

Cisco Chairman and CEO Advocates Ethical Behavior

Cisco is a U.S.-based multinational corporation that designs, sells, and manufactures networking equipment. The company's operations generated \$46 billion in sales and \$8 billion in net income for fiscal year 2012. Cisco has been named a "World's Most Ethical Company" honoree by the Ethisphere Institute for five consecutive years (2008–2012). Its Chairman and CEO John Chambers states: "A strong commitment to ethics is critical to our long-term success as a company.

The message for each employee is clear: Any success that is not achieved ethically is no success at all. At Cisco, we hold ourselves to the highest ethical standards, and we will not tolerate anything less."

Cisco conducts numerous programs aimed at fulfilling what it sees as its corporate social responsibilities. For instance, the company provides ethics training to its over 70,000 employees, and it prides itself on providing employee benefits that foster a good work-life balance. Cisco employees are also encouraged to donate money and volunteer hours to nonprofit organizations around the world. Cisco manages energy and greenhouse emission generated by its operations. The company demands the same high standards from its more than 600 supply chain partners in regard to ethics, labor practices, health and safety, and the environment; it communicates its Code of Conduct to suppliers, monitors their compliance, and helps them improve performance. Cisco collaborates with industry groups to raise standards and build sustainability capabilities throughout its supply chain.

The company uses its core expertise in networking technology to improve both the delivery and quality of education as well as to improve health care. It also intervenes to help meet critical human needs in times of disaster by providing access to food, potable water, shelter, and other forms of relief. For example, in 2012, Cisco employees pledged \$1.25 million and 12,500 volunteer hours to the Global Hunger Relief Program. Both the Cisco Foundation and Cisco Chairman Emeritus John Morgridge match employee donations, thus tripling the potential donation.

(a) Using the case study and knowledge from the IT Law and Ethics, What does it mean for an individual to act in an ethical manner? (08 Marks)

Any 8 Points @ 1 Mark = 08 Marks

- Be Impartial
- Respecting ethical standards
- should be strongly committed to ethics
- Respect the rights of others
- Treat colleagues, customers, and consumers with respect.
- Maintain integrity
- Be honest and trust worthy
- Keep integrity

2. Using the case study and knowledge from the IT Law and Ethics, explain how can an organization act ethically? (20 Marks)

Any 10 Points @ 2 Mark = 20 Marks

- The management should be the champions and promoters of ethics in the organization
- By having A strong commitment to ethics is critical to their long-term success as a company
- By holding themselves to the highest ethical standards, and without tolerate anything less."
- By establishing ethical code of ethics

- The message for each employee is clear on ethics throughout the entire organization.
- Appointing a Corporate Ethics Officer
- Conducting social Audits :- An increasing number of organizations conduct regular social audits of their policies and practices. In a social audit, an organization reviews how well it is meeting its ethical and social responsibility goals, and communicates its new goals for the upcoming year
- Requiring Employees to Take Ethics Training
- Including Ethical Criteria in Employee Appraisals
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3. Explain how Cisco should balance its resources between pursuing its primary mission for existence and striving to meet social responsibility goals? (10 Marks)

DEFINITION:-

02 Mark

Corporate social responsibility (CSR) is the concept that an organization should act ethically by taking responsibility for the impact of its actions on the environment, the community, and the welfare of its employees.

Its actions on the welfare of its employees.

03 MARKS

- Cisco conducts numerous programs aimed at fulfilling what it sees as its corporate social responsibilities. For instance, the company provides ethics training to its over 70,000 employees, and
- it prides itself on providing employee benefits that foster a good work-life balance.
- Cisco employees are also encouraged to donate money and volunteer hours to nonprofit organizations around the world.

Its actions on the environment

03 MARKS

- Cisco manages energy and greenhouse emission generated by its operations. The company demands the same high standards from its more than 600 supply chain partners in regard to ethics, labor practices, health and safety, and the environment;
- it communicates its Code of Conduct to suppliers, monitors their compliance, and helps them improve performance.
- Cisco collaborates with industry groups to raise standards and build sustainability capabilities throughout its supply chain.

Its actions on the community,

02 MARKS

- The company uses its core expertise in networking technology to improve both the delivery and quality of education as well as to improve health care.
- It also intervenes to help meet critical human needs in times of disaster by providing access to food, potable water, shelter, and other forms of relief. For example, in 2012, Cisco employees pledged \$1.25 million and 12,500 volunteer hours to the Global Hunger Relief Program.

3. With reference to Bathsheba syndrome, State Sixour examples of how managerial behavior can encourage unethical employee behavior: (12 Marks)

Here are a few examples of how managerial behavior can encourage unethical employee behavior:

Any 0 4Points @ 23Mark = 12Marks

- A manager sets and holds people accountable to meet “stretch” goals, quotas, and budgets, causing employees to think, “My boss wants results, not excuses, so I have to cut corners to meet the goals my boss has set.”

- A manager fails to provide a corporate code of ethics and operating principles to make decisions
- A manager fails to act in an ethical manner and instead sets a poor example for others to follow, so employees think, “I have seen other successful people take unethical actions and not suffer negative repercussions.”
- Managers fail to hold people accountable for unethical actions, so employees think, “No one will ever know the difference, and if they do, so what?”
- Managers put a three-inch-thick binder entitled “Corporate Business Ethics, Policies, and Procedures” on the desks of new employees and tell them to “read it when you have time and sign the attached form that says you read and understand the corporate policy.” Employees think, “This is overwhelming. Can’t they just give me the essentials? I can never absorb all this.”