have commercial value to other outside agencies or competitors. It will describe the exclusions, the obligations of the receiving party when discussing the information shared outside of the disclosing parties' presence. It will also contain a time period for the information or material exchanged

to remain in effect and of working for a company that is design oriented, may include the statement that whatever is developed while in the employment of a company shall be deemed intellectual property of the company in which that person is employed. Each parties or companies representatives sign and date the agreement and each get a copy to retain for their records.

Legally the author is bound by nondisclosure agreements currently with Panasonic Avionics Corporation, Rockwell Collins, Inc, Lumexis Corporation and Thales Avionics, Inc. all of which develop and manufacture in-flight entertainment systems for commercial aircraft manufactures such as Boeing and Airbus. While each of the systems architectures is vastly different from one another the end result is the same, providing the airline customer a piece of entertainment during their time in flight. Since the author deals with all of these companies from week to week, insuring that no trade secrets or development efforts are shared outside of each company's venues is what the author deals with each time he engages with the perspective engineering team. His integrity and ethics are put to the test each time he enters a technical discussion or even having lunch with a coworker or employee of the company. If he were to share a piece of intellectual property or trade secret to another company, then not only are his ethics in question but legal issues may arise and charges brought upon the his company for breaking the nondisclosure agreement. In this case the author would certainly lose some integrity and put his ethics in question from both companies but his company may be a fault and charges brought upon them for mistrust of the agreement.

But dealing with in-flight entertainment companies such as these is not all the author deals with. He deals in other realms of business such as undersea applications. Here there is even less competition

between competitors. Like in-flight entertainment, where everyone hears what their competition is doing almost as fast as it is announced to the public, the same goes for the world of undersea exploration and development. If there is a problem or something goes wrong, their competition knows about it and starts to spread the bad news to the end users before they can even get back to the shop to figure out what went wrong. So what is the authors' part, making sure to speak only of the facts of the situation? The author is representing each company as an ambassador in every facet of the business between them. Whether it is a meeting with a company officer, a member of the sales staff or just another staff engineer, the plan is to only present the public facts and not the ones shared between the author and company in confidence. While it is very easy to see the advantages of one design over another when a person gets to see them all, it is always difficult not to present the advantages of what one competitor has over another. He or she needs to be commended on the details of the design that they have come up with, it is the author's job to make that design the best without sharing the ideas of another.

#### **B.) Dealing with the Business Ethics**

With the introduction of the Sarbanes–Oxley Act whose purpose is to encourage and enable the corporate executives be ethical and socially responsible, it does not stop at the executive level, it must be carried out by all employees who deal with the public. It can only provide an ethical path to follow it is always possible to get off the golden path and to do damage to others unethically or act socially irresponsible (Mallor, Barnes, Bowers, & Langvardt, 2010, p. 91). The authors company enforces this type of yearly training to ensure that each of its employees agree to follow the company's business ethics plan and is refreshed each year. Part of the training is to make sure that each employee is aware of what is expected and how to report situations of wrong doing if anyone suspects wrongdoing. The training reminds each of the employees to be mindful of integrity. Without integrity we have nothing and others outside the company whom we deal with would not trust in the company as a whole. Privacy is

always a key role, such as what one company is willing to share to help develop a new product to assist them speeding their product to market or cheaper to build.

Dealing with conflicts of interest is always a fine line. Each person must avoid them in all cases, because this could once again damage the face of the company. People are most likely to know if a conflict of interest is at hand would be when any person as an individual stands to make a benefit. This is different than giving the company a benefit over the competition; after all, this is what most businesses strive for, to be better than its competitors. Above all, you must obey the law, the laws of your corporation but also the laws of our country, state and city. Follow the regulations set forth for manufacturing processes and if applicable, the ones of the Environmental Protection Agency. People do not have to talk down about other companies to be the best, promote the things that make your company stand out from the rest, not what your competition is doing wrong, but what you do right, the rest will speak for itself. If you strive to promote your own business instead of trash talking the others you can only go up in ranking on the ethical ladder.

#### **C.) Making the Ethical Decision**

Making any decision is easy, but making sure it is ethical you need to do some simple checks. First you must acquire all the facts, not just the easy ones but all the facts that will support your opinion. Good decisions are made when you have all the facts, not just the ones that are easy to uncover. You cannot pass judgment unless you hear from both sides. Determine what alternative courses of action exist before making the final decision. There are always a minimum of two options and if you think about it a little bit harder, sometimes more. If you are left with only two, they usually are to do something or not do something. But be careful when you make that choice.

Determine who the stakeholders are and what are the benefits or pitfalls of making the change will effect. If it is the corporation, then the decision must be to maximize the benefit of the shareholders as long as it is legal. But if the long term affects change the firm as a whole, will it still yield a benefit to the shareholder is the question that needs to be answered.

An example may be moving an operation to from the states to Mexico. While the move may be beneficial from a labor cost view, what happens to all the people in the plant where the operations are being located from? The quality of the product must not decrease due to the move or the lead times for an order must not increase either.

Study how the alternatives that you have come up with will impact the decision maker. If it is yourself, you may be thinking, this is selfish. While this will always play a role in your decision you must quickly rule it out while always seeking the best choice for everyone.

The author of this paper throughout his career has made decisions that affected his own career path. He believes in sharing information with everyone involved to make the best possible decision. The author has always had a plan "B" available. The first company he was employed by, he trained more fellow engineers to do his job which when it came to the time of downsizing never left him on the wrong path. By sharing his knowledge with others, while their jobs may have been eliminated, they were kept on to perform other duties that they now had knowledge of and could perform without missing a step in the end goal. So now that the authors' job has been replaced, he was never part of the layoff crew but was always assigned a new task to master. He has worked with several different companies that others did not have this type of team attitude and at the end of the day when downsizing was done, he was usually keep over the others who refuses to share.

In each decision we need to look at the practical constraints of the alternatives we have determined. Evaluate them on the basis of what it will take to implement the end result. Determine if the resources, funds and labor are available to complete the choice in the time constraint desired. Another item of ethical decision making is to think critically, to evaluate arguments logically, honestly, and without bias in favor of your own arguments and against those of others. Always remember to base your decision on facts not opinions of others or because someone above you feels it is the wrong decision. Just because your supervisor or director of your department feels that it is wrong, do not change your decision based on their feedback. Doing something unethical will always get you in trouble, even if you use the excuse that you were told to do so by a superior, this

includes up to the CEO. If possible try to find the win-win solution, but remember not to comprise your decision in doing so (Mallor, Barnes, Bowers, & Langvardt, 2010, pgs 91 – 120).

If you cannot be ethical in your day to day operations and work habits, you cannot expect anyone else to follow ethical rules that you refuse to follow yourself. The old saying "Practice what you preach" goes a long way here. Stand behind what you believe, and make sure your beliefs are ethical in nature.

#### D.) **The Agency Relationship**

The agency relationship is one that the authors company has extended to him. He is an agent in the field who is there to listen and determine the voice of the customer. Extending the customers' needs and desires back to the engineering team at the main plant is a vital role of doing business. The author's role is much like that of a marketing department but all on his own. Survey the customer base; determine the specific key factors in order to determine to make the product or to stop before expending any additional effort by his fellow engineers. The decision is not solely his, which is where the agency relationship comes into play. He cannot make commitments to customers without first determining if the company team of engineers has the same vision presented. Dealing directly with customers takes a unique individual so selecting each person who will deal with them takes a team of bodies to determine if you have the right stuff. The interview process is relentless. The author prior to getting the job had no less than nine interviews dealing with managers from different aspects of the business unit and even a vice president of the division wanted to meet him prior to making the offer. The capacity of what the company has requested from the agent is determined during the interview stages. The company needs to feel comfortable that the selections they make can be carried out successfully. Dealing with the customer, providing the feedback the remote staff requirements are based on situational scenarios or past experience of the agent.

The next step is to determine the level of authority to the agent. At this time actual authority comes to life in two forms, express authority which in terms of the author is primarily written but also complemented with oral instruction. But every situation cannot be determined. So there is also implied authority which binds the agent to what is reasonably within their assumed duties. While the author understands the duties assigned to him, he must keep in check the overachieving manager who task is to insure new business and think outside the box on how to quickly solve a problem or determine a solution with the quickest and least amount of resources utilizing any means available. Directors sometimes see a much broader base that of the author or local sales engineers. They cover many different regions and visit a much larger customer base than most. They travel the region and globe looking for new opportunities in their business sector. Sometimes they get a little too excited and want to out partnerships into place where none exist. While this on the surface seems like a great idea, they may not have considered all the obligations between the parties they have thought to team. One example is two different companies that both trust the agents company but they deal with similar end products or it may be that one company utilizes similar parts from a competitor of one of the two possible partners that the director of the agents company has determine. The author has this dilemma at the current time. One company that the author is currently working with wished to make a product that the company has no formal experience in developing. The obvious answer is to determine if there is another company that has this expertise and go into a joint development with another partner. What needs to be determined is if both outside companies willing to work with the agent and his team to develop a new product that is the beneficial to all parties. The entire time the agent has a duty of loyalty to the principal. He must avoid conflicts of interest and not disclose any

confidential information between the principal without proper authorization. The agent must act with care, competence, and diligence whenever dealing with other outside contacts being careful not to share the ideas set for a specific customer.

#### **E .) Dealings with ITAR**

ITAR or International Traffic in Arms Regulations is another aspect of the authors' fine line that he deals with on a day to day aspect. Whenever he enters into a new discussion he must be careful to determine if everyone involved in the discussions are United States citizens. Many of the projects he deals with are controlled by the U.S. Department of State under ITAR. If a device or component was developed with nothing more than a defense budget or at the time of the development there was no intention to use it for in a commercial application then the device is considered to be controlled by ITAR. While there are some commercial applications which can use these items, they cannot be freely discussed with anyone at every company. The audience must be 100% U.S. citizen. There are many companies today, the authors included that have or employ foreign nationals or those not considered to be a U.S. citizen. These specific items may not be discussed with them by the author or even with anyone in their own company. While it is insulting to some people to be questioned as to the state of their citizenship, it is a question that must be asked before any discussions even proceed. In summary the author deals with many different companies each with their own intellectual property involved. He must make every effort to insure that it is protected until while in the development process and even after the product is made public. He has his ethics to protect for without it he would not be able to serve such a broad base of customers.

#### **REFERENCE**

Mallor, J.P., Barnes, A.J., Bowers, T., Langvardt, A.W., Business Law: The Ethical, Global, and E-Commerce Environment (2010) New York: McGraw-Hill.