

Ethics in Business and Management: How understanding employee could empower the organisation's ethics?

A new perspective on personality.

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ABSTRACT

Encompassing ethics is essential for the corporate ecosystem where the inception of the conception is executed for the recognition and achievement. Not only ethics conform to the perpetuity of the integrity of the market, they also shape the opinions, viewpoints and beliefs of an individual; making a person self reliant and self sustainable. Degradation of the moral code and ethical foundation results in the incoherency and deviation from the character. The proposed research model is an attempt to encounter such cognitive biases and availability heuristics. By aligning the self interests of the individual with that of the organization's and evaluating the scope of self development by juxtapositioning the real personality of an individual and his apparent personality, the paper attempts the induction of a prolonged gratification about the self image, thus eradicating the situations of the cognitive dissonance, sparing one from the complications of an ethical dilemma.

1. Background and Problem Statement

“Swami.. Amatya.. Janapada.. Durga.. Kosha.. Danda.. Mitra..’... The pillars of business success, the roots of the Business heights, the pivots of business rings. (Chanakya, Arthashastra)^[1]

Drifting through the civilizations, one can feel the existence, influence and the sovereignty that trade and commerce brings in with themselves. Initial citizens of the civilization started to gain the control over their compulsiveness: the chaos within them and in the surroundings as well. Be it Maharaja Agrasen from the Dwapara Yuga, the aura of traders spread since the dawn of humanity and evolved in the bigger scene as ‘Business’ amalgamated with formal structures and rules with the terminology ‘Management’. In the contemporary world, this

seed has rooted itself deeply into the ground, transforming into the tree and bearing the fruits of flourishing and development. An organisation in itself has developed into a living entity which effectively marks its presence around it and the nature of its soul is guided by the psyche of the individuals encompassing it.

1.1 Ethics and morals

Morals and ethics are the spiritual compass of a human being that direct and govern an individual. Colloquially, It can be concluded that while morals are the self established code of conduct and principles set out by the conscience to propel the self; ethics are the dogmas imbibed within us by the influence of the social system. Unlike the morals, ethics remain to be dependent on the others for the sake of validation and definition. Morals transcend all the cultural norms and belief while ethics remain bounded within the boundaries of legality and professionalism. This makes the morals to be more ubiquitous and consistent than the ethics.

According to Rushworth Kidder "standard definitions of ethics have typically included such phrases as 'the science of the ideal human character' or 'the science of moral duty'".^[2]

R.W. Paul and Linda Elder define ethics as "a set of concepts and principles that guide us in determining what behavior helps or harms sentient creatures".^[2]

The Cambridge Dictionary of Philosophy states that the word ethics is "commonly used interchangeably with 'morality' ... and sometimes it is used more narrowly to mean the moral principles of a particular tradition, group or individual." Paul and Elder state that most people confuse ethics with behaving in accordance with social conventions, religious beliefs and the law and don't treat ethics as a stand-alone concept.^[2]

Their coexistence cannot be denied as they definitely depend upon each other for the validation and the updation towards the better self. But their cohabitation does fuels the conflicts within the conscience, whenever there is a difference in the morals and ethics resulting in the a moral dilemma, a dilemma which prolongs within us, arising the ripples in conscience with the nature as water, enforcing us to question the self and with it guiding the self towards the better direction. Thus marking the significance of the question posed on the conscience. Their duality is the progenitor of the singularity in an individual.

1.2 Ethics in an organisation, where the problem lies?

“Would you tell me please, which way I ought to go from here?” Alice asked the Cheshire cat. “That depends a good deal on where you want to get to,” said the Cat. “I don’t much care where...” said Alice. “Then it doesn’t matter which way you go,” said the Cat. (Carroll, 1983: 72)^[3]

As discussed above, the ethics are present as the self regulatory mechanism to keep a person guided for self as well as social interest. These ethics are actually challenged in the

professional environment which runs majorly with the motive of profit making and satisfying the personal interests of the business players. This arises the situations when an individual finds himself standing on a diverging road which enforces him to commit a decision either adhering to his preexisting beliefs and notions or a decision in the interests of the higher authority, testing his loyalty for the organisation, against his will. This incoherency falling between the domain of right and wrong spurts the **cognitive dissonance**^[4], laying the foundation towards the culture of unethicity and machiavellianism. These dilemmas often leaves the individual tormented and disrupts the stability of the organization. To prevent this dreadful course of action, it is necessary that individual's will and ethics must be aligned with that of the organisation's but more often than not that is not the case as in the situations of recruitment and building a committee, **availability heuristics**^[5], the decision making shortcuts where we base our judgements on the readily available information also comes into the play causing us to develop a **cognitive bias**^[6] for an individual and ultimately leading us into drawing out the wrong inferences and picking up the unfit candidates.

2. Proposal (Methodology)

2.1 Theory

Before proceeding to the methodology, one needs to understand the basis of the model and need to have some prerequisite knowledge of several concepts and pre existing psychological models. This section covers the theories of those models which fabricated the proposed model and serve as an aide to understand the model better:

Myers-Briggs Type Indicator (MBTI)^[7]

MBTI is a questionnaire adopted from the typological theory of the swiss psychoanalyst carl jung indicating the psychological preferences of an individual which was further developed by the Katharine Briggs and her daughter Isabel Briggs Myers in a more quantitative and structured manner.

According to MBTI there are four dichotomies or the four pair of preferences:

- **Introversion(I) or extraversion(E),**
- **Intuition(N) or Sensing(S),**
- **Thinking(T) or Feeling(F),**

And an added dimension to the jung's typological model

- **Perception(P) or Judging(J)**

Which ultimately results in the 16 distinctive personality type formed from the interactions among the preferences.

McClelland's three needs theory^[8]

American psychologist David McClelland building up on the work of Maslow identified the three basic needs in the work environment irrespective of age, sex, color, ethnicity :

- *Need for achievement (nAch)*: An individual with a strong need for achievement has a strong desire to set challenging targets and goals and even stronger desire to achieve them. In order to do so, often the individual takes calculated risks and relies on the constant feedback and improvement mechanism. Individual with a strong need of achievement prefers to work alone rather than a team player.
- *Need for power (nPow)*: people with a strong need for power have the tendency to control and influence people around them. Harboring a competitive nature, they enjoy competing and winning the arguments. They tend to enjoy the status and recognition.
- *Need for affiliation(nAff)*: individuals with a strong need for affiliation seek affirmations and wants to belong to a group. They want to be likable and have an affinity to go with the group. They usually prefers collaboration over competition and generally avoid the situations involving high risk and uncertainty.

Cognitive Dissonance

In 1950's, Leon Festinger proposed the theory of Cognitive Dissonance to explain the relationship between attitude and behavior. Cognitive Dissonance is a situation where there's a conflict between an individual's two or more attitudes or between his attitude and his behavior. This results in producing a feeling of discomfort and hence, in an attempt to reduce the dissonance and to restore the cognitive balance, individual tend to alter his values to achieve a state of minimum dissonance.

Job Personality: Job personality can be defined as certain set of skills or fundamental strengths that are required in the organisation to successfully thrive in a particular job. This can be determined using available personality test models.

Employee's personality: Every individual has a personality associated with them, which can be tested and evaluated on the basis of a series of questionnaires designed to extract out their personality traits and behavioural preferences. The outcome of these questionnaire is 'Employee Personality'.

Cases: Cases are the situations carved out taking into consideration the company's core ethics and values, its mission and vision, the current market positioning and the future goals.

2.2 Suggested Methods to renovate the existing structure

Internal/ external

The structure of the organization is the mechanism of the organization itself along with the interactions and partnerships with the other businesses and companies. It talks about how a company is propagating and conducting .

Despite values being a non-quantifiable entity, a qualitative aspect, there are times that make the quantification a necessity of time. Quantification of emotional aspects and values helps in

provisioning significant analytical results about the current status of the entity, which acts as a fodder for the further research and analysis of intangible entities through which the significant data can be procured that can be used in various industries for their advancements and to develop a sustainable culture in the modern ecosystem

Especially in the corporate environment, only having the certain skillset corresponding to the job requirement is insufficient nowadays. Companies wish to have a complete insight of their prospective employees as only skillsets cannot define the competency of an individual with the organization and his credibility for the job. He might deem to be incompatible with the core ethics of the company and thus distorting the structure of the business. Proving to be a hinderance in the growth of the organisation and thus, an hinderance in the self development too. To encounter that, several models and personality tests have been encompassed within the businesses and organisation but these models prove to be incompetent as they fail the encapture the individual as a whole along with his behaviour and emotional aspects. Therefore, laying the foundation to our research work, we propose a **dynamic model** that enables one to **synchronize the individual's goals with the organization's vision**. Our quantitative model based on helps in defining the ethics, values, and culture, and with **iterating** over a period of time, the model further intensifies and helps in boosting the morale of the organization as a whole.

Model: The new approach

In order to turn up with the process and the model, each employee of an organisation has to steer through a series of steps so that it paves the way for the organisation to learn about the employee's need, motives and expectations from his work and life. This will also dig well that will pour water for binding the future plans, missions and goals of the company so as to maintain its ethics and values. The methodology on what a candidate has to go through is as follows:

Step 1: Testing and Analysing the **Job Personality**.

Step 2: Testing and Analysing the **Employee with the MBTI test**, thus reflecting his psychological preferences and perception.

Step 3: Afterwards, the test proceeds and the candidate is allotted **10 points for each category**, which needs to be distributed among the available options according to his/her **self-conscience^[9] and preferences** about how well he/she knows himself/herself:

- **Wisdom and Knowledge:** Creativity, Judgement, Curiosity, Perspective, Love of Learning
- **Courage:** Bravery, Integrity, Perseverance, Enthusiasm
- **Love:** Intimacy, Kindness, Sociability
- **Justice:** Sense of responsibility, Fairness, Leadership
- **Temperance:** Forgiveness, Humility, Caution, Self-control

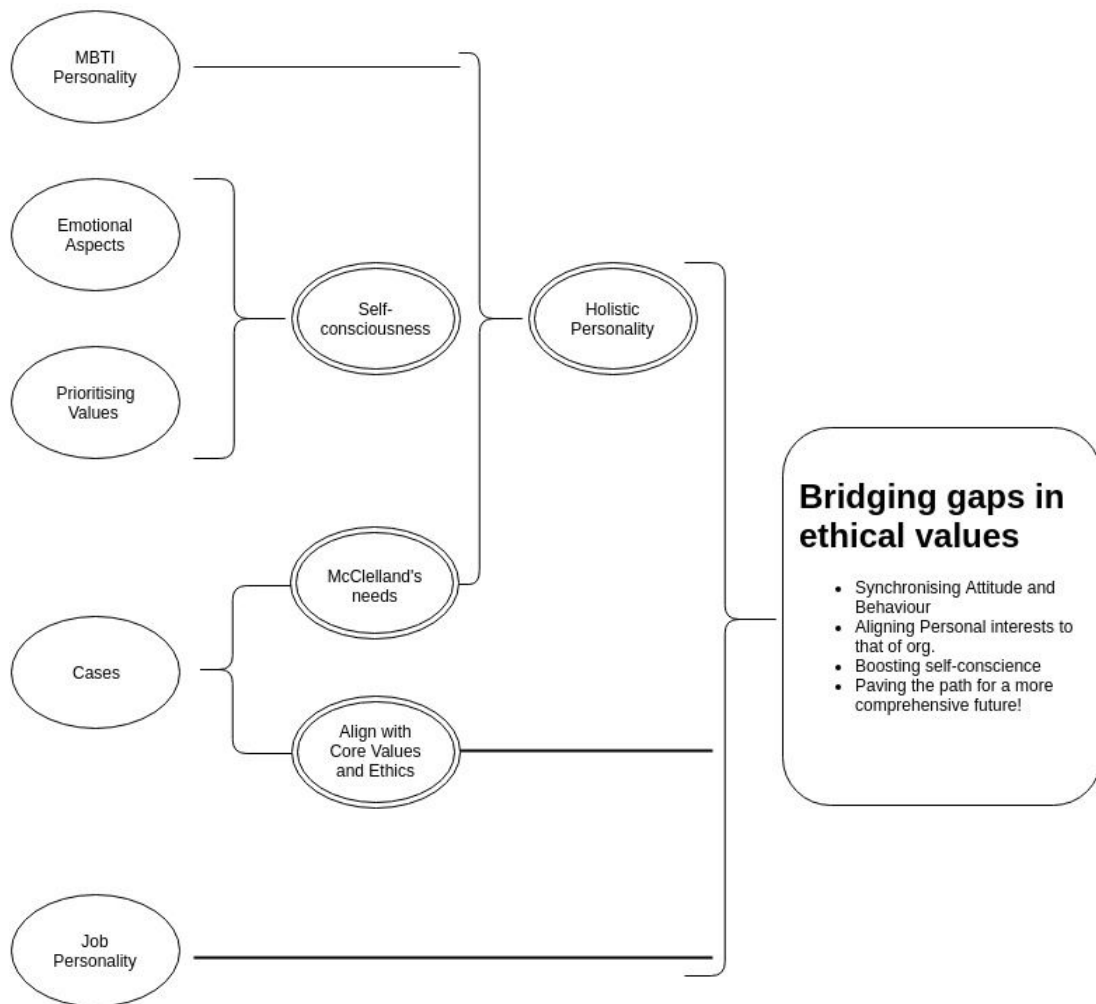
- **Transcendence:** Appreciation, Gratitude, Optimism, Humour, Spirituality

Step 4: In this step, propositions with the most value in each category are to be listed again to be ranked and rated, only with a slight variation of being restricted in terms of total points. This step **restricts the total number of points to be 30, with each option bearing a cap of maximum 8** for all options combined. The candidate needs to distribute the points among the high rated options from each category according to his/her personal **choices, thoughts and lifestyle**.

Step 5: With a quick Questioning round, with a time limit for each question, multiple choice questions posed by '**cases**' to be asked based out of company's core values, defined set of ethics, mission, vision, market positioning, and the future goals.

Working of the model

Our proposed model is refined and constructed by using pre existing questionnaires and models for the sake of greater credibility and reliability. The model caters to the requirements of the organization as well as that of an individual, helps in guiding and defining the ethical boundaries and commandments by structuring the company's ethical guidelines thoroughly and synchronizing the company's ethical demands with that of the individual's. It serves as a unique modus operandi to understand the employee better and in a more comprehensive way. Rather being restricted to some domain or field, the test tries to analyze and understand the complexity of the disposition of a human that is beyond the dimensions of an individual's job. Still, from the corporate perspective, it will aide in determining the course of path an individual has to go about in order to achieve what the person seeks in life, especially when he is a part of a particular organisation.



The job personality gives a reference frame on as to what the organisation needs and expects from an employee holding that position. This gives an overall structure of the organisation's needs, both professionally and ethically.

Proceeding further, the **Step 2** provides the MBTI personality of the employee, which is basically to understand the core mechanism of how he/she thinks and perceive situations in life.

The two big theories of personality tests, i.e. the MBTI structure and the OCEAN Theory, differs from each other on complete prospects. With MBTI being more structured and popular among businesses, it lacks what OCEAN theory^[10] calls as Neuroticism^[11] or self-consciousness. While OCEAN theory lacks what is necessary for defining the person's traits and personality as a whole, it becomes imperative to use the MBTI structure. Thus, in

order to understand a human's psychology in a more comprehensive manner, we add another dimension to the test, which is visualised in step 3 and compiled in the step 4 of the process.

Step 3 of the methodology asks a person to rate himself/herself on the basis of his/her self conscience and knowledge of his mental as well as emotional segmentation. In this step, one is to distribute a given number of points for each emotional category he/she possess in his/her conscience. This leads the person to introspection which further develops into self realisation, which is the key trait in controlling one's self. As we proceed towards **Step 4** of the process, the top rated traits of each category are listed and the employee is asked to distribute a limited number of points among these listed options. This leads to the person to dive deep into his mind and soul to revisit his thoughts and perception, thus leading to prioritization of his true self nature. This step boiled down the personality and behavior of a person to just one fundamental question "What does all this sums up to?"

The MBTI personality test, combined with emotional perception leads to the generation of a more solid approach towards psychodynamics of a person's personality and behavior towards things. The entropy of behavior is frozen to a great extent through this process.

Step 5 is a multiple choice based testing module developed with base on company's core values, ethics, vision, mission, ethics, and future goals posed as 'situations' and restricted by time limit for each question, in which the candidate has to answer them. These cases helps in determining how well the person is aligned with the core values and ethics that company possesses. The step further helps in determining the motivation and crux behind the person in the form of McClelland's need theory in terms of need of Achievement, Affiliation or Power, which adds up towards a more holistic personality determination.

All these steps help in determining the fillers needed to bridge the gaps in the organisation in order to develop a more exhaustive approach towards the ethical culture linked to the core values of the organisation. The holistic personality determined along with the ideal job personality and current alignment with the organisation's core values and ethics gives an insight on what needs to be developed and taken care of. It paves the way to enforce ethics in the organisation's culture, and help the organisation develop comprehensively along with the employees.

Analysing the whole data, averaged with all employee's response, the company can pose a look as to what needs to be changed, what needs to be upgraded, and what needs to be thrashed. Along with this, the individual's response can help the company to migrate him to other positions that fit his personality as well as his capability.

Core Values

The core values of a company lays out the foundation of the jurisprudence of the entity. The codes of conduct, the policy, the mission, the vision and the temperament of the organisation, and the workforce of the company, a glimpse of the core values is ought to be reflected within all of them. Companies with the higher regards for the ethics engulfs their members

with the emotional satiety with their work and they find themselves to be much deeply committed to the organisation and to entrust their loyalty in the business. Companies with the hollow and misleading values are destined to demise in their own deceit and charlatanism. It is therefore necessary for an entity to determine enforce the values like integrity, honesty and self-discipline in the foundation.

In order to achieve that, the company must begin by constructing its policy meticulously. Putting up special emphasis on the **utilitarianism**^[12], so that the dharma of the company always progresses towards the greater good, towards the benefits of the majority.

Making up space for the freethinkers in the policy making committee and in the cabinet can procure up the pragmatic solutions to the issue as major as the exploitation of the ethics and morals in the gray area by setting up an much flexible and **elaborate code of conduct**^[13] in the form of a document which would recognize the need of every section of the organisation while covering up all the malpractices that goes against the ethics of the company and the society. freethinkers will also act as a channel for the facilitation of the healthy business interaction with the external.

3. Impact

The methodology brings up one of the most important aspects of assessing the work culture and ethicality of any organisation as it lets the organisation develop analytical data on the number, percentage or percentile of employees which align with the current core values and ethics of the companies, that will again help the organisation in structuring the future of the company process and ideologies. The company thrives on the success and empowerment of its employees and ventures on the future depending on how many employees are satiated with the structure and ethicality of the company.

The model proposed above takes in the personality, preferences, requirements, and views as input parameters in order to help the organisation thrive and succeed along with its employees while maintaining the ethical core values embarked in the policy. The proposed model emphasize on individual's empowerment and thrival which ultimately sums up to the organisation being successful as a whole.

The holistic personality developed with the amalgamation of MBTI, self-consciousness and McClelland's need theory provides ample opportunity to pave the path for training and counselling individuals on personalized basis in order to help them synchronize their general attitude and behaviour towards the situations, which will further help in the reduction of **cognitive dissonance** that lies at the core of the ethical dilemmas, and often leads to unethical paths, thus boosting the individual's ethicality to the organisation levels.

Furthermore, the model processes the case questions, that gives an insight on the alignment of an individual's core values to that of the organisation's through case based questioning. This do help in getting to know the route passing through which the organisation can effectively

align the individual's interest to that of the organisation, by **orchestrating the Machiavellianism**^[14] of the person towards the benefit of the organisation as well his self-goals. Thus, aligning the person's interest and organisation's interest into a single stream. The case questions and the personality, combinedly, not only help the person gain an insight on what the organisation seeks from him, but also how he/she, as an individual affect and lead the way the organisation works. The process not only leaves an **highly emotionally intelligent**^[15] **character** in the person, but also makes him/her **feel empowered** with the impressions of holding responsibility and sense of privilege in possessing the pride of being a part of the organisation.

Summing up the process, the methodology do helps in foreseeing the path that the company is expected to follow and is actually following, and aids in paving the way to reach the expected results that the company has planned to go about keeping its values, ethics and employee's interests aligned.

4. Conclusion

“The most selfish person in the world is the one who is most selfless”

The proposed model is the conception for the structured ethical system in the corporate ecosystem. The model incarnates a lot of scope for further improvement in certain dimensions and aspects in order to curate a seamless direction. Ingression of such personality analysis and comparison models aids in raising the bar of **cultural transparency** and **empowerment of the employee** as the model do provision the employee their befitting job which give them a prospect to step deeper into the role that is coherent with their personality and attitude. The proposed model brings into limelight one of the shirked aspect of the ethical work culture, the emotional intelligence of a person. One of the key traits towards which the decision of the organisation are inclined should not only be intelligence quotient, but rather be a accumulation of thoughts, along with values and ethicality, thus bringing the notability to the **emotional quotient**.

This model has to be considered as the foundation of the contemporary methodologies to infuse and restructure the ethical composition of the society, for the greater benefit of the society in the near future.

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