The rising cost of dishonesty and unethical behaviour

Squire Des

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Of job restrictions and ethics

One foot in the grave at the age of 50

FOLLOWING ON to my recent article 'Economy is failing the older generation' in the Star I feel it is necessary to comment on some of the responses I have received. This I do in the hope and expectation that some employers might feel inclined to contact me. It is also done in the hope that more people in the same situation might contact me with their details.

The most important issue at the outset is to get rid of the misconception that this is a restricted issue based on race. This is not the case. It is an abuse of human rights and at the same time discrimination based on age.

In a recent Business Times article it was pointed out that 70% of all jobs advertised were for government departments, parastatals or non-governmental organisations. In addition, it stated that 79% of jobs advertised were for positions in the public sector. Surprisingly none of the advertisements mentioned age, but I can assure you that applicants over the age of 45 were most probably discarded and placed in the rubbish bin.

Since the government departments have already achieved their EE quotas, is this one area where the older, more mature individual can fulfil a vital role? Look only at the area of customer care and service and answer the question.

If South Africa is bracing for an economic

boom, then what better way to face this challenge than to make good use of the experienced and mature professionals that exist?

It was also pointed out in some of the responses received that not so long ago the Minister of Education had indicated her intention of importing foreign teachers form overseas. Is this really necessary? Why not employ specialist and qualified individuals who already exist in South Africa? Many professionals may not be trained as teachers but they are educated and capable of imparting knowledge to others. Make use of them, even in a temporary capacity, while the existing teachers who might have a need for additional training attend their classes. Make use of them to mentor and assist teachers who might have a need for such assistance. Make use of them in the FET colleges where they can definitely be used in the area of vocational teaching, particularly form 2007 when the new FET vocational act kicks in. Consider the e-mail from which I quote below

I am 49 years old and as a tradesman very well qualified within the trucking and transportation industries. In these fields I have served in various levels of management in my 30 year career and have even managed my own companies. I am energetic and live a very active life, have a wealth of experience, education and personal strengths to offer to business and the larger economy.

In October last year I had to close my transportation business as my contract had texpired and was not renewed. Ever since I have been on the job hunting trail, with not much success up to now mainly due to reasons discussed. I have now applied for jobs overseas.

Must we continue to lose people of this calibre to other countries?

What amazed me most in some of the responses received is that the age group is not those over 50, it is unfortunately those over the age of 40. These are all experienced, qualified individuals. They come from all walks of life. They are of all race groups and they are of both male and female gender. They are engineers, teachers, architects, attorneys, sales people, a variety of managers, innancial boffins, HR managers, technicians and so on.

Where, may I ask, is there a skills shortage in South Africa. Come on, people, let's wake up and smell the roses. We live in a rainbow nation full of expertise, experience and skills. Let's make use of what we have before looking elsewhere. Unemployment is already at unacceptably high levels, why make it worse?

The rising cost of dishonesty and unethical behaviour

MANY COMPANIES and public enterprises have codes of ethics, mission statements, values and codes of conduct that guide the smooth running of the business. However, when operating outside of their normal boundaries they are faced with different sets of norms and values, which sometimes conflict with their home-based ones. In this conflict of norms and values,

ethical issues are not seen to be the same by all parties concerned.

How can managers and other responsible individuals deal with these different ethical evaluations of the same issue? How can they know what is the right response? How can they grapple with the different cultural interpretations of the same situation?

Ethics in management changes and

develops as human progress continues. In some relatively new industries the rules are being made as we go along. Ethics is a hit and miss affair and there is no clear-cut direction or plan of action. This applies in both the public and private sectors. Consider for instance recent reports on leading public and private enterprises. Do these apparent unethical activities and possible confirma-

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Ethics in management changes and develops as human progress continues. In some relatively new industries the rules are being made as we go along. Ethics is a hit and miss affair and there is no clear-cut direction or plan of action

tions of unethical behaviour not indicate a lack of planning and an inability to enforce ethical practices and policies?

The role of ethics in management is dependent on the level of responsibility a company or public enterprise is willing to take. There are two approaches to be considered – the proactive and the reactive.

The proactive approach is characteristic of a company or public enterprise that believes strongly in its mission as moral and of benefit to society. Good corporate governance is visible and apparent. The company or enterprise is aware of its role and is continually making strides to deal with ethical issues and behaviour. Ethics is a process and is continually managed on a cost-effective basis.

The reactive approach on the other hand is indicative of the company or public enterprise that reacts to the im-

mediate situation rather than anticipating it. This reactive and passive approach leads to deviant behaviour by failing to face up to responsibility. The approach is one of dealing with unethical behaviour, dishonesty, theft and fraud erratically and as it occurs. The result is a lack of planning, a lack of management guidelines and an extremely costly experience. The cost involved is directly attributable to treating the result of the problem and not the cause of the problem, unethical behaviour, dishonesty, fraud and theft.

The companies described above represent the two extremes found in the corporate world – the profit oriented on one hand and the socially responsible and human safety oriented on the other. Which of the two follow good corporate governance principles as outlined in the King II report?

UNETHICAL BEHAVIOUR IS COSTLY

Consider the costs involved which can be directly attributed to unethical behaviour:

- Loss of profit due to the impact of unethical behaviour on the reputation of the company
- Human resources costs due to disciplinary hearings and CCMA action
- Security and insurance costs
- Stock losses due to theft and other forms of dishonesty
- Absenteeism due to abuse of sick leave, misuse of internet, personal telephone calls, etc
- Costs due to terminations for unethical behaviour, dishonesty, theft and fraud
- Cost of resignations directly attributable to unethical behaviour and lack of trust
- Training costs for new employees or retraining of existing staff
- Legal costs when dismissed employees are charged with dishonesty, theft and fraud

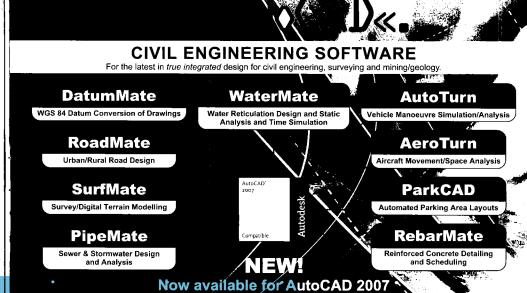
The cost of unethical behaviour in one form or another can have devastating consequences if the problem is not dealt with proactively. Treat the problem, unethical behaviour, and not the result. The process can start by training employees in ethics and the management of ethics.

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Tel +27-11 803 8834 • Fax +27-11 803 3452 • TECHNoCAD, P.O.Box 87, Rivonia 2128