**Designing and Managing Ethical Organizations**

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So, you want to create heaven on earth! Unificationists are well aware that people should be at their spiritual best all the time — which means at work too. We spend a great deal of our time on earth working. Some Unificationists have created businesses, some work in church businesses, and others work hard for non-member businesses and organizations.



Unfortunately, work is often organized in a way that is spiritually stifling and degrading. Everyone is morally flawed and, as such, we do things at work that damage, rather than heal and grow, our spirits. For instance, employees are sometimes tempted, or instructed, to mislead customers about product quality, or to treat each other disrespectfully.

Yet business owners and managers possess a unique position to significantly impact the spiritual development of others and, in the process, heal themselves by designing ethical organizations and reinforcing ethical behaviors at work. Unificationists, grounded in church providential theory, should be at the forefront of designing and managing ethical organizations.

How can organizations be designed to maximize ethical behaviors that help people spiritually flourish? This question was one of the reasons why I quit my corporate job in 1978 and joined the Unification Church. It remained on my mind while studying at Unification Theological Seminary from 1980-83, and it has dominated my teaching, writing and research for more than 20 years as a professor of business ethics at the University of Wisconsin-Madison, University of Bridgeport, and now Edgewood College.

I have developed a systematic Optimal Ethics Systems Model based on the 90 best practices in business ethics, sorted into eleven integrated elements. The model begins with determining the ethics of job candidates and then orienting them to the organization's code of ethics and ethical decision-making process. It recommends conducting ethics and diversity training on at least an annual basis and implementing an ethics reporting system. Managers must model ethical leadership, and work with employees in developing ethical work goals and performance appraisals.

The last three elements of the model include adopting the best practices for environmental management and community outreach, and assessing the performance of each element. By systematically implementing all the Optimal Ethics Systems Model elements, an organization will not only attract

employees desiring to experience spiritual transformation through work on a daily basis, but also have in place structures, policies, and processes that will aid employees with their daily spiritual development and engage them in a transcendent vision.

**Code of Ethics**

If you are a manager, where should you start in this transformative process? Naturally, if you hire ethical job candidates, the rest should be easy. But that is not always the case. Bottom-line pressures can make otherwise holy people engage in unethical behaviors for the so-called good of the organization. Then, instead of caring enough for the organization and others to take corrective actions, too many employees remain mute and follow unethical orders or do nothing in the name of being a loyal team player and not wanting to rock the boat.

So in addition to hiring ethical job candidates, managers should begin by creating a vision of the good through a Code of Ethics and then, in the spirit of continuous improvement, assess how well the organization lives up to the code based on employee feedback.

What bothers one person's conscience may not bother another person's conscience. An organization's Code of Ethics minimizes ethical ambiguities by communicating clear ethical guidelines for employees to apply when making decisions. The ethics code defines an ideal moral essence, one that should be aspired to, and serves as the organization's conscience. Keep the language simple and avoid legalese or professional jargon. The best codes are easy to understand and inspirational, something that unites employees regardless of their particular religion, ethnicity, gender, or geographical location.

What values are stated in ethics codes? An extensive scholarly review of corporate Codes of Ethics, global Codes of Ethics, and the business ethics literature found six values continually expressed: trustworthiness, respect, responsibility, fairness, caring, and citizenship. These universal values are foundational in all societies and characteristics Unificationists typically associate with God.

Ethical hypocrisy, the gap between an organization's formal ethical proclamations and its actual behavior, damages employee morale. Moral confusion arises when the Code of Ethics declares employees must be honest while a supervisor expects an employee to lie to a customer about a missed delivery deadline.

**Implementing an Effective Code Communication Strategy**

The benefits of having a meaningful Code of Ethics are innumerable. Yet, many organizations do not effectively communicate their Code of Ethics to employees. Codes cannot be effective if employees are unaware they exist.

Organizations should develop a strategy for communicating the Code of Ethics to all employees and key constituents. Assign the responsibility to a particular person who can champion the cause. Elements of a successful communication strategy include:

- Connect the code to the organization's strategy

- Mention the Code of Ethics in job announcements

- Introduce the code during employee orientation

- Annually distribute the Code of Ethics with a letter signed by a high-level executive emphasizing the importance of applying the codes on a daily basis

- Display the Code of Ethics in newsletters, highly traveled areas, and on stationery and websites

- Discuss the code during ethics training workshops

- Mention the Code of Ethics in correspondences with suppliers and customers

- Evaluate employees on code adherence in performance appraisals

- Link code adherence to promotions and merit raises

- Annually assess how well the organization embodies the code

**Annual Code of Ethics Assessment**

The last item in the effective code communication strategy is probably the most important—use the code as an organizational assessment tool. Make the Code of Ethics a living document by annually assessing

how well the organization and its employees live up to it. Then use the employee feedback as the basis for continuous improvement changes in organizational policies and practices.

A ten-step process for assessing an organization's ethical performance based on its Code of Ethics, which can be accomplished within 60 to 90 minutes, includes:

*Step 1:* Form small groups around common job tasks and have participants read the organization's Code of Ethics. If none exists, inform participants that organizational members are expected to treat owners, company property, employees, customers, suppliers, the government, and the natural environment with utmost respect and integrity.

*Step 2:* Each group member independently evaluates how well the organization meets each of its ethical aspirations using a five-point Likert scale.

*Step 3:* Each group member independently highlights one weak area and writes down strategies and action steps that can be taken to improve that score.

*Step 4:* Group members share their survey scores with each other and determine similarities and differences.

*Step 5:* Each group member shares a story about the survey item with the highest score. What happened during the past year that exemplifies why the organization is doing so well in that category?

*Step 6:* Each group member shares a story about a survey item with a low score.

*Step 7:* Each group member shares a strategy and action steps that would improve the low score, and integrates ideas and suggestions from other group members to develop a more detailed continuous improvement plan.

*Step 8:* The group summarizes its scores and suggestions for improvement, and submits the information to the facilitator for the purpose of continuous improvement follow-up.

*Step 9:* The facilitator forwards the information to the responsible manager.

*Step 10:* Management or the facilitator updates employees about progress made regarding the suggested improvements.

Step 2 requires that a Code of Ethics be transformed into a five-point Likert scale survey for employee assessment purposes. This is relatively easy to do. For instance, assume that an organization's Code of Ethics expresses five core values:

1.      Operate with integrity and respect
2.      Provide, promote, and celebrate service excellence
3.      Use superior communications
4.      Embrace continuous improvement
5.      Actively engage in self-management

Unificationists are deeply engaged in a noble effort to create heaven on earth. Accomplishing this entails a harmonious integration among ethical individuals, families, and organizations. Employees arrive at work possessing a wide variety of ethical perspectives and need a common ethical reference point. Aligning personal values with those expressed in an ethics code creates a unique bonding experience that crosses hierarchal levels and minimizes organizational politics.

Make these codes meaningful and effective by using them as assessment tools. Have employees annually evaluate how well organizational members live up to these codes. In the spirit of continuous improvement, gather employee suggestions for addressing weak areas and then make appropriate changes in organizational policies and practices to improve ethical performance.

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