

Business Ethics Concepts: Ethical Culture, Ethical Leadership, Ethical Climate

Posted on October 23, 2018

Subject:

The ethics of an organization are the policies and procedures that the employees and management follow in dealing with controversial issues and difficult situations. The ethical subjects of the organization include ethical culture, ethical leadership, and ethical climate that are not limited to social responsibility and discrimination among employees. This essay will explain the extent to which SMRT organizations ensure ethical concepts in the context of systematic cultural issues. Firstly, this essay will shed light on the extent to which the culture of SMRT is ethical. The ethical culture of the organization is dependent upon the practices used by the employees as well as the extent to which employees respect the values of the organization. Secondly, this essay will explain the issues in the context of leadership at SMRT. Moreover, the climate at SMRT will be explained as the ethical climate of the organization, which refers to the corporate social responsibility that demonstrates ethical behavior that ensures a positive impact on the environment.

The ethical culture of the organization exhibits the extent to which the organization respects its values and code of conduct. The SMRT does not show the ethical culture in the workplace in the context of employees, as there are many rules and regulations that are imposed on the employees (The Online Citizen 2017). Moreover, it is evident that SMRT employees are getting very little remuneration, so the culture of SMRT is unethical as the employees are not getting their rights (The Online Citizen 2017). Roozen et al. (2001) argued that organizations should behave ethically towards the employees and respect the rights of the employees as the increased satisfaction level employees will increase their productivity. However, the Chief Executive Officer of SMRT took action to resolve the cultural issues at SMRT. He believed that it is everyone's responsibility, from top management to lower-level management, to grow the right culture in the organization (Tan 2017). In the 21st century, SMRT needs to upgrade its culture toward a values-based, self-governance culture that establishes the trust of employees in order to do the right things. Top management should respect employees and guide them on core principles and values that motivate employees to perform their duties better. Weick (1987) recommended that organizations should develop trust in employees to improve the culture of the organization. The culture of the organization includes both the values and practices of management and the employees. Furthermore, the minister said at the media conference that he would look at the management of SMRT in order to establish the right professional tone and excellence in order to have the right culture. According to Han Fook Wang, the problems at SMRT are very complicated as they are not only technical and engineering in nature, but they also belong to cultural issues (Kwang 2017). Therefore, SMRT needs to resolve the cultural issues by treating

employees fairly and building trust in them, as trust in employees will increase the motivational level of employees.

The ethical culture of the organization is dependent upon the practices used by the employees as well as the extent to which employees respect the values of the organization. It is identified that further developments are required in order to improve the culture of SMRT, as there are some workers who have contradictions with the work of good workers (Today Online 2017). The workers of SMRT blemished the reputation of the company as well as the reputation of Singapore. However, the majority of SMRT workers are honest, careful, and dedicated to their responsibilities and work day and night to provide the maximum transport services. They treated their passengers and commuters with respect. Moreover, the public transport network SMRT serves a large number of commuters as daily bus services have increased by 30 % in the past five years (Today Online 2017). With the expansion of the public transport system, more facilities, services, and equipment are ensured in order to maintain and operate the transport system. Additionally, the workers and managers of SMRT use highly ethical practices to ensure the safety of passengers. Callan (1992) argued that the ethical values that employees follow increase the satisfaction level of customers and are good for the success of the company. To ensure the safety of passengers, drinking water and beverages are not allowed on the buses as it could cause spilling to wet the seats and cause other passengers to slip. Therefore, SMRT wants to prevent their passengers from accidents and ensure the safest ride for everyone.

The ethical leadership of the organization ensures the overall significance of ethics, which includes standards and issues. Ethical leadership establishes a progressive environment with the help of productive relationships with the employees and the overall organization. According to transport researcher Lee Der of the National University of Singapore, SMRT has failed in the system of checks in order to identify the gaps (The Straits Times 2017). The leadership is inefficient in managing things and giving the right directions to employees as the flooding incident occurred on the rail network that damaged the North-South Lane, and approximately 250,000 passengers were affected by this incident (The Straits Times 2017). Toor and Ogunlana (2009) argued that ethical leadership demonstrates appropriate conduct through interpersonal relations, actions, and the promotion of code and conduct in the organization. Moreover, the investigations found that employees did not activate and maintain the pumps on the appropriate date. The water stuck in the tunnel was very dangerous, and people stuck in those tunnels. So, it was the mistake of the leadership at SMRT that they empowered the unprofessional engineers who did not manage the pumps (Word Press 2017). However, Kuek Bak Chye Desmond's leadership style at SMRT is ethical, as he thought that leadership was the key to success. He believed that for effective leadership, leaders should engage across the organization in order to create positive outcomes. Under the leadership of Mr. Kuel, the company implemented six core values that ensure effective leadership (Mustshare News 2017). It is identified that ethical leadership is the form of leadership that is comprised of integrity, fairness, ethical behavior, and trustworthiness. Brown and Treviño (2006, p.597) identified that effective leadership is divided into two parts: the first one is the morality of managers, whereas the second one is the morality of employees.

The ethical climate of the organization refers to the corporate social responsibility that demonstrates ethical behavior that ensures a positive impact on the environment. SMRT is continuously making efforts to have a positive impact on the environment and communities. SMRT is highly committed to conducting its business in a socially, environmentally, and economically friendly manner in order to maintain the interests of stakeholders. SMRT has created a strategy to ensure corporate social responsibility that is helpful in maintaining greater empathy in corporate social programs (Kokemuller 2017). SMART defined CSR by considering three fundamental principles that are concerned with advocacy, operational practices, and volunteerism. It is evident that SMRT supported Wheels@Ubin in order to bring approximately 120 beneficiaries for persons with disability (SMRT Corporation 2018). Collier and Esteban (2007) recognized that corporate social responsibility is the responsibility of the organization to behave ethically in order to work for the welfare of mankind. Moreover, many workers from SMRT work as volunteers to rescue the people. Also, SMRT provides awareness to the public of Singapore to cheer up individuals to provide accessibility to people with disability. Furthermore, SMRT is highly committed to adopting sustainable practices for the environment as the company has launched a program named 'SMRT is green' to ensure sustainable practices in the company because the purpose of this program is to encourage green practices among the partners, customers, and employees in the management, green resources. SMRT continued to expand the green environment by accomplishing Toyota Prius Hybrid taxis that are efficient in reducing carbon emissions. Moreover, additional features of the Prius hybrid taxi provide more comfortable, smoother, and soundless rides to passengers. Furthermore, it is analyzed that climate practices at SMRT are ethical as Double Decker buses are introduced by the company to make the environment more friendly by reducing harmful emissions. Also, SMRT company is recycling 85 percent of the material that is used in the manufacturing process of the buses (SMRT Corporation 2018). Therefore, the above practices used by the SMRT made the company socially responsible.

The ethical climate of the organization brings up the ethical and honest atmosphere of the work environment as well as the ethical level accomplished by the company. Moreover, there are five kinds of climates that are independence, instrumental rules, care, and law & order. Some factors, such as harassment, discrimination, aggression as well as incivility, produce an unethical climate that results in increased dissatisfaction among employees, whereas an ethical climate creates a positive ethical environment that results in increased satisfaction among employees (Wimbush & Shepard 1994, p. 679). The climate at SMRT is unethical as the wages are classified on the basis of Nationality, so it is the kind of discrimination among employees that is not acceptable under the Equality Act 2010. Moreover, SMRT has no written statement in the Employment Act that is necessary to ensure the Anti-discriminating practices of employment. Brief et al. (2000) identified that discrimination among employees is very unethical behavior. It is evident that employees of SMRT went on strike against discrimination because they did not get fair wages (Singapore Alternatives 2012). Furthermore, the level of aggression among employees as well as drivers of SMRT is high due to discrimination of wages; therefore, the climate at SMRT is not ethical. It is also evident that bonuses are removed from the salaries of drivers, which causes dissatisfaction among drivers. Additionally, the employees of SMRT were accused of secretly having an interest in the other two organizations, which is an

unethical practice by the employees. Employees are not allowed under the act to accomplish personal benefits by cheating their employers (Alkhatib 2017). The employees from the Facilities Department at SMRT breached the rules and regulations, and the leaders of SMRT were unable to protect staff from breaching of rules and regulations. Furthermore, SMRT has failed to conceal information in case of a crime being committed by employees. Also, SMRT does not provide legal advice or training, which prevents employees from doing so. So, to resolve the systematic cultural issues, SMRT should treat employees fairly, give them fair wages, and provide employees with legal advice that prevents them from committing crimes.

In conclusion, the SMRT does not show the ethical culture in the workplace in the context of employees, as there are many rules and regulations that are imposed on them. It is identified that further developments are required in order to improve the culture of SMRT as there are some workers who have made contradictions to the work of good workers. Moreover, from the above discussion, the essay concludes that leadership is inefficient in managing things and giving the right directions to employees, as the flooding incident occurred on the rail network that damaged North-South Lane. Furthermore, it is identified that the ethical climate of the organization refers to the corporate social responsibility that demonstrates ethical behavior that ensures a positive impact on the environment. SMRT is continuously making efforts to have a positive impact on the environment and communities. SMRT is highly committed to conducting its business in a socially, environmentally, and economically friendly manner in order to maintain the interests of stakeholders.

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