Business as Usual?: Ethics in the Fast-Changing and Complex World of Organizations

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Abstract

The authors suggest that, since Eric Berne (1966) defined contract as "an explicit bilateral commitment to a well-defined course of action" (p. 362), bilateral relations seem to dominate thinking about ethics within the transactional analysis community. Ethics, however, deal with human relations in all their complexity, ambiguity, and uncertainty. The fast-changing nature of organizations requires that we take into account the complexity inherent in that world. If we do not, today's solutions will create tomorrow's problems. Using what may seem like a simple model in relation to three organizational dilemmas, the authors suggest questions that must be considered in order to deal with ethics within complex organizations. Today's unusual challenges will not be met, if the world—and we are the world!—continues doing business as usual.

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Ethics. It is not an easy word to define. Many people are convinced that they are "doing the right thing," but that does not mean that they reflect on their behavior from an ethical perspective. And even if they do, it is not as simple as it sounds to have clear ethical criteria with which to work. In most situations, there are many contrasting ideas that seem to be ethical, but it is often hard to determine which is the right course of action. That is why we want to start this article about ethical thinking and reasoning within an organizational context with two remarks about how we think we all need to deal with ethics in general. Bluntly spoken, they come down to this: (1) One should never start a debate about ethics with the aim of finishing it—ethics debates should be ongoing and never ending, and (2) the goal of any ethics debate is not to find out what is right or wrong but to create awareness about the choices we make, even if they are unethical.

Ongoing and Never Ending

Ethics debates should be ongoing and never ending. Agreeing—as in to stop questioning one's own and others' current behavior—might be considered unethical in itself. Anderson (1990) wrote that "morals are not being handed down from the mountaintop on graven tablets; they are being created by people out of the challenges of the times. The morals of today are not the morals of yesterday and will not be the morals of tomorrow" (p. ix). Finding out what is morally OK today requires ongoing research. We should fear the moment someone thinks he or she knows what is right and what is wrong or what is acceptable and what is not. Actual events around the globe show the harmfulness of this "knowing the truth." Václav Havel (1984), poet and former president of the Czech Republic, once said, "Seek the company of those who seek the truth, and run away from those who have found it." He knew in the midst of the Cold War and from his own experience what he was talking about. The tendency to search for closure in an ethics debate rather than pushing it a little toward the boundary and keeping it open ended, is, however, deeply rooted in human nature. We encourage practicing the ability to sustain not knowing, with all the discomfort that may come with it.

A Nonnormative Approach

Starting an ethics debate generates the natural "risk" of working toward homeostasis, the tendency to quickly seek closure so that everyone agrees. This tendency of humans, driven by discounting, can be seen as a defense against anxiety about a discussion that might bring things into the process that are experienced as uncomfortable or threatening. Basically, it can be seen as a defense against anxiety about the unknown. Bollas (1984) and Armstrong (2005) both pointed out that an ethics discourse should, above all, be a discovery tour into the unknown.

The aim of this exploration is to bring ethical inquiry and ethical review into practice. In fact, to evaluate behavior as right or wrong is a discount of the complexity with which we have to deal. The aim of an ethics debate should not be to find out what is right or wrong but to create awareness about the choices we make, even if these choices—when weighed on a golden dish—are unethical. We advocate a nonnormative approach to ethics in which, above all, a meta-ethical reflection is taking place. Put your Martian mind to work, be curious, and keep exploring without assuming you have any archaic understanding of the situation!

From our personal experience, we can add that some of our professional interventions in organizations are experienced as unethical by some of our clients. This is mostly the case when these interventions bring organizational dynamics to the surface. Every now and then, our clients are "right" from their perspective. However, not taking the risk of being experienced as unethical is unethical in itself. That is the dilemma we as humans have to face.

For example, one of us might be coaching a manager while the other is coaching his team. As we integrate our experiences as coaches, we might come up with advice for furthering the transformation of the client system that is not in the short-term, personal, immediate interests of the professionals involved. The power of our ethical capacity, however, comes from our clearly defined role in the system, of which we are a part. This authorizes us to work on the boundary of what is wished or longed for. That is our gift, our purpose, and our duty as consultants.

Today's Solutions, Tomorrow's Problems

The world of organizations is changing fast. Most problems that make change inevitable are, when looked at more closely, based on un-addressed ethical issues. It seems that a good deal of discounting is going on when it comes to ethical thinking and ethical questioning within an organizational context. It is our experience that in the decision-making process, it is rare that all the available information is being used. We think this can be harmful because ethical issues form the base upon which everything else is built. Most people—captains of

industry, employees, politicians, and the general public—seem to avoid ethical confrontation when it is most necessary. Evidence for this can be found in four major organizational ethics problems we all witness every day:

- The financial crisis—which, in essence, is a moral one—makes urgent the need for fundamental changes in the thinking and behavior of all captains of industry. If leadership, as we like to define it, should show the way by going first, these individuals should be the first to confront unethical behavior rather than waiting for politicians to do so.
- Global warming is, in its essence, also a moral crisis. Worldwide concern is challenging companies to come up with ethically sustainable solutions for current climate problems.
- The fast-growing world of the Internet, especially Web 2.0, creates a business world in which confidentiality, reliability, and safety need to be reinvented. This is an ethical challenge for organizations worldwide.
- Globalization as an ongoing process by which regional economies, societies, and cultures, with their own regional moral values, have become integrated through a globe-spanning network of communication and trade. This process raises many questions about boundaries, data protection, alliances, social responsibilities, financial wages, and more. New values must emerge!

Why, then, would people avoid ethical thinking and ethical questioning within organizational contexts? Sometimes there seems to be a kind of conspiracy of silence, an ulterior agreement to not ask questions and to not confront. What, for instance, causes people to be bystanders rather than to become involved? Why would people rather be silent witnesses than take up the role of a whistle blower? These questions are increasingly urgent because of the way the business world seems to deal with the aforementioned problems. We believe that the solutions to these problems require ethical questioning too because most of today's problems were caused by yesterday's solutions. Is it not true that the easiest way to get out of any of today's problematic situations usually leads us

into them tomorrow and on deeper level? It takes time and courage to use ethical thinking and ethical questioning in such a way that it produces sustainable solutions.

As an illustration, we offer the story about a city that was taken over by savage foreign rulers. At first the citizens rebelled, but all protests were beaten down. Years later, there was only one old man who still walked with his banner through the city in protest against the unjust and merciless government. The people who saw him said, "Stop that! It won't change the situation." His answer was, invariably, "Perhaps I can't change our oppressors, but if I stop protesting they have changed me! And that is the last thing I want."

From Bilateral Commitment to Complex Operations

To say that over the years, within our transactional analysis community, there have been few contributions to ethical thinking about behavior in and of organizations is an understatement. The research we did for this article led us to conclude that there is not much written material about ethical thinking and reasoning within an organizational context. In his book *The Structure and Dynamics of Organizations and Groups,* Berne (1963) addressed ethics on several pages. Apparently aware of the complexity of what he was getting into, Berne began sharing his ideas about what he called "the authority" with the warning that "this authority is rarely as simple or as obvious as it may seem" (p. 45). We could not agree more.

Most of what Berne went on to write about as dealing with ethics was, however, actually about the internal processes in organizations and groups. Ethics as a part of what he called "the group authority" is about "rules that order the group work" (Berne, 1963, pp. 143-155). In his book *Principles of Group Treatment*, Berne (1966) repeated that authority is "necessary for a group to operate" (p. 142). "Etiquette" is, according to Berne (1963, p. 110), a Parent function and involves the rules that any group develops to reinforce group cohesion. It is about the manners and mores that keep the social contract in place. Once again, he was referring to internal dynamics. He was not questioning the organization as an ethical functioning entity in the context in which it does its business.

When we looked over the articles in the 1994 special issue of the *Transactional Analysis Journal* devoted to ethical concerns (Novey, 1994), most addressed questions from the therapeutic context. In an article published in 1993, entitled "Ethical Principles for Work in Organizations," Garfield mainly wrote about ethical issues in the relationship between consultant and organization as a derivative of the relationship between therapist and client. Transactional analysis is a contractual method, and since Berne (1966) defined a contract as "an explicit bilateral commitment to a well-defined course of action" (p. 362), bilateral relations seem to dominate the thinking about ethics within the transactional analysis community. Taking into account complexity, English (1975) elaborated on Berne's ideas and stated that most contracts are what she called "three-cornered contracts" (English, 1975, p. 383) and not bilateral as suggested by Berne. This is because in addition to any bilateral contract in an organizational context, there is also the contract with the organization (Great Power). Hay (1992), who wrote about drawing up a contract from an organizational perspective, believes that an organizational contract is neither bilateral nor three cornered but, in fact, multi-cornered. All the stakeholders should be kept in mind while working in or with organizations. It was Clarkson (1996) who, in her book *The Bystander,* invited readers to think of bystanding behavior as being immoral, evoked by the postmodern times in which we live. She wrote, "The notion of bystanding is contemporary with current social conditions of complexity, ambiguity and uncertainty" (p. 26). In *Transactional Analysis in Psychotherapy,* Berne (1961) suggested that after structural and functional analysis comes "the analysis of long complex operations often involving several people" (p. 22). We do not know if Berne had organizational contexts in mind when writing this, but we certainly do while reading it. In order to develop a more contemporary approach toward ethics in transactional analysis, we think it is time to incorporate this complexity into our ethical thinking and questioning.

Complexity Rules

Why would people avoid ethical thinking and ethical questioning within an organizational context? One of our hypotheses is that people find it difficult (i.e., anxiety provoking) to tolerate complexity, in general, and organizational complexity, in particular. The need for safety—deeply rooted in our internal system—is becoming a big disadvantage for people in today's complex world. We need to rethink and reevaluate our safety margins. Most people still look at organizations as if they were machines. The machine metaphor allows them to hold on to the idea that they are in control, which promotes a feeling of safety. If organizations are machines, they are manageable and based on all kinds of linear causalities. We, however, work with the assumption that there are no such things as organizations; there are only people who behave. So, if you want to influence an organization, you have to influence behavior. We believe it to be our professional task as consultants to invite a spirit of inquiry in all domains of an organization. We promote asking good questions, despite the complexity that the answers are likely to bring to the surface.

According to Bryan, Goodman, and Schaveling (2006), every organization always has at least three ethically loaded dilemmas:

1. *The dilemma of TIME:* short-term versus long-term interventions. This causes time blindness: We see today but we do not see yesterday or tomorrow.
2. *The dilemma of INTEREST:* personal interest versus group (i.e., general) interest. This causes relational blindness: We most often do not see ourselves as part of a whole.
3. *The dilemma of SCOPE:* a limited, clear scope versus a wide, more complete, and complex scope. This causes spatial blindness: We see parts of the system but not the whole.

For example, in a small Dutch town in the early morning of 1 January 2001 a disaster occurred. An intense short-term fire in a crowded café killed several young people and scarred even more adolescents for the rest of their lives. The way the local authorities handled the crisis caused additional suffering. When we were asked to intervene in what could be called the town hall crisis, we saw how the three dilemmas just mentioned (cleaning up today's mess, taking care of personal interests, and having no long-term vision) had created an additional crisis on another level. The external pressure on the local authority had caused internal defensive cohesion in such a way that the civil servants spent more time dealing with each other than dealing with a community suffering from this traumatic experience. One of our most important interventions in this case was to bring into awareness the ethical side of the transactions that they were exchanging.

Systems become complex because of their nonlinear relationships and because feedback that is not appreciated immediately for its complexity must be examined ethically. To overcome the three dilemmas and to deal with ethics within the complexity of organizations, we need to shift:

- *From reactive to proactive behavior with the aim of cocreating the future:* The challenge is to respond in a circular way to the here and now of organizational life. The key question is, do you operate with an integrating Adult view of organizational reality as it presents itself in the here and now, including the uncontaminated capacity to respond from your structuring Parent?
- *From symptoms to structures and systems:* The challenge is to bring complexity into mind, including responsibility for the greater good. The key question is, do you have the nerve to challenge your frame of reference if it reproduces the same old not-OK results?
- *From short term to long term:* The challenge is to question ourselves on an ongoing basis about whether our conduct is creating sustainable results. The key question is, do you have the means to change a (day-by-day) survival-oriented organizational script into a belief system in which autonomy dominates? For example, at Alang in India there is a "scrapping beach" where old ships, including tankers, are drawn on the shore by the local population. They demolish these ships with primitive tools. This provides thousands of poor local

families with a very small income. India acquires one-sixth of the steel it produces from the scrapping of these ships. In return, this demolition causes immense environmental pollution. Heavy metals, oils, and other toxic products from the ships find an easy way into the environment. If one takes into account the three aforementioned dilemmas, this situation raises many ethical questions that are not easy to answer!

- *From I to we and from me to us:* The challenge is constantly to see how our individual well-being relates to the well-being of our immediate, our local, and the global environment. The key question is, do you use the time you are given to facilitate an organization (i.e., people who behave) in moving from withdrawal to intimacy (avoiding games)?
- *From parts to whole:* The challenge is to constantly bring the slice back to the pie. The key question is, do you constantly stretch yourself to work toward a frame of reference wherein personal goals are related to organizational goals and organizational goals to the goals of society (and the world as a whole), keeping "do no harm" in mind as the bottom line of your ethical thinking?
- *From knowing to learning:* The challenge is to see learning as the guiding principle of organizational life, moving from not knowing toward understanding the complexity of the situation. The key question is, do you question and explore the obvious on an ongoing basis using the curiosity of your Child, the wisdom of your Parent, and the capacity to think and determine action (based on received data) of your Adult?

Compare an organization with a ship and ask yourself, who has the greatest impact on a successful and safe trip? You might answer that it is the captain, the navigator, or the helmsman. These are important and legitimate roles, but the role of the designer is even more central. No one has as much influence on what happens on and with a ship as the designer (Senge, 1995). We hope that the designers of tomorrow's companies are ready to do their important work while keeping in mind a consideration of ethics in addition to their other agendas.

Conclusion

Tolerating systemic complexity and containing the fear that might be evoked by it is a condition sine qua non for ethical reasoning in the context of organizations. The more we fight and try to go against uncertainty, the more uncertain our future will become because we will lack two important skills: autonomous thinking and flexible acting. Again, the key words in our thinking about ethics in organizations are complexity, ambiguity, and uncertainty. Without wanting to discount these characteristics in other transactional analysis fields of application, we think that those who want to address ethical questions in an organizational context must be ready to deal with a great deal of this complexity, ambiguity, and uncertainty. That is why we think the most important ethical question one can ask in an organizational context is one that integrates all three kinds of ethics: egoistic ethics (my first and last consideration is myself), mutualistic ethics (I will give as long as I receive), and altruistic ethics (I will give, requiring nothing in return). Working in or with organizations one should ask in an ongoing and open-ended way, "Whatever I do, is it good for me/us, is it good for others, and is it good for the greater good?"

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