

Social and Ethical Challenges in Management

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SOCIAL AND ETHICAL PROBLEMS

Managers encounter many challenges in their roles, regardless of the kind of industry in which they are employed. In addition to responsibilities that include scheduling of employees, analyzing employee skills to determine where they best fit into the company, and supervising and evaluating employees, managers must also deal with social and ethical issues, as well. Experts in the field of business management concern themselves with the kinds of issues people in supervisory positions encounter. As a result, much research has been conducted concerning the kinds of social and ethical dilemmas that managers experience, why they experience it, and how they have handled those kinds of issues. In addition, researchers offer suggestions for further research as well as suggestions for handling some of those problems. However, it is the responsibility of managers to do their homework, that is, to read the research and determine how the findings and suggestions can apply to their individual situations (Sims, 2003). They can then begin a plan of action of their own for addressing such concerns.

One of the major challenges faced by management that can result in a social or ethical concern is in the area of compensation. Compensation involves so much more than how much money a person makes per hour or per month. It involves consideration for the level of responsibility within the company, the skills and talents a person brings and/or develops, the work contributions the person makes in developing special projects, and prior job experience, as well as length of employment. Moreover, top management must be provided with incentives if they are to be retained (Kizza, 2010). An additional concern is in hiring outside consultants. Favoritism must be avoided and compensation should be appropriate for services rendered. These are complex issues. To address them, companies work out a compensation plan to follow. Even so, there are always gray areas to consider. A manager must make judgement calls, and in

SOCIAL AND ETHICAL PROBLEMS

doing so, he or she has to work hard to make certain that decisions are not biased in any way. In this way, social and ethical considerations come into play.

Issues that is less prevalent today than they were previously still come into play. These are concerns involving discrimination. It is considered against the law to make hiring decisions based on gender, ethnicity, race, religion, or disabilities. Another more recent focus has been discrimination based on sexual orientation or on gender identification. Even after being hired, though, issues of discrimination play into assignment of job responsibilities and promotions within the company. Although there are fewer and less obvious acts of discrimination in the work place, they still exist. In addition, state and federal laws are always evolving, as are company policies. One way a company can safeguard against such issues is through performance evaluation (Treviño, Gary & Weaver, 2003). This can be multi-pronged, meaning that the evaluation tool involves various kinds of assessments performed by several individuals independently of each other. Even so, employees who feel discriminated against may find the need to file a case in court. Managers should always make certain that their decisions are fair to all and free of any incidents of discrimination.

Besides considerations of compensation and fair practices in employment is the concern for employee confidentiality. Managers are responsible for securing employee data, such as social security or work identifications, addresses and other contact information, employee work history, medical information, evaluations, etc. They must make certain that employee records cannot be accessed by unauthorized individuals. These issues of security extend to both within the company and from outside the company. No one should be able to hack into a company's records or access them from within the company without due authorization. Moreover, personnel

SOCIAL AND ETHICAL PROBLEMS

should be trained and assigned specifically to maintain company security of employee records (Jorge & Costa, 2010).

Companies are increasingly becoming aware that they will increase their overall profits and ability to succeed by addressing employee needs. This includes providing opportunities for workplace collaboration on projects, and by making certain that all employees have a voice in decision-making (Gilliland, Steiner, & Skarlicki, 2007). This may mean that management must develop a new understanding of its role. Rather than dictating what others are to do, management may need to facilitate focus groups that work on various problems and offer suggestions. This translates into becoming less authoritarian and becoming more like facilitators (Ferrell, Fraedrich, & Ferrell, 2012).

How an organization is managed greatly affects employee satisfaction. This is extremely important because more and more research indicates that the best way to ensure a company's success is through tending to the needs of the employees. Individuals who feel that their company cares about them will reciprocate by caring about the company. Moreover, employees must be able to trust management, whether it is in voicing a concern about fair and ethical treatment or offering an innovative idea and being credited with that contribution. Those in authority should view their position in reference to what is best for the company's needs rather than what feeds their ego. Managers need to be able to understand the demands of the business and the nature of its employees. They should be fair and ethical in all decision-making, and they must adhere to policies that are designed to address confidentiality issues. In summary, companies must employ competent, caring employees if they are to thrive (Carroll & Buchholtz, 2011).

SOCIAL AND ETHICAL PROBLEMS

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