A Study on Importance of Ethical Responsibilities in HR Management

Niharika Valecha
Institute of Marketing & Management (IMM), New Delhi

Abstract: In the field of human resources, ethical conflicts are undeniably a concern. Ethical norms exist in all firms and play a critical role in determining company success or failure, such as employment issues, safety issues, fair treatment and prospect, performance evaluations, and so on. Such difficulties can result in employee apathy/lowering of workforce quality, and ethical norms must be followed inside the business to avoid the dispute from continuing. The role of organisational culture, rules, and practises in encouraging or tolerating employee conduct and well-being is critical to the development of an ethical organisation and is a key component of the human resource development paradigm. In most enterprises, however, there is a noticeable lack of reporting or stillness in creating a sustainable ethical environment based on practical and everyday experience due to legal, financial, social, or personal limitations. Management sometimes appear to be stereotyped in workforce ethics and operation management terms, such as managing quality work development processes and pay systems and engaging in intake and skill building training, regulation of employee decorum’s etc. As a result of these serious bottlenecks, there is a growing demand for responsible business governance rules, reflecting global concerns about ethical dilemmas and organizational peculiarities. Therefore, experts and critics agree that Human Resource Management (HRM) should play a more active role in both national and international organizations to counter such attitudes and behaviours. To do. Based on these facts and resources, the current review article on the importance of ethical responsibility in human resource management is qualified to address current business ethics scenarios and growing personnel-based ethical dilemmas. Written to emphasize the need for resource managers.

Keywords: Ethical responsibility, Human resource management

1. Introduction
Business ethics is a moral procedure that govern company behaviour. Business Ethics proposes the behaviour of each individual categorized as good and evil. Applying ethics in the business space is one of the hard works for an organization [19]. A variety of personnel issues can be handled appropriately if the management policy includes appropriate ethical options in the regulations and codes of conduct that are enforced and tightly controlled in the workplace. With the help of business ethics, it enables the proper allocation and retention of employees in the workplace. Human Resource Management (HRM) is defined as "a strategic, integrated and consistent approach to the employment, development and welfare of people within an organization" (Armstrong, 2014). Basically, HRM conceptualization automatically raises ethical concerns because its core values are reflected in ethical activities related to the treatment of people (Greenwood, 2013) [18]. It is clear that an organization works through its employees, and HR managers have the greatest influence to align individual values
with the organization's shared values in order to achieve an ethical culture and environment. Is a person. Principal Associate Allison Carter (2015) expects the standards, morals and values of this postmodernity society to become increasingly complex, so HR professionals will continue to evolve and develop the standards of this postmodernity society. Employees who insisted that it was the best time to live empower the values of the organization.

According to a Society for Human Resource Management study (1998), 47% of HR professionals find that other employees and managers violate the company's standards of ethical business behaviour in order to achieve business goals. That creates the manager feel pressured [18]. Therefore, ethical leadership must be ensured from the top of the organization to guarantee it that personnel personnel can work undisturbed to promote an ethical culture without compromising value standards. In this way, companies can help HR move forward as an ethical manager and ensure that positive messages are sent to everyone who is part of the organization.

Human resource development has traditionally played a dual role in the promotion and maintenance of ethical and responsible corporate practises. To begin, ensure that your HR strategy, rules, and procedures are ethical, as well as that your company's culture supports this option. Second, the HR profession platforms ethical behaviour through the actions of individual employees within the company [17].

This overview of the role of human resource management in ensuring an ethical business environment includes social and global impacts as indicators of change that departments need and are addressing accordingly. As a result, business units can implement updated ethical parameters on an industry-by-industry basis. Before moving on to the review section, we need to elaborate on some of the background concepts described below to establish the importance of this study.

1.1 Business Ethics – Origin, Purpose and Importance

Business ethics is a broader term that includes many other sub-ethics related to the area in question. For example, marketing ethics for marketing, human resources ethics for human resources, and so on. From the late 1980s to the 1990s [16], as companies viewed maximizing profits as the foundation of business growth, the concept of business ethics emerged to support this perspective. Today, almost every organization attaches great importance to its responsibility to society and nature, and is referred to by various names such as Corporate Social Responsibility, Corporate Governance, and the Charter of Social Responsibility. For example, IBM has adopted a "greening" initiative as part of its corporate social responsibility to contribute to environmental protection [16].

Advances in market systems have influenced business and personnel ethics. Therefore, the latter can be negotiated to match the market pattern. Occupations where market conditions are not favourable to workers require government and union intervention to manage potential exploitation. In the free market system, employees and employers are nearly equal, and negotiations create a favourable situation for both parties. State or trade union intervention can be detrimental. Globalization has created the concept of globalization of work, unions have begun to withdraw, and the role of human resources in issues such as employee policies and practices has become controversial. In fact, many believe that personnel affairs are nothing more than the arms of stakeholders where important strategic and policy decisions are exposed for profit.

Companies cannot escape incorporating ethical elements into any part of their business activities and must include them in their
structural policies. For example, organizational decision-making needs to be based on ethical theory. Appropriate decisions can be made using a variety of ethical theories. Solving human conflicts in the workplace can be a hard process, but it can be made much easier with the help of ethics and a code of conduct. Cash and remuneration, safety, staff performance review, race, gender, and handicap, and employee accountability are all issues that can arise. The application of ethical philosophy [19] can help to mitigate these issues.

Again, we need to provide a fair and competitive work environment for all our employees. Distributive justice theory is to provide fair transactions to all members and employees of an organization. Compensation should be distributed along with other incentives and facilities, depending on the performance of the employee. Suitable candidates must be recognized for their achievements. This behaviour of the manager improves the working environment and improves performance. The implementation of the theory of compassion in the workplace allows managers to keep employees within the organization [19].

1.2 Factors Influencing Business Ethics

Certain elements are enormous in method and implementation of enterprise ethics and frequently desires HR intervention for its accurate evaluation and moderation. The number one is person's lifestyle and private code of conduct. Culture is described as `the manner we do things`, that is, what’s suitable and what isn’t for a selected lifestyle [20]. Whereas, individual behaviour code is the end result of the complicated surroundings that impacts one’s life [21]. These definitions provide an explanation for their importance as factors that influence business ethics. Understanding multiple cultural and private attributes helps managers and executives solve complex business ethics issues related to cultural issues. Government norms and company rules are also very important in shaping the business ethics of the company's sports in selected sectors and addressing moral issues [20].

1.3 HR based Ethical Challenges and Dilemmas

Despite the enactment of standardized employee behaviour legislation and regulatory frameworks, many organizations have until recently differentiated their employees based on gender, race, disability, and country of origin. Privacy is another concern that employees want their organizations to protect their private lives. This aspect takes into account personal commitments/decisions such as political, religious, and social beliefs. However, there may be certain situations that require your employer to snoop. For example, email scanning is one of the activities used to track the activities of employees who may be involved in activities that do not significantly benefit the organization [16]. For HR managers, hiring employees includes ethical issues due to management restrictions/impacts, unethical behaviour of job seekers, social pressures, and more. Second, ensuring employee health and safety is a concern of the HR department, where data protection, equal treatment, and employee health are relevant. It cannot be overlooked that talent development professionals often suffer from ethical issues related to salaries, executive allowances, annual incentive plans, and so on.

1.4 Role of Human Resource Managers in Building Conducive Business Ethics

To address ethical conflicts/framework, the Human Resource Unit usually works on the basis of three basic guidelines. Intuitionism, moral idealism, and utilitarianism are the three principles [16].
The intuition principle is based on the idea that the HR management team or business is knowledgeable enough to recognize the seriousness of the scenario and respond properly, ensuring that the final decision does not directly or indirectly harm anyone. Moral idealism, on the other hand, claims that there is a big delineation between right and wrong, appropriate and inappropriate behaviour, and that this distinction holds true in all situations. As a result, it demands that the rule of law be upheld at all times. The outcomes or repercussions are what utilitarianism is concerned with. The emphasis is on the situation and the outcome; there is no clear demarcation between acceptable and negative.

An HR manager who works as an ethical manager might utilise logical reasoning, asking broad opinion (presenting an open question to every member of the organisation), including an ethical component in the company's strategic plan, and so on to handle ethical issues [16].

2. Objective
This review on engagement of HR management in ethical responsibilities attempts to cover the contemporary HR based ethical issues that the department has to handle or struggle with. The study aims to locate the lacking areas and future possibilities of HR ethical responsibilities that can be put together to create healthy and sustainable business environment for local/international commercial units. Along with it, the topic is expected to sort current/future problems present or possible to erupt in the concerned study area.

3. Methodology
The present review article on HR ethical responsibilities in businesses is entirely composed based on the existing authentic management and industrial governance updates and articles that are published in acknowledged online portals/publications. Genuine facts and informations are gathered from trusted web libraries and institute portals are thoroughly studied, sorted and selected based on their relevance.

4. Literature Review

R. Khugshal et al. (2014) [1] sought to investigate various industrial ethical issues managed and controlled by human resources. They conducted descriptive studies in various service departments in Dehradun, Uttar Pradesh, India. Researchers targeted industries from which survey samples were extracted, such as education, health care, hospitality, banks, and financial institutions. It consisted of 179 respondents from where facts were collected to perform statistical analysis using the Social Science Statistics Package (SPSS) tool. This study ensured an optimal work environment, employment and hiring process, cash and compensation structure, gender and disability, privacy issues, race, employee responsibilities, professional training, performance reviews and safety. They elaborated on the importance of ethical human resource management to ensure that Health, restructuring, layoffs, etc.

R. Reena (2015) [2] emphasised the overall service quality set up that every significant business ecosystem around the world is currently looking forward to fulfilling basic human needs, displaying the desired trustworthiness with the public/employees, strengthening management credibility as judged in terms of employees, and boosting for better business planning. The researcher concluded that a business's importance of a healthy ethical environment was a key factor in its commercial performance as well as a
major driver in increasing its value and reliance among employees and the broader public. Her research compares the need for business ethics to the need for social ethics.

B. Mihailovic et al. (2015) [3] viewed economic transformation as a powerful driver that changed the ethical environment of corporate HR, especially based on the changes in employment conditions as observed in Serbia from the 19th century to the early 20th century. The advent of modern industry and factory work methods, as well as significant influx of migrants across oceans and continents, have all had an impact on substantial human resource reforms on ethical business ecosystem aspects. Persons, professionals, households, communities, and the environment were all affected by the shift from agriculture and family cooperatives to urban industrial groups, which resulted in the creation of a new class of affluent business executives as well as new areas of poverty. The condition encouraged increased coverage of the ethical debates. In this context, the authors had found that the role of business ethics was an important element of personnel leadership in several respects. First, most of the ethical issues and crises that arose were related to work and employee involvement. Therefore, ethical analysis of employee choice, communication and behaviour had to be rethought in business ethics. Another ethical issue of concern was how managers and owners should treat workers. Stability in employment, income, protection, abuse, bias, and even the quality of work experience were all ethical considerations.

M. Greenwood (2015) [4] extended the current HR ethical analysis beyond the traditional approaches, which included two main microlevel elements: justice-based equality and fairness doctrines were allotted for the selected HRM practises (e.g., hiring, rewards and others), and rights-securing precepts were considered when it came to workplace issues (e.g., privacy and whistle-blowing). Most macrolevel ethical assessments of HRM, on the other hand, gathered critiques of both "soft" and "hard" HRM and advocated a correct pluralist methods based on stakeholder theory. He focused his research on interpreting the influence of internationalisation of labour markets, transitions in job role (and corresponding employee working expertise), and the predominance of strategic human resource management (SHRM), all of which are reviving interest in HRM ethics. His research intended to provide HR practitioners with new perspectives on HR's participation, definition, and position in the organisation, as well as the nexus between HRM and local/global society and the interplay between them.

W. Enyindah et al. (2015) [5] investigated HRM's involvement in the institutionalisation of ethical working norms in businesses. The team had looked into the various ethical challenges that arise in organisations. The strategic need of institutionalising ethical working policies was also discussed. The positive effects of this technique on organisations have been demonstrated. Their article came to the conclusion that institutionalising ethical working standards had reciprocal repercussions for both companies and employees. As a result, a powerful instrument for HRM in the strategic and purposeful administration of enterprises.

Margarida Pimenta (2015) [6] organised the research to address emerging ethical challenges in Human Resources Management as perceived by HR specialists, the need for ethical facilities, their relevance in relation to individual ethical judgement, and finally, the creation of a measurement tool for the ethical acceptability of questionable HRM practises. They conducted a questionnaire-based poll of staff from numerous Portuguese enterprises (N=146) who were asked to assess their
organisations' ethical infrastructures and rank a list of morally questionable HRM practices. The study's findings backed with the theory that the more significant ethical infrastructures are, the less likely employees are to accept unethical practices like as power favouring and discrimination. The data also showed that the mere availability of ethical infrastructures was not a predictor of lower acceptability of ethically dubious activities. Overall, the study discovered that the importance of robust ethical infrastructures complemented by adequate informal systems to ensure their relevance should be considered a contextual component of organisational members' ethics.

J. Ekuma et al. (2015) [7] addressed the complex and evolving kinds of ethical concerns that are constantly emerging all over the world, and where HR representation should be strong and aggressive. The researchers felt there was a gap in building appropriate frameworks to cope with this ethical HR challenge. contributes to filling that gap. By broad analysis of HRM based literatures, management studies, and theories, the paper scrutinised methodologies, emerging arguments, and analysis of trends around HR ethics, which shed light on a number of fundamental issues in line with the changing features of today's business atmosphere, particularly the management of people.

Justice, fairness, and well-being toward stakeholders are fundamental characteristics of a good company ethical environment that HRM management should continually supervise and maintain, according to A. de Silva et al. (2016) [8]. According to the authors, HRM's ethical dimension has two separate consequences. A second meaning was established and termed 'Ethical Orientation of HRM or EOHRM,' which they defined as 'directing HRM functions to generate, promote, and preserve ethicality within employees, to create an ethical workforce in the organization.' They divided EOHRM into three categories: acquire, develop, and retain. The functions of these three HRM fields were EOHRM elements. They looked at recent papers and relevant research to determine how to evaluate EOHRM and came to the conclusion that there was a large gap in the area that needed to be addressed in order to assure the establishment of a corporate ethical atmosphere.

Using a case study of an Indian power distribution corporation (Tata Power Delhi Distribution Limited [TPDDL]), K. Jha et al. (2017) [9] developed a link between HR operations and organisational workforce commitment at work, with a primary focus on the technique used to establish ethical climate (Tata Power Delhi Distribution Limited [TPDDL]). The study separated TPDDL's initiatives into two separate classes: explicit and implicit programs. Ethics workshops, seminars, awards, and laws, as well as channels for reporting ethical concerns/issues, were all explicit ways of promoting ethics (ethics portal, IVRS, whistle blower tact, etc.). HR methods, such as selective short listing, skill development for building interpersonal and technical capacity, a fair expertise rating scheme, and numerous engagement activities, were all implicit ways of fostering an ethical climate. They anticipated HR ethical role to boost more with the right support and guidance of the senior management and line managers. Results from the study suggested that the combined and continual efforts of every participants connected with HR ethical management could bring the desired compatibility as expected in the effort.

By proposing a directly connected relationship with the relevant practical aspects, D. Ogwoka et al. (2017) [10] investigated the straight forward influence of
ethical human resource practises on the financial status (measured by ROA) in the chosen enterprises in Kenya. The associations were investigated using correlation and regression analysis, and a causal study design was used. Sixty-four CEOs from Kenya’s publicly traded companies took part in the study by completing online questionnaires, and the data was interpreted with Statistical Package for Social Scientists (SPSS) tools. Financial performance was shown to be high when companies followed labour regulations, recruitment techniques, and company policy while hiring people. It was consequently recommended that businesses always follow their labour norms, employee absorption processes, and company policies when hiring personnel, which should be based on academic knowledge, professional potentiality, and experience.

C. Caldwell et al. (2018) [11] developed a system to ensure the ideal trend of ethical duties and rewards available to HRM departments when leaders and organizations uphold their commitments in both explicit and implicit ways. The authors clarified that human resource paradigm is both diverse and non-discrete and thus could not be absolutely defined. Even then, pertaining to the current global demand they endeavoured to discuss the ethical and moral responsibilities owed by HRPs, such as, Competence Legal Compliance, Need to Inform Financial Balance Quality Assurance, etc.. The article also provided a platform to judge HR based business ethical functioning that Hosmer had developed. The analysis presented twelve ethical perspectives of Transformative Ethics, like, Code of Self-Interest, Ethic of Government Regulation, Ethic of Distributive Justice, Utilitarian Ethics, Ethic of Universal Rights, Virtue Ethics, Ethic of Economic Efficiency, etc. connectedly described their importance in interpersonal relationships. In the last part, the paper presented six HR ethical principles as Commitments, Confidence, Interpersonal Value, Learning Attitude, Proactiveness and Compliance to relevant Law.

S. Smith et al. (2018) [12] specifically signified the need of capable Human Resource Professionals (HRPs) to deal the business challenges and conflicts out of distrust or skepticism that most of the commercial units frequently suffer while managing the demands of their employees and customers. They emphasised HRP's awareness of ethical viewpoints and participation in ethical decision-making within the organisation, which may assist their organisations create value. The study focused on five ethical content facets from Hosmer's (1987) model that envisaged the space of human resource management (HRM) in the twenty-first century. HRPs were well-positioned to facilitate ethical and sensible business judgement inside their businesses when they were able to contribute to the formation of a culture that honoured stakeholders' roles and supported organizational success, according to the researchers' results.

Under the condition when business founder and managers of higher position include stringent legal laws and ethics as a general part of institutional strategy, A. Bohinská (2018) [13] wanted to acknowledge the importance of Human Resource (HR) managers in establishing, executing, and applying laws and ethics programmes in the firms where they are active. He claimed that HR practises were not only a powerful catalyst in the formulation and implementation of business ethical norms, but that they are live agents of reshaping the organization, middle unit to include other managers and employees in the process of transforming an organisation into one that was truly lawful and ethical. A good HR manager could also help develop a tradition of honesty by selecting and promoting people who represent company ideals, according to
the author.

S. Sabiu et al. (2019) [14] evaluated the impact of human resource management (HRM) procedures, particularly in initiating vacancy fill up, absorption processes, and on organizational performance (OP) in Nigerian educational agencies through the mediation role of ethical climates (ECs). They built the study using quantitative data obtained from 181 educational agencies and statistically computed results to arrive at a reasonable conclusion. The link was tested as well as the mediating influence of ECS was confirmed by employing smart PLS-SEM. By finding a link connecting these variables, their research could outline a reasonable association between HRM and OP. This research also applied the same conclusions about HRM methods and the OP connection to a different discipline and context, namely educational agencies. The findings showed that ECs play a key role in mediating the association between HRM practise in employee recruitment, short-listing and OP.

In their study, K. Stahl et al. (2019) [15] assumed that human resource management (HRM) will play a distinct role in a commercial entity’s corporate sustainability (CS) and also to corporate social responsibility (CSR). According to the authors, such responsibilities were of great need under the current scenario of growing complexity in corporate sectors that usually were struggling to shape up their work culture that supports needs and demands of entities who are involved with the business functioning to large extent, and help tackle the world’s economic challenges. They proposed a reform in the HRM structure to allow them to participate proactively in the establishment and operation of a company's CS/CSR set up in order to deal with tough areas such as ethical difficulties, workforce management, and so on. Stahl and his colleagues recommended a multifunctional, multi-participants method to sustainable HRM to incorporate corporate tasks and sustenance into the HRM efficiency construct. Their suggested approach had encompassed activities aimed both at avoiding harmful consequences for stakeholders and contributing to positive outcomes along people (employee/job seekers), planet, and prosperity.

5. Findings and Conclusions
The review as discussed above on Ethical Responsibilities in HR Management that is composed with the help of available current literatures presents a shifting pattern of ethical elements from past to current scenario as affecting the business infrastructure as well as HR management set up. Globalization, Employee diversity, Unbiased workforce and Societal requirements, all are involved to bring reforms in HR based ethical frameworks. Major factor that limits such a broad and ambitious goal is organisational infrastructure and the commercial policies where, most of the literatures seek for remedies to allow the HR unit to work effectively as ethical management. As observed, most of the available literatures rely on creation of healthy ethical environment for its workforce as the key factor of financial improvements and company's growth possibility. Therefore, such assumptions seek for proactive involvement of HR unit to bring the concept into practice.

6. Recommendations and Suggestions
Although businesses are growing to global level nowadays, yet the role of HR based ethical responsibilities that mostly ensures healthy workforce management is not given the expected importance till date. On the basis of the current literatures as studied, this study recommends thorough and logical consideration of societal and global ethical impacts on businesses so that they can
employ and equip its HR unit to set up an adaptable workforce environment securing its ethical demands and also allow for sustainable upgrades.

7. Bibliography


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Corresponding Author

Niharika Valecha
Institute of Marketing & Management (IMM), New Delhi