

information technology & management
business capability
SYSTEM INTEGRATION
ILLINOIS INSTITUTE OF TECHNOLOGY

ITMT430

Ethics and Professionalism

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Objectives

At the conclusion of this lesson, the student should be able to:

- Define ethics
 - Describe ethical behavior
 - Define ethical/moral intensity
- Identify the philosophical principles behind business/professional ethics
- Explain how values relate to ethics

Objectives

At the conclusion of this lesson, the student should be able to:

- Identify factors contributing to lax ethics
 - Identify common ethical temptations and violations
- Identify common kinds of workplace deviance

Objectives

At the conclusion of this lesson, the student should be able to:

- Describe what influences ethical decision making
 - Apply a guide to ethical decision making
- Explain what practical steps managers can take to improve ethical decision making

Objectives

At the conclusion of this lesson, the student should be able to:

- Explain what it means to be a member of a profession
 - Recall & describe the main information technology professional organizations
- Recall common Codes of Ethics widely accepted in the I.T. industry
 - Describe common expectations for behavior under these codes

Objectives

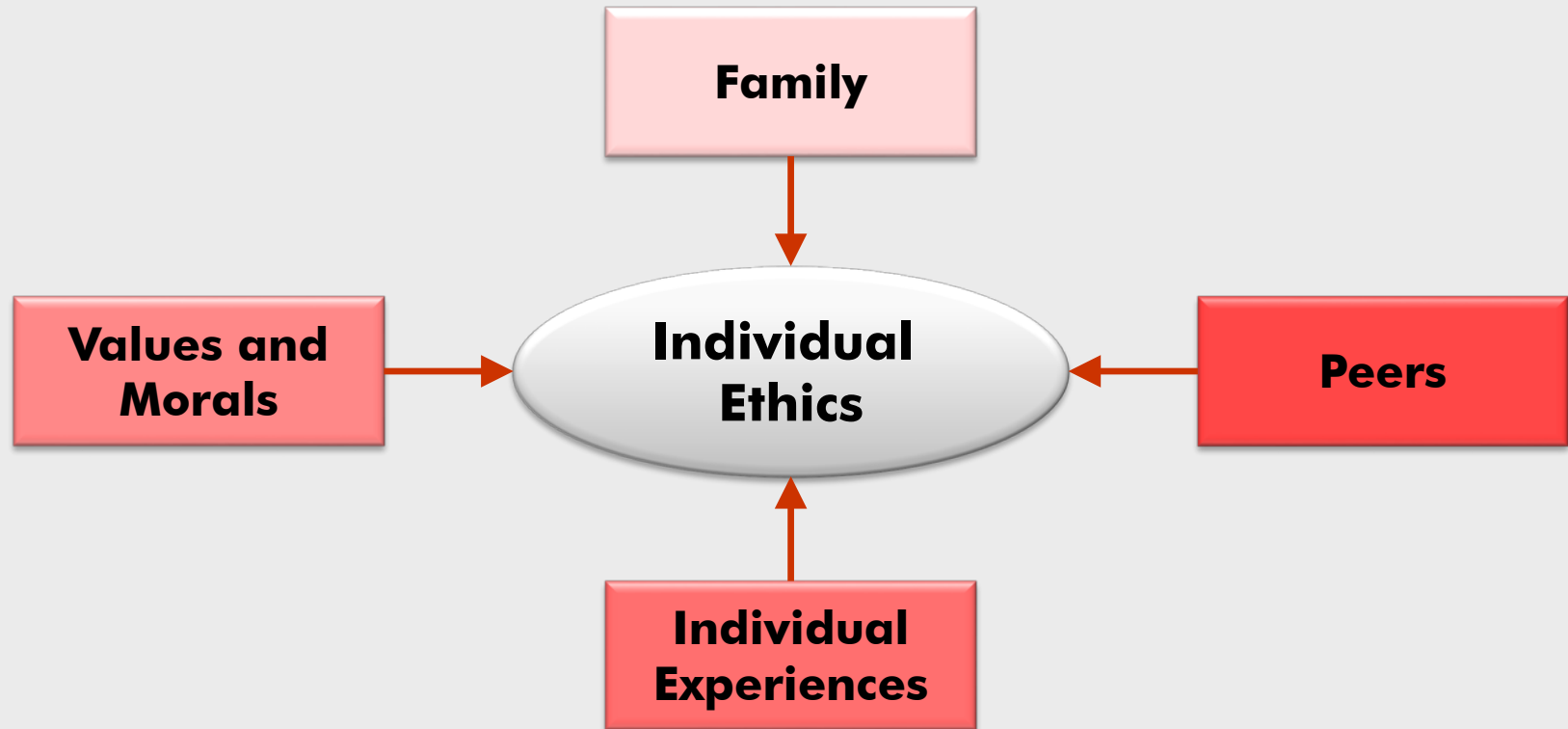
At the conclusion of this lesson, the student should be able to:

- Explain how managers can create an environment that fosters ethical and socially responsible behavior
- Summarize the benefits of ethical and socially responsible behavior

Ethics

- ◆ The code of moral principles and values that govern the behaviors of a person or group with respect to what is right or wrong
- ◆ A set of principles of right conduct
- ◆ A theory or a system of moral values
- ◆ An individual's personal beliefs regarding what is right and wrong or good and bad

Determinants of Individual Ethics



An individual's ethics are determined by a combination of factors



The Value of Ethics

- ◆ Corporate ethics impact a company's ability to attract, retain, and ensure productivity
 - Most full-time workers say it is critical to work for a company that is ethical
 - More than 1 in 3 workers say they have left a job because of ethical misconduct by fellow employees or managers
 - 82% would be willing to receive less pay if working for an ethical company

Meaning of Business Ethics

◆ Ethics

- Study of moral obligation, or separating right from wrong
- Converts values into actions
- Unethical acts can be legal or illegal

◆ Moral intensity

- Magnitude of an unethical act, such as using company jet for a vacation versus taking home a paper clip



Ethical Intensity Depends on...

Magnitude of consequences

Social consensus

Probability of effect

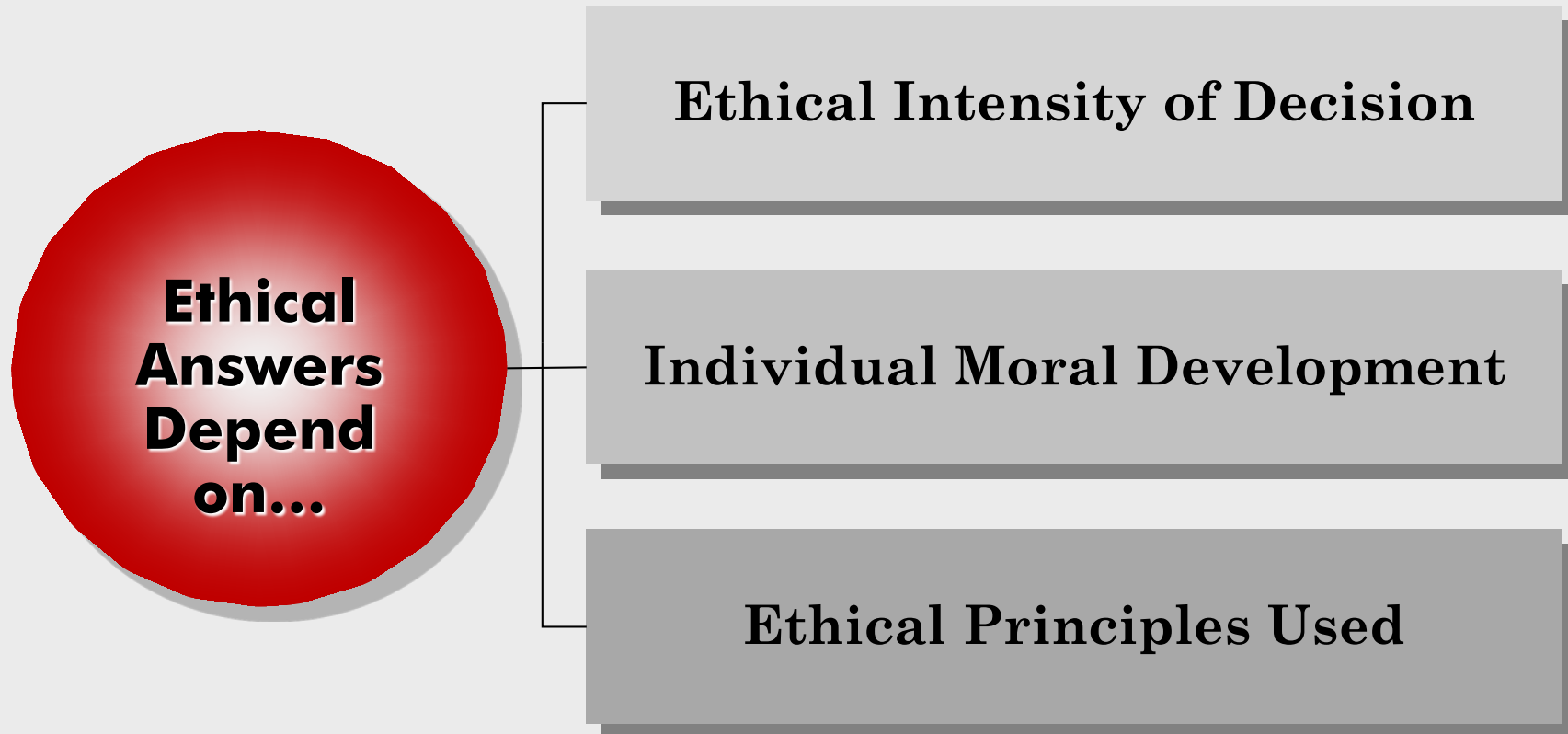
Temporal immediacy

Proximity of effect

Concentration of effect



Influences on Ethical Decision Making





Underlying Philosophical Principles

1. Focus on consequences and pragmatism
 - Decision is ethical if nobody gets hurt
 2. Focus on rights of individuals
 - Deontology based on universal principles such as honesty and fairness
 3. Focus on integrity
 - Virtue ethics contends if someone has good character and genuine motivation, he or she is ethical
- ◆ Use all three for complex ethical decisions

Values and Ethics

- ◆ Values state what is critically important
 - A firm's moral standards and values help guide ethics in decision making
- ◆ Values influence which behaviors we think are ethical
 - Ethically centered management views the high quality of an end product as more important than a scheduled completion date

Morality and Ethics

- ◆ *Morality* is the differentiation of intentions, decisions, and actions between those that are good (or right) and those that are bad (or wrong)
 - *Isn't that the same as ethics?*
- ◆ NO! Morality is based on a moral code, which is a system of morality according to a particular philosophy, religion, or culture

Morality and Ethics

- ◆ Morality based on religion, for example, may conflict with ethics
 - Same-sex marriage
 - Corporate benefits for gay couples
 - Artificial insemination
 - Pre-marital sex
 - Re-marriage after a divorce
- ◆ In some instances, the *ethical* thing to do may directly conflict with the *moral* thing to do

Sources of Unethical Decisions and Behavior

1. Individual characteristics

- Self-interest
 - Greed and gluttony
- Unconscious bias leading to unjust treatment of others
- Rationalization, or making up good excuses for unethical behavior
- Job dissatisfaction



Sources of Unethical Decisions and Behavior

2. The nature of the moral issue

- Moral intensity is a driver of unethical behavior
 - Many people willing to behave unethically when issues do not appear serious
- Moral laxity
 - Moral behavior slips because other issues seem more important at the time

Sources of Unethical Decisions and Behavior

3. Ethical climate in the organization

- Organizational climate might condone unethical behavior, such as risk taking and illegal behavior
- Pressure from management to achieve goals can compromise ethics
- Too much emphasis on meeting financial targets can prompt poor ethics

Ethical Temptations and Violations

1. Stealing from employers and customers
2. Illegally copying software
3. Treating people unfairly
 - Discrimination and prejudice
4. Sexual harassment
5. Conflict of interest
 - Judgment or objectivity is compromised

Ethical Temptations and Violations

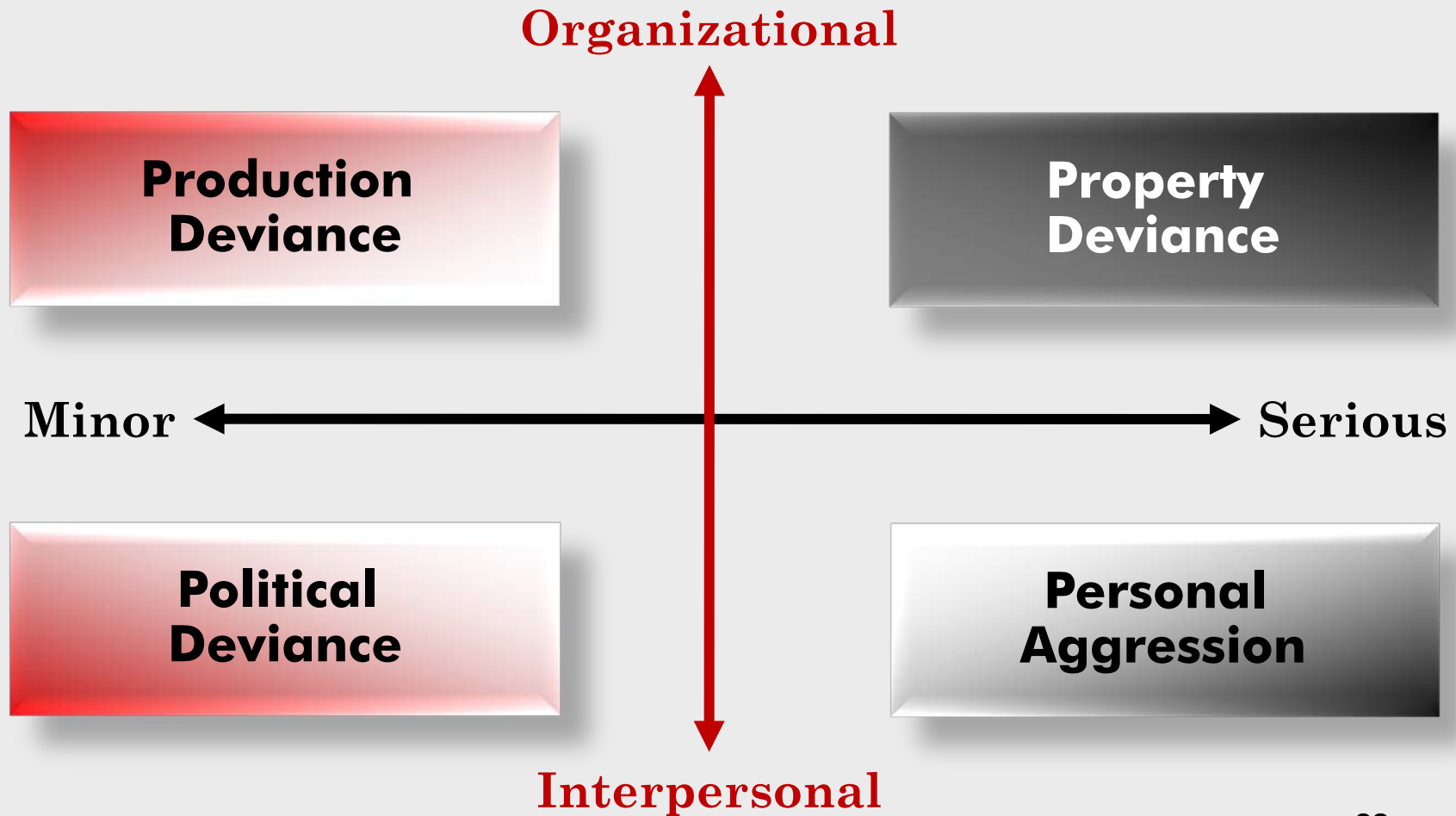
6. Accepting kickbacks/bribes for doing business with another company
7. Divulging confidential information
 - Violates trust
8. Misuse of corporate resources
9. Extracting extraordinary compensation from the organization
10. Corporate espionage
11. Poor cyberethics

Workplace Deviance

- ◆ Unethical behavior that violates organizational norms about right and wrong
- ◆ Two dimensions:
 - Degree of deviance
 - Target of deviant behavior



Common Kinds of Workplace Deviance



Production Deviance

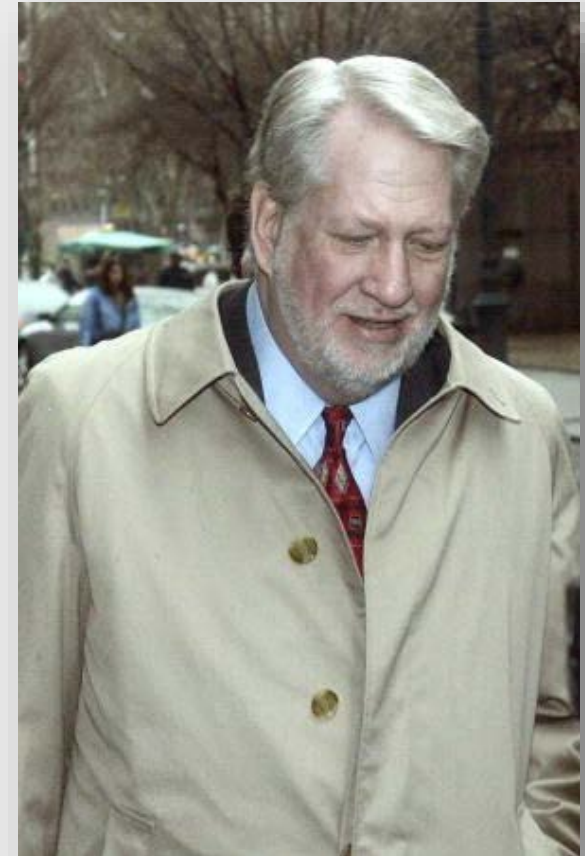
- ◆ Leaving early
- ◆ Taking excessive breaks
- ◆ Intentionally working slowly
- ◆ Wasting resources





Property Deviance

- ◆ Sabotaging equipment
- ◆ Accepting kickbacks
- ◆ Lying about hours worked
- ◆ Stealing from company



Political Deviance

- ◆ Showing favoritism
- ◆ Gossiping about coworkers
- ◆ Blaming coworkers
- ◆ Competing nonbeneficially





Personal Aggression

- ◆ Sexual harassment
- ◆ Verbal abuse
- ◆ Stealing from coworkers
- ◆ Endangering coworkers
 - “Going Postal”



Business Scandals as Ethical Violations

- ◆ Best-known scandals associated with infamous executives
- ◆ Many ethical problems also with Internet fraud, identity theft, work-at-home scams
- ◆ Major financial scandals have enormous financial and personal consequences

Business Scandals as Ethical Violations

- ◆ Well-publicized scandals include
 - Click fraud
 - Enron
 - Fraudulent financial documents
 - Backdating stock options
 - Misrepresenting worthless financial derivative products as having real value

Managerial Influence on Ethics

- ◆ Managers can encourage ethical behaviors by...
 - using company resources for company business only
 - handling information confidentially
 - not influencing others to engage in unethical behavior
 - not creating policies that reward employees for unethical behavior
 - setting reasonable goals

Guide to Ethical Decision Making

1. Is it right?
2. Is it fair?
3. Who gets hurt?
4. Would you be comfortable if your decision were exposed publicly?
5. Would you tell your child (or young relative) to do it?
6. How does it smell?

Rotary Four-Way Test



- ◆ Of the things we think,
say or do
 1. Is it the TRUTH?
 2. Is it FAIR to all concerned?
 3. Will it build GOODWILL and
BETTER FRIENDSHIPS?
 4. Will it be BENEFICIAL to all
concerned?



Principles of Ethical Decision Making

Long-term self-interest

Personal virtue

Religious injunctions

Government requirements

Utilitarian benefits

Individual rights

Distributive justice



Principles of Ethical Decision Making

- ◆ Principle of long-term self-interest
 - Never take any action not in your organization's long-term self-interest
- ◆ Principle of Personal Virtue
 - Never do anything that is not honest, open, and truthful and that you would not be glad to see reported in the Newspapers or on TV



Principles of Ethical Decision Making

- ◆ Principle of Religious Injunctions
 - Never take any action that is not kind and that does not build a sense of community
- ◆ Principle of Government Requirements
 - Never take any action that violates the law, for the law represents the minimal moral standard



Principles of Ethical Decision Making

- ◆ Principle of Utilitarian Benefit
 - Never take any action that does not result in greater good for society
- ◆ Principle of Individual Rights
 - Never take any action that infringes on others' agreed-upon rights
- ◆ Principle of Distributive Justice
 - Never take any action that harms the least among us: the poor, the uneducated, the unemployed

Criteria for Ethical Decision Making

- ◆ Utilitarian approach
 - Moral behaviors should produce the greatest good for the greatest number
- ◆ Individualism approach
 - Acts are moral when they promote the individual's best long-term interests
- ◆ Moral Rights Approach
 - Moral decisions are those that best maintains the rights of those affected

Criteria for Ethical Decision Making

◆ Justice Approach

- Decisions must be based on standards of equity, fairness, and impartiality

◆ Disruptive Approach

- Different treatment of people should not be based on arbitrary characteristics

Practical Steps to Ethical Decision Making

- ◆ Select and hire ethical employees
- ◆ Establish a Code of Ethics
- ◆ Train employees to make ethical decisions
- ◆ Create an ethical organizational climate

Professional Ethics

- ◆ What is Professional Ethics?
- ◆ When applied to computing and information technology (IT), professional ethics is
“a field of applied ethics concerned with moral issues that impact computer/IT professionals”

Who is a Professional?

- ◆ A Professional is member of an occupational group who:
 1. Sees other members, including those employed elsewhere, as peers/colleagues
 2. Exercises judgment in the performance of occupational tasks and follows relevant professional standards
 3. Accepts the profession's agreement to work in a morally permissible way—often expressed as a code of ethics—as determining in part the obligations of the role

Who is a Professional?

- ◆ A computer/IT professional might be viewed as anyone who is employed in the computer, information technology, or information/communications fields
- ◆ A computer/IT professional could be also be viewed in more narrow terms, in which case only software engineers would be included
- ◆ There are various gradients in between the two ends of this spectrum



Critical-Safety Software

- ◆ Some view a key ethical area of Computing/Information Technology professional roles and responsibilities involving development of *safety-critical systems* as a *differentiating* factor
- ◆ A “safety-critical system” refers to computer systems that can have a direct life-threatening impact



Safety-Critical Software

- ◆ Safety-critical software may include:
 - aircraft and air traffic control systems
 - mass transportation systems
 - nuclear reactors
 - missile systems
 - medical treatment systems
- ◆ As well as software used for:
 - design of bridges and buildings;
 - election of water disposal sites
 - development of analytical models for medical treatment

Other Professional Responsibility

- ◆ I believe that the roles and responsibilities involved in the development of *business-critical systems* that people rely upon to provide their livelihood is an ethical *differentiating* factor as well

Professional Organizations

- ◆ Another defining aspect of a profession—as opposed to an occupation—is membership in professional associations or societies
- ◆ Nonprofit organizations whose goal is to further the profession, the interests of individuals engaged in that profession, and the public interest
- ◆ Some are broad; some are very narrow

Professional Organizations

- ◆ Many will publish popular or scholarly publications to support the profession, and some publish both types
 - Some act as “learned societies;” with strong focus on education/educational standards
- ◆ Often offer professional certifications to allow members to show mastery of areas of professional practice
- ◆ Also offer excellent opportunities for networking and marketing



Professional Organizations

- ◆ Many organizations have codes of conduct and/or codes of ethics
 - Codes of ethics can have a positive effect
 - Unfortunately, having a code of ethics is not enough
- ◆ Information technology professionals must act ethically and according to the policies and procedures of their employer, their professional organization, and the laws of society

Professional Codes for IT Professionals

- ◆ Our profession has many professional societies; key organizations include:
 - The Association for Computing (ACM)
 - Association of Information Technology Professionals (AITP)
 - The Institute for Electrical and Electronics Engineers (IEEE)
 - IEEE Computer Society (IEEE-CS)
 - Information Systems Audit and Control Association (ISACA)



Association of Computing Machinery

- ◆ ACM (www.acm.org) is a very respected professional society
 - Established in 1947 as “the world’s first educational & scientific computing society”
- ◆ ACM Code of Ethics requires that members perform their duties in a manner befitting an ethical computing professional



Association of Computing Machinery

- ◆ Code contains specific references to protecting the confidentiality of information, causing no harm, protecting the privacy of others, and respecting the intellectual property and copyrights of others
- ◆ ACM SIGITE (Special Interest Group in IT Education) is leading professional org for IT educators

AITP

- ◆ “The community of IT knowledge focused on empowering the IT profession by evolving its members to their full potential as a professional.”
- ◆ Has a Code of Ethics based on six obligations to stakeholders to which IT professionals are bound
 - Management, fellow members, society, their educational institution, employer, & country
- ◆ Just merged with CompTIA

IEEE

- ◆ World's largest association of technical professionals
- ◆ Objectives are educational & technical advancement of electrical & electronic engineering, telecommunications, computer engineering and allied disciplines
- ◆ IEEE Code of Ethics reflect standard business ethics, but 3 of the 10 points are much more technology related

IEEE Code of Ethics (excerpt)

5. to improve the understanding of technology; its appropriate application, and potential consequences;
6. to maintain and improve our technical competence and to undertake technological tasks for others only if qualified by training or experience, or after full disclosure of pertinent limitations;
7. to seek, accept, and offer honest criticism of technical work, to acknowledge and correct errors, and to credit properly the contributions of others;

IEEE Computer Society

- ◆ A professional society of IEEE whose purpose and scope is “to advance the theory, practice, and application of computer and information processing science and technology” and the “professional standing of its members”
- ◆ With ACM:
 - Jointly develops college curriculum
 - Publishes the Software Engineering Code of Ethics



Software Engineering Code of Ethics

- ◆ Joint ACM/IEEE Computer Society Ethics Code
- ◆ Eight Principles
 - Public
 - Client & employer
 - Product
 - Judgement
 - Management
 - Profession
 - Colleagues
 - Self



ISACA

- ◆ A professional association with a focus on auditing, control, and security
 - Membership comprises both technical and managerial professionals
 - Has a code of ethics for its professionals
 - Requires many of the same high standards for ethical performance as other organizations and certifications
 - www.isaca.org



ISACA

- ◆ ISACA is the home of the CISA and CISM certifications, as well as the IT Governance Institute
- ◆ Formerly Information Systems Audit and Control Association



ISACA

- ◆ Members and ISACA certification holders shall:
 1. Support the implementation of, and encourage compliance with, appropriate standards, procedures, and controls for information systems
 2. Perform their duties with objectivity, due diligence and professional care, in accordance with professional standards and best practices



ISACA

◆ Members and ISACA certification holders shall:

3. Serve in the interest of stakeholders in a lawful and honest manner, while maintaining high standards of conduct and character, and not engage in acts discreditable to the profession



ISACA

◆ Members and ISACA certification holders shall:

4. Maintain the privacy and confidentiality of information obtained in the course of their duties unless disclosure is required by legal authority
 - Such information shall not be used for personal benefit or released to inappropriate parties



ISACA

◆ Members and ISACA certification holders shall:

5. Maintain competency in their respective fields, and agree to undertake only those activities that they can reasonably expect to complete with professional competence



ISACA

◆ Members and ISACA certification holders shall:

6. Inform appropriate parties of the results of work performed, revealing all significant facts known to them

7. Support the professional education of stakeholders in enhancing their understanding of information systems security and control

Creating an Ethical and Socially Responsible Workplace

- ◆ Create formal mechanisms for monitoring ethics
 - Ethics programs such as ethics committee, channels for raising questions and voicing concerns
- ◆ Have written organizational codes of conduct in place
 - Include general and specific suggestions

Creating an Ethical and Socially Responsible Workplace

- ◆ Communicate widely about ethics and social responsibility
 - Executive commentary, small group discussions
- ◆ Lead by example and ethical role models
 - Executives behave ethically and other managers also serve as models

Creating an Ethical and Socially Responsible Workplace

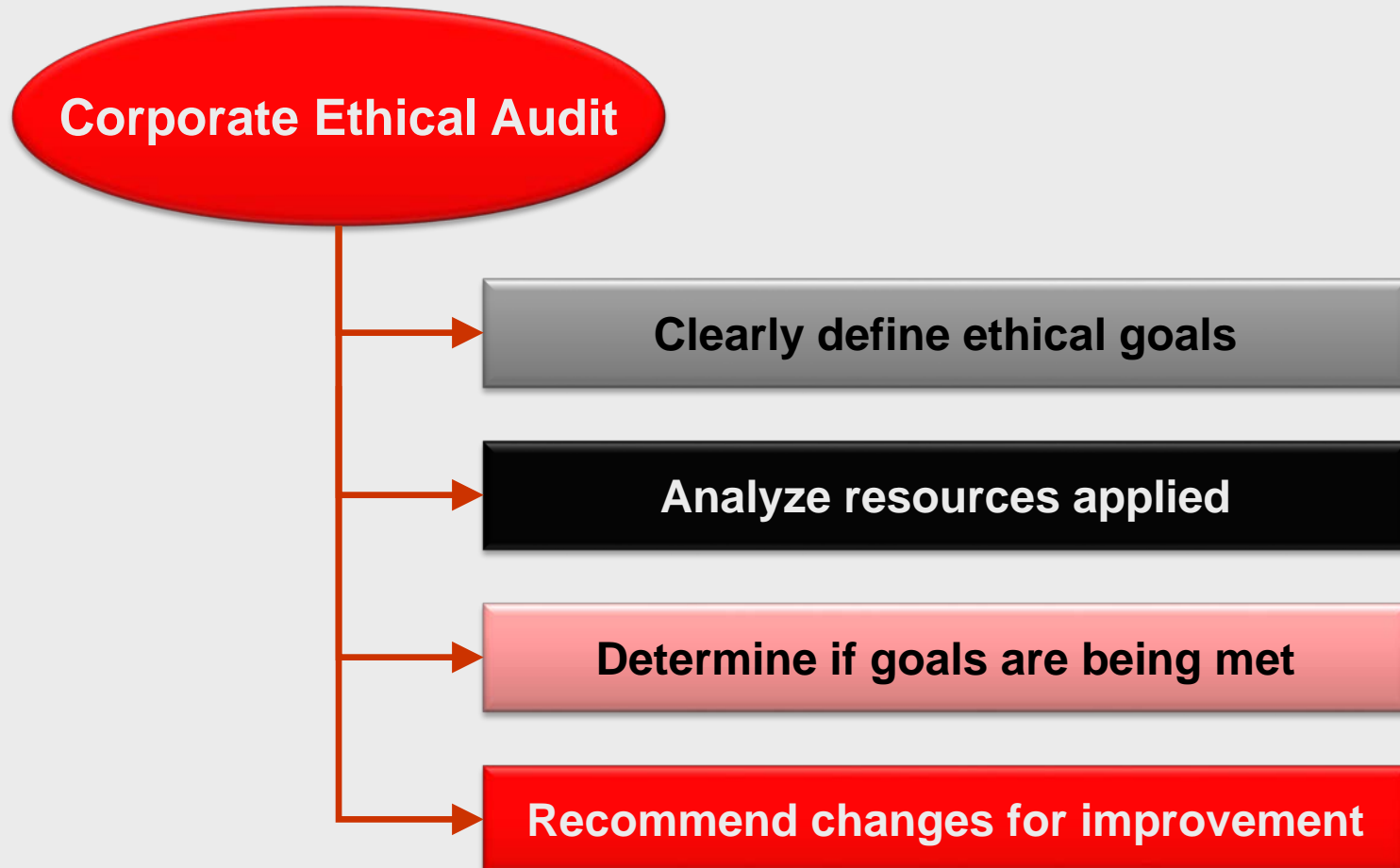
- ◆ Encourage confrontation about ethical deviations
 - Every employee confronts anybody behaving unethically
- ◆ Run training programs in ethics and social responsibility
 - Could be executive messages, classes, e-learning, videos, etc.

Evaluating Ethical Compliance

◆ Concept of Ethical Controls

- Evaluating organizational responses to questionable legal or ethical conduct:
 - Initiate an immediate follow-up response to events?
 - Seek punishment for those involved?
 - Engage in delay or cover-up tactics?

Evaluating Ethical Compliance





Compliance Program Steps

1. Establish standards and procedures.

2. Assign upper-level managers to be in charge.

3. Delegate decision-making authority only to ethical employees.

4. Encourage employees to report violations.

5. Train employees on standards and procedures.

6. Enforce standards consistently and fairly.

7. Improve program after violations.

Revise if required

Benefits from Ethics and Social Responsibility

- ◆ Socially responsible behavior is usually cost effective
- ◆ More profitable firms can better afford to invest in socially responsible initiatives, which in turn lead to more profits; the virtuous cycle
- ◆ People expect managers to use resources in a way to protect the environment

Benefits from Ethics and Social Responsibility

- ◆ Being green can enhance organizational efficiency through recycling and reducing waste
- ◆ Reducing and offsetting carbon emissions can save a lot of money
- ◆ Being ethical can help avoid costs of large fines for being unethical
- ◆ Socially responsible acts can attract & retain socially responsible employees

The End...

◆ Questions?