

***Organizational Values for Innovative Software Development in a Large
Corporation***

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Introduction

This paper augments earlier papers that describe a software development organization in a large corporation. The first paper presents the mission and purpose, organizational structure, environmental contingencies, and requisite leader characteristics. The second paper presents a refined vision statement. The third paper describes additional considerations including employee structure, organizational communication, recruiting and training, vision communication, building a learning culture, and changing the organizational culture. This paper describes for the software development organization considerations for core values, ethics, and building credibility.

Definition of Values

Values are vital to organizational culture because they shape the unique character of the organization. No two organizations are the same, and it is the value system,

whether implied or explicit, that is the basis for distinction (Malphurs, 1996, p. 14).

Values guide organizations as they deal with the ever-accelerating pace of change by providing a foundation that endures through organizational transitions over time

(Malphurs, 1996, p. 20). Values guide and inspire people in involving themselves in the organization's activities. Kouzes & Posner (1995) put it this way: "values provide the common standard by which people ... calibrate their decisions and actions" (p. 212).

Values are constant, passionate core beliefs that drive the organization (Malphurs, 1996, p. 34).

The Information Technology Services (ITS) Software Engineering organization has created its own set of values by adapting the corporation's values (DTE Energy, 2002) so they are more specific to the activities of software development. These values are:

Respect – We respect the value of each person and recognize their unique capabilities. In the Software Engineering organization, we seek to realize the potential of each person in terms of their individual contribution to the software development project teams in which they participate.

Integrity – We meet our commitments and act with honor. In the Software Engineering organization, we seek to ensure that we do as we say we're going to do by under promising and over delivering to our customers, our suppliers, and with each other.

Learning – We strive for innovation, creativity, and continuous improvement. In the Software Engineering organization, we seek to leverage our investment in people and technology within ITS and across the corporation.

Business Success – We aggressively pursue profitability and enhancement of our stakeholders' investment. In the Software Engineering organization, we seek to create a "value center" whereby our business customers are confident in receiving a real return on their technology investment.

Definition of Ethics

Ethics are a system of moral duty and obligation that deal with right and wrong (Merriam-Webster, n.d.). Ethics in business can be difficult to describe because it often characterizes a wide array of concerns that include such topics as corporate

governance, reputation, accounting and auditing, and environmental stewardship (International Business Ethics Institute [IBEI], n.d.a, p. 1). The International Business Ethics Institute (n.d.a, p. 1) defines business ethics as “inculcating a sense within a company’s employee population of how to conduct business responsibly.”

In addition to adhering to the corporation’s ethics standards, the ITS Software Engineering organization expects its employees to conduct themselves consistent with the highest standards of computer professionals. Accordingly, the ITS Software Engineering organization embraces as its own standard the Association for Computing Machinery (ACM) Code of Ethics and Professional Conduct (ACM, 1992). This code is expressed as general principles, but applies specifically to the conduct of a computer professional in their application of computer technology. A summary of the Code of Ethics and Professional Conduct is the General Moral Imperatives:

1. Contribute to society and human well-being.
2. Avoid harm to others.
3. Be honest and trustworthy.
4. Be fair and take action not to discriminate.
5. Honor property rights including copyrights and patents.
6. Give proper credit for intellectual property.
7. Respect the privacy of others.
8. Honor confidentiality.

Leadership Development to Promote Values

Clearly communicating the values throughout the Software Engineering organization is essential to establishing and perpetuating the organization's culture and employee behavior goals. Leadership must take the initiative to ensure this communication takes place. This section outlines an approach that identifies the communicators and receivers of the message and selects several key methods for putting forth the message (Malphurs, 1996, pp. 100-103, 107-108).

The leader of the ITS Software Engineering organization takes primary responsibility for this communication, but leadership at all levels must also play an active role.

Accordingly, the leader of the ITS Software Engineering organization identifies and enlists a leadership base that includes both formal and informal leaders, thought leaders, and other significant employees in the organization. This leadership base forms the audience for deliberate training and discussion about the core values with the goal of fostering a common understanding of the values and providing a common perspective on specific methods for spreading the values message.

Carefully crafting the message about values that leaders are to send is essential. This consists of developing formal material such as a written statement or document, a brochure, a web presence, presentations, video, etc., as well as training and other programs for their use and dissemination. Additionally, crafting the message includes deliberate training and discussion on more informal or soft communication transmission techniques such as objective and goal setting, formal and informal conversation,

heroes, imagery, language, metaphors, stories, celebrations and other activities (Malphurs, 1996, pp. 112-120). In particular, deliberate training of the leadership base includes discussion to develop awareness of leadership modeling as it is foundational for all methods of communicating values (Malphurs, 1996, p. 109).

Ethics Training

According to the International Business Ethics Institute (IBEI, n.d.b), “codes of conduct alone do not effectively promote responsibility and integrity in the workplace or sufficiently communicate a corporate commitment to integrity.” This is particularly true when the organization culture and leadership is inadequate or nonexistent (Verschoor, 2002). Therefore, the ITS Software Engineering organization promotes individual responsibility for ethical behavior by employing a multiple pronged approach: establishing a training program for the ACM Code of Ethics and Professional Conduct, maintaining a high leadership profile in promoting the adherence to ethical standards, establishing an ethics ombudsman, and ensuring that Software Engineering employees participate in corporate ethics training.

The focus of the ITS ethics training program is to educate employees about the ACM Code of Ethics and Professional Conduct. This is accomplished through collaborating with the ACM to develop a computer based training curriculum that provides education on the code, poses a series of ethical dilemmas for the student to consider, and certifies employees through comprehensive testing. Additionally, the ITS Software Engineering organization contracts with outside vendors for supplemental training for both the

internal ITS as well as the corporate ethics programs. This training program is updated periodically and employees must be recertified from time to time.

Included in the ethics program are periodic messages about organizational ethics by the leadership team. This is critical because leadership must promote and model the highest ethical standards; this approach is explicitly included as a component of leadership development to promote cultural values as the previous section describes.

The ethics ombudsman office provides a confidential means whereby employees receive coaching and assistance in dealing with ethical questions and problems about the ACM Code of Ethics and Professional Conduct. This office is the focal point for dealing with and investigating reported ethics violations for the ITS Software Engineering organization. The ethics ombudsman office also provides the initial interface for ITS employees dealing with corporate ethics issues that are beyond the ACM Code of Ethics and Professional Conduct, provides assistance and protection for whistleblowers, and otherwise coordinates efforts with the corporate ethics organization.

Additionally, all employees receive regular corporate ethics training both as part of the new hire process as well as on an ongoing basis. The ITS Software Engineering organization ensures that all its employees attend corporate ethics training by having Practice Group managers track attendance and work with employees to ensure timely attendance.

Building Credibility

Credibility is not something that can be mandated or developed through a training program. Kouzes and Posner (1993, p. 25) state “credibility ... is something that is earned over time; it begins early in our lives and careers.” Therefore, there is no particular program within an organization that can build credibility with employees, customers, and other stakeholders. A leader acquires credibility as a result of building a reputation through establishing a record of success, using intellectual skills as well as building relationships through applying interpersonal skills (Kotter, 1985).

Building credibility is a process of nurturing relationships with all stakeholders. Leaders must show people that they genuinely care about their stakeholders each and every day through consistently backing up what they say by direct action. The strategy for the Software Engineering organization to build credibility amongst its stakeholders is for the leader to grow a leadership team and participate periodically with them in a forum where active discussion and learning takes place around growing and sustaining leadership credibility. This forum employs an adaptation of the Kouzes’ and Posner’s credibility-building process model (Kouzes & Posner, 1993, pp. 48-49). This model in summary consists of three interrelated aspects:

1. Clarity – the interests of the leader and constituents in terms of needs, values, and goals must be mutually understood and consistent. When a leader understands oneself as well as their constituents, then it becomes clear how each can contribute to the overall goal.

2. Unity – the leader and constituents must have a common vision and principles that guide them in pursuit of their goal.
3. Intensity –The leader and constituents demonstrate clarity and unity of interest by taking action that is consistent with goals.

Within this framework there are six specific actions that leaders can take to build credibility (Kouzes & Posner, 1993, pp. 51-56):

1. Discovering Your Self – understanding your own needs, values, and goals so that you are in position to transmit your values and principles to the people on your team.
2. Appreciating Constituents – developing an in-depth understanding of the needs, values, and goals of the people on the team you lead.
3. Affirming Shared Values – honoring the diversity of perspective of the people on your team, building common purpose, and building community.
4. Developing Capacity – investing in people to equip them for the job at hand both in terms of skills and empowerment.
5. Serving a Purpose – understanding the purpose for which you serve as leader: subordinating your interests for the good of others, the team, and the team's goals.
6. Sustaining Hope – conveying confidence and a positive attitude as a means to spur the team toward its goals and to build perseverance to deal with adversity.

The forum provides the opportunity for leaders to understand how important credibility is for effective leadership and to work toward incorporating this knowledge into their day-

to-day activities. Through consistent and persistent application of this model, leaders over time can build the credibility necessary to become effective leaders.

Conclusion

Establishing and building a values based foundation, promoting ethical behavior, and building credibility in an organization are not accomplished through separate and discrete actions over a determined period of time. Building values, ethics, and credibility are interrelated and must be collectively pursued in an integrated fashion on a continuous basis. An effective leader must understand the complementary and interrelated aspects of values, ethics, and credibility. For a leader, the essence of this can be summed up by DWYSYWD: do what you say you will do (Kouzes & Posner, 1995, p. 47).

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