

The Five O'Clock News[®]

from America's Premier Career-Counseling and Outplacement Service

February 2002

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"One organization with a strong record of success in helping people find jobs is The Five O'Clock Club."

FORTUNE

Accepting an Overseas Assignment

The Benefits and Pitfalls

by Mary Gorman of The Employment Roundtable
with David Madison, Ph.D.



My first reaction was, *get the globe...* how far south is Argentina?

I had always wanted to work overseas, so when the topic was broached in a casual conversation with the Human Resources Vice Present for Latin America, I was eager to pursue the suggestion. That was in 1993, and I had been with Seagram & Sons for ten years in a variety of human resources roles. Indeed one of my projects has been research on the company's international assignment policies. Even so, I hadn't committed the latitude of Buenos Aires to memory!

Moving to Buenos Aires represented a unique opportunity—and presented challenges. Out of Seagram's worldwide

staff of 12,000 employees, only about 80 were expatriates, and the overwhelming majority were men: only two women had been posted overseas—one to Australia, the other to France, and both had been single. My husband had a promising finance career underway at American Express, and we had two small children (ages 2 & 5). Assigning me overseas would set another precedent as well: Seagram had *never* asked a human resources manager to take a post outside the United States.

The fact that I didn't speak Spanish wasn't an issue.

But there was a position available. The HR Director in Buenos Aires had been

trying for more than a year to fill it, and I was a respected member of the human resources team in New York. There was no formal assessment in my case, but rather a good sense of my past performance and my professional strengths and limitations—and a strong desire on my part to live in Latin America. Of course, chemistry played a major role, as in most hiring decisions. Nonetheless, my value—and the chemistry—had to be weighed against the real costs of sending an employee overseas. The expenses can amount to three to four times the employee's base salary. They include, for example, moving, housing, utilities, company car, home leave airfare, bonuses, assisting a spouse with a local job hunt, local school tuitions—to name the most obvious.

HOW TO MAKE ETHICAL DECISIONS

EMOTIONAL COMPETENCIES AT WORK

WHEN YOUR EMPLOYER PAYS OUTPLACEMENT--AND YOU CHOOSE THE PROVIDER

Don't Pay Heavy Up-Front Fees

THE FIVE O'CLOCK CLUB IS ON YOUR SIDE

It's the same old story. This time it appeared in the January 4th issue of the *New York Times*, "Career Management Firm Fights Complaints." The article reports that "hundreds of dissatisfied customers are battling for refunds from Bernard Haldane Associates, a career-management company that charges a hefty fee." Haldane clients pay from \$4,000 to \$20,000—up front. That's roughly 10 percent of the client's most recent salaries.

The *Times* states that these career counseling firms with the hefty up-front fees often hint at the great networking contacts and huge databases they provide—all just right for your specific industries and fields. However, they then ask you to sign a contract that states that you have "not been orally promised anything that contradicts the paper contract."

So let us remind you one more time: do not pay a hefty up-front fee for private counseling. Pay the counselor for an hour at a time. That way, if you don't like what you are getting, you are out only the fee for one hour of counseling.

Five O'Clock Club counselors are allowed to charge *only* by the hour. We have this policy to protect *you*. What's more, when we provide outplacement services, you are again protected. In this case, we want *employers* to provide as much counseling as possible for the dollars they're spending: i.e., more real bang for the buck. So, if your employer is willing to spend, say, \$3000 for outplace-

ment, and if you earn less than \$100,000 a year, you would get 8 hours of individual career counseling *guaranteed* (which you have up to one year to use), one year of small group counseling, two years' membership in the Club, the set of 16 audiotapes and the set of four books. Such a package is unheard of at the traditional outplacement firms.

The best part is that you have protection for one full year: you can come back and use The Five O'Clock Club if you lose your next job or if you decide to do consulting work and then want to search for a full-time job.

Downsized Professionals and Managers Prefer The Five O'Clock Club

Time and again, the Five O'Clock Club is the provider of choice. In a recent downsizing of 19 professionals and managers (whose salaries range from \$35,000 to \$150,000), all 19 were given a choice between the Five O'Clock Club and a major outplacement organization. The Five O'Clock Club was able to offer 8 hours of one-to-one counseling and one year of small group counseling, along with books, tapes and other materials. The major outplacement firm was offering 3- and 6-month packages depending on seniority. Fourteen out of the 19 people chose the Five O'Clock Club.

Employees *consistently* choose expert career counseling over the space provided by traditional outplacement firms. So HR managers are realizing that the Five

O'Clock Club is not only less expensive but more effective.

If you would like to have your HR manager added to our mailing list, just email us at HR@FiveOClockClub.com, or call us at 212-286-9332.

And be sure to tell your friends about the most cost-effective job-search solution available.

End of this "message from our sponsors."

Cheers, Kate



THE FIVE O'CLOCK NEWS

from America's Premier Career-Counseling Network

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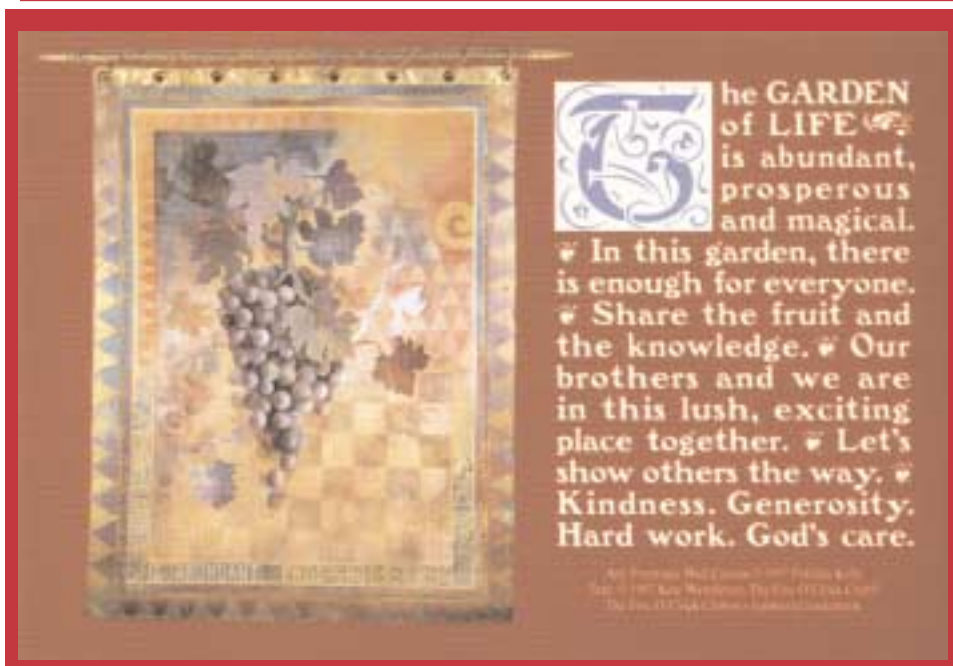
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The fact that I didn't speak Spanish wasn't even an issue. But in preparation, I took a three-month Spanish immersion course.

Getting from Here to There

U.S. corporations have learned a lot from the very experience of sending employees overseas. The body of knowledge—what to do, what not to do—has been building. Hence, some of the things we did are no longer recommended. For example, we decided to find a house after we got to Buenos Aires, and lived in an apartment-hotel for eight weeks. Imagine this: four Americans, who know minimal Spanish, and a Brazilian nanny, who speaks Portuguese, living together in a small apartment on a very noisy street in Buenos Aires. I was off to work every day and my husband was looking for work and trying to find his way around. He did get a job after four months, and, in retrospect, we can see that it was good for the transition to have one parent at home with the children.

These days, however, companies recommend that a relocating couple make a trip in advance to find housing. Not only does this minimize stress and distraction from the new job, it also reduces expenses for the company.

Getting from here to there, and remaining sane and whole in the process, can be aided now by common sense practices and a multitude of resources:

- ◆ **Involve your spouse from the very beginning.** Take advantage of whatever orientation services may be offered by your company (e.g., one- or two-day seminars). Make that “check-out-the-place” trip before the move—not just to house hunt, but to get a feel for the territory. And there is now (we didn't have it in 1993!) a very helpful website, www.expatspouse.com, which describes itself as a “global online community for families transferred abroad by their employers.” Companies usually will pay for the website membership.

- ◆ **Make full use of a relocation service,** which will help you set up a workable life and routine in a new country. A relocation service can make the difference between a productive employee, who is able to focus on the challenges of the new job—and I guarantee there will be plenty!—and a distracted, frustrated individual who feels deserted at the worst possible time. Especially if you don't have 100 percent command of the language, it is vital to have a local team on your side to understand and cut red tape. The relocation service will handle the headaches of immigration and work permits, obtaining the local drivers license, negotiating leases, selecting schools and taking on dozens of other chores that will help with assimilation into a new culture.

Have a local team to understand and cut red tape.

- ◆ **Talk to others who have gone through the experience.** Be sure to get in touch with other people, families or couples who have already done an international move and tour of duty. Sometimes this can be highly structured. Shell International, for example, has a program known as OUTPOST. This is a network of 40 information centers created for Shell expatriates and their families in 30 countries around the world. Staffed by the spouses of expatriate employees, the OUTPOST centers provide comprehensive personal briefings. But don't overlook the value of finding a mentor informally—in my case it was a matter of becoming friends with Americans who had been with Seagram in Buenos Aires for a couple of years already. Yes, there are major cultural differences and local mores to be aware of—but as a mother of two small children, it was helpful to find out ahead of time that peanut butter doesn't exist in Argentina!

After eight weeks in our cramped apartment, we moved into a house we'd chosen north of Buenos Aires, in a fairly international community. My husband commuted by train downtown to his new job at American Express, and I drove my car. Our son attended an Argentine preschool and our daughter attended the American school. The makeup of the school was about one-third American, one-third international and one-third Argentine. From the first grade up, half of the day was taught in Spanish and the other half in English. My husband and I took private Spanish lessons for about one year and became more proficient as we used the language every day. We attended a non-denominational church with a very diverse congregation. The service was in English, but we met folks from many different countries.

On to Business...in Many Ways, Business as Usual

There are many business reasons for sending employees on an expatriate assignment. For example: to open a new market, transfer of skills, facilitating a merger or acquisition, and setting up new technologies and systems. Given this breadth of purposes, it isn't surprising that many types of employees are sent abroad.

When you tell your friends and colleagues that you're off to Buenos Aires, Paris, Cairo or Perth, you'll hear best wishes on the new adventure...and compliments on landing the glamorous assignment. And, of course, you hope it *will* be glamorous on some levels. You are thrilled at the prospect of being off on the experience of a lifetime.

Employees can be needed abroad to open a new market, transfer skills, facilitate a merger or acquisition, and set up new technologies and systems

But you're off to do a job—which means that you will be going into a

workplace much like any other, whatever the cultural differences may be. In other words, you will have to deal with people, problems and politics—in addition to carrying out your assignments.

In my case, I was given three objectives:

- ♦ Establish the human resources function in Argentina.
- ♦ Bring the “Seagram culture” to this affiliate that had been closed off from the company for quite some time. Seagram culture included, for example, standardized recruitment policies, use of outplacement, and no smoking rules.
- ♦ Find my replacement when the time was right.

I was promoted to Director of Human Resources for the Latin American Southern Region.

During the three years that I was in Argentina my duties evolved and expanded, and carrying out my three objectives came to involve a multitude of projects. The company itself was in transition, and I was promoted from Director of Human Resources of Seagram Argentina, to HR Director for the Latin American Southern Region. As you learn the ropes, gain the respect of colleagues and become more fluent in the native tongue, your ability to function and get the job done increases. But unfortunately, there is no way to escape *business as usual* in the “glamorous” international assignment. People are people, and executives can make bad business decisions that impact everyone—no matter what country you’re in.

For example, four months after I arrived we moved to a new office location, which had been selected and decided upon before my arrival. We were merging our production and administrative staffs into one location (it was called “harmonizing”!). The General Manager had done this in his previous assignment in Costa Rica, so why not in Argentina?

We moved 30 kilometers from Buenos Aires. While the countryside atmosphere was refreshing, this was not the appropriate location for our business. The “harmony” that our GM was looking for didn’t happen. And as an HR officer, I faced a host of new issues to deal with regarding the production staff. We encountered major theft, an increase in car fares for employees staying late, and general malaise among the people who had to use the bus service we offered due to the long commute (they had previously taken a subway or city bus to get to work).

Although I was part of a team with three other directors (Finance, Marketing, Sales & Manufacturing), as a foreigner, a woman, and a representative from the “non-business” HR unit, my status was not on the same level. I was “la grina de recursos humanos.” It took some time, but by earning the title of director and exuding confidence, eventually I was considered on the same playing field.

And I had the usual share of personality issues and politics to deal with. One of my first tasks was to work out the organizational structure of the new HR department. Once I had done this, it took no time for my boss to exert his influence and fill a supervisory role in my group with one of his favorites. This was a very uncomfortable situation, since I already had a supervisor and what I really needed was a good analyst and a secretary. But my boss was a controlling person. Moreover, when I really needed to spend time with the employees, I often found myself in his office, acting as “resident shrink.” And I had to deal with the very typical Latin American office environment. The general manager, direct reports and their secretaries were all on one side and the rest of the employees were across the hall in much tighter quarters. We were distanced from our staffs who were usually summoned to come to our offices.

One year after we moved to our new location, and based upon what was happening to our business, we decided to move back to Buenos. I was part of the

team selected to scope out several locations, so now had this to add to my list of responsibilities. In the meantime, the Latin American business was about to be restructured. Our GM was fired, the former GM came back to handle the southern region of Latin America (Argentina, Brazil, Chile, Paraguay, Peru, Uruguay) and I was promoted to Director HR for the Southern Region along with my other colleagues in Marketing, Finance and Manufacturing.

Keeping up networks back home is *your* responsibility.

Going Home: Always Keep It in Mind

In a new country, with a new focus and responsibilities—and hugely occupied as well with making sure that your family is holding up and functioning—it is easy to lose sight of what lies ahead, especially in terms of an eventual return to the U.S. Not surprisingly, many expatriates fall off the “home office radar screen.”

With different time zones and an *out of sight, out of mind* mentality in place, it is easy to get out of the loop with headquarters. Hence most expatriates would agree that keeping up networks back home is their responsibility. That means making the extra effort to maintain contact with “corporate,” and staying up-to-date with colleagues back home. In fact most companies bring expatriates home once a year. However, home leave itself is not enough. I would occasionally pick up the phone and call my functional HR boss in Florida and his boss in New York.

While I was in Argentina, my position had been cut.

Going Home: Not as Easy As It Seems

My repatriation to the U.S. was a result of another restructuring of Latin America that resulted in the elimination of regional positions, including mine. I received the news in June and left Buenos Aires in September.

I was not prepared emotionally or professionally for the news that my position was being eliminated and that I would soon be returning to the U.S. Obviously when a company offers an overseas assignment, it can be difficult to predict how long it will last—and even more difficult to predict what opportunities will be waiting or available when the assignment is over.

It was much harder to come home to the U.S. than it was to leave.

On the emotional level, the transfer home can be difficult. In fact I can say that it was much harder to come home than to leave. Upon my return I felt isolated and somewhat lost. Most of our friends were interested in hearing about our adventures, but their lives hadn't changed much and we were the ones who had to fit back in. The children had a shorter period of adjustment, and before long were back in the swing of things with new friends and activities. And the children helped bring home the fact that the V.I.P. expatriate experience can be somewhat unreal. On the flights back and forth to Argentina, with the company footing the bill, our seats were always in business class. On our first flight on a family vacation after our return, of course we were in coach. Our kids asked, "Why are we in the back of the plane?"

I did not have a position awaiting my return to New York, but I did have an opportunity to interview for a HR Manager position that I knew wasn't the right position for me. In fact, I ended up accepting a position that was inferior to what I had been doing, less exciting and challenging.

It is not surprising that employees returning home from overseas assignments can have a rough time keeping their careers on course. There is true irony in the fact that people who have enjoyed a very steep learning curve while working overseas, who come back with new skills and a wealth of knowledge, aren't utilized at optimum level. One

study of expatriates concluded: "About 75 percent of repatriated employees don't come back to a promotion where they can use what they've learned." A survey commissioned by *Workforce* magazine found that, while almost 75 percent of returnees are given help finding a home, only 30 percent receive "reorientation counseling," and only 21 percent are provided with career counseling. It is not uncommon, in fact, for repatriated employees to leave their companies within 12 to 15 months after returning home. For a variety of reasons, I remained with Seagram almost three years after my return, although in a role that was not ideal.

About 75 percent of repatriated employees do not come back to a promotion where they can use what they learned.

To Go Overseas or Not to Go

A study by Catalyst, a New York-based research firm that studies women in business, found that, while 40 percent of mid-management positions in the U.S. are held by women, only 13 percent of U.S. corporate expatriates are women. The assumption may be that women are not as internationally mobile as men, perhaps because they have children or because the 'trailing spouse' would be a man who "can't be expected to quit his job." Yet 80 percent of female expatriates have never turned down a relocation assignment, compared with 71 percent of men.

The cost of exporting talent is about three to four times the employee's base salary.

It should not be forgotten, however, that, whenever a *married* employee is asked to take an overseas assignment, there will probably be children involved, as well as a trailing spouse with career

issues. And now there are enough support systems in place to reduce the stress and complications of *moving a family*—whether the trailing spouse is a man or woman. Many companies have instituted a formal policy of reimbursing spouses for expenses incurred seeking employment or continuing their educations while overseas. Companies must bear in mind, however, that, as noted earlier, the cost of exporting talent will probably be three to four times the employee's base salary. The issue should not be male or female, married or single, but simply *finding the best talent for the job* and calculating return on investment. With only 13 percent of women being assigned overseas, we can suspect that a large portion of the corporate talent pool is being ignored. Women need to proactively seek out overseas assignments, because executives may assume they're not interested. Senior managers can encourage women to go global by offering mentors and support for dual-career couples.

Sending me was a good business decision.

Yes, there are long-term career implications to be considered, including career disruption for the trailing spouse. Yes, moving a family with small children would be considered an ordeal by many. But our experience in Argentina was an excellent one—we can see the many ways in which it was a life-changing episode. We benefited immeasurably from exposure to a wide variety of people and seeing a different culture up close and personal. And professionally, despite setbacks upon my return, my goals in Argentina were accomplished—it was a good business decision.

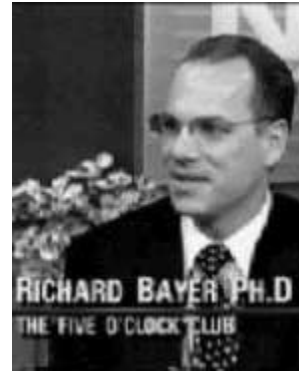
I would enthusiastically encourage anyone who is considering an international assignment to seize the opportunity. Obviously, do the research and the homework to avoid the pitfalls as much as possible. ***But go.*** ●

If you have a chance, GO!

Ethical Reasoning in Business

How to Make Ethical Decisions

by Richard Bayer, Ph.D.



Business leaders make ethical decisions every day. We might be tempted to assume that *let your conscience be your guide* is the simple formula that most people follow when they grapple with ethical issues. But it's actually far more complex than that—usually because the situations and issues that we face in the workplace are complex.

“Let your conscience be your guide” does not provide the necessary guidance.

For example, what should hiring managers do about questions of diversity, quotas, and affirmative action? How should a CEO go about deciding how much to spend to reduce air and water pollution caused by his company? How much pollution is acceptable, and how much is too much? When is advertising a forceful presentation of a product's strengths, and when does it claim too much and betray the public's trust? How should a reduction in workforce be carried out, and how does the firm determine the right amounts for severance, career counseling (outplacement), and benefits coverage for those being terminated?

Let your conscience be your guide falls far short of providing necessary guidance in such matters. We shall see, in fact, that there are *concrete methods for ethical reasoning*. Indeed, historically there are several methods that people have used. Examining these methods can be fascinating, and in the paragraphs that follow, I'm going to describe three of the

most highly regarded, with emphasis on Economic Personalism, which I consider to be the most helpful and comprehensive (it includes the insights contained in the first two).

Let's look at the inspirational Johnson & Johnson Tylenol case to help us examine ethical reasoning.

To prevent this from sounding too theoretical, the best approach will be to present a case study, involving real people in a life and death situation—literally. Let's look at the inspirational Johnson & Johnson Tylenol case. It provides a very good example for analyzing methods of ethical reasoning.

On September 30, 1982, three people in the Chicago area died from cyanide introduced into Extra-Strength Tylenol capsules. The link between the deaths and the tainted capsules was made with remarkable speed, and authorities notified Johnson & Johnson. As the number of deaths grew—the final total was seven—the firm faced a crisis and, indeed, potential disaster. Tylenol, a leading pain-reliever, was Johnson & Johnson's single largest brand, accounting for almost 18 percent of the corporation's income.

The executives involved in deciding how to respond did not know:

- ◆ Had the cyanide been put in the Tylenol capsules during the manufacturing process or later?
- ◆ Were the deaths that had already been reported just the first of a very

large number?

- ◆ Would the deaths be limited to the Chicago area?

The U.S. Food and Drug Administration had issued a warning not to take Tylenol, but the government had not ordered the company to take any specific action. Perhaps the deaths would be local, and there would not be more than seven. Perhaps the authorities would not demand a recall. Perhaps a temporary cessation of sales until the source of the contamination was determined could prevent more harm to the public.

Against all these unknowns, the Johnson & Johnson executives had to weigh several certainties:

- ◆ A recall would involve a loss of up to \$100 million.
- ◆ The loss was not covered by insurance.
- ◆ News of a recall could so damage the product that Tylenol might never be able to regain public confidence and its 37 percent of market share.
- ◆ The news and loss would surely result in a dramatic drop in the company's stock (it did in fact go down 15 percent in the first week of October).
- ◆ The competition in the analgesic market was fierce. Competitors would try to make Tylenol's loss their gain.

Public welfare and the company's reputation were both protected by ethical decision-making.

These were certainties; the rest was guesswork and speculation. But, unwill-

ing to expose consumers to further risk—and in a decision that puts it in the Ethics Hall of Fame—Johnson & Johnson ordered a recall of all Tylenol bottles. In the long run, public welfare and the company's reputation were *both* protected by ethical decision-making.

The Tylenol case obviously presents a major case of ethical reasoning. But ethical issues, large and small, present themselves every day. Business leaders need methods for dealing with them and arriving at reasonable decisions. There are three major approaches in ethics that have been defined by philosophers and theologians, *which are applied every day by many leaders who may never have read the works of the philosophers and theologians!*

There are three major approaches to ethical decision-making.

Approach One: Universal Obligation

One way to look at it is this: *moral rules derive from our rights and duties toward one another.* The thinker most closely connected with this approach is the great philosopher Immanuel Kant (1724-1804), as expressed in his *Groundwork of the Metaphysic of Morals*. For Kant, actions are not good or bad based on the *purposes* for which we act. Rather than considering purposes, we should ask if the basis of our action could become a “universal law” for all moral actors in similar circumstances. If it is wrong for *any* company to sell a potentially defective product, it is wrong for Johnson and Johnson to do so—despite the considerable cost of a recall. The focus is on motivation, not on the consequences of an action. Furthermore, since all human beings share this ability to reason about moral actions, Kant believed that *no person must ever be treated purely as a means, but as an end in himself.* We cannot use other persons purely for some benefit to ourselves.

This rule would prohibit seeing the consumer purely as a means to corporate profit—as could have been done in the Tylenol case (but was not). Johnson &

Johnson correctly recognized its duty to consumer welfare. However, the Kantian approach *fails to consider the ends of an action.* Indeed, it is often said, “the way to hell is paved with good intentions.” I believe that morality should consider consequences (not just motives) of an action on the actual human beings who are impacted.

Universal Obligation: never use other persons purely for some benefit to ourselves.

A Modern Understanding of Universal Obligation

One of the foremost philosophers of the 20th century, John Rawls, takes a position very similar to Kant. Now Professor Emeritus at Harvard, in 1971 Rawls first published *A Theory of Justice*. He argued that people will choose proper rules when they are forced to reason *impartially*. Rawls asks people to reason from what he calls an “original position.” They should, in fact, imagine themselves behind a *veil of ignorance*. That is, they are free, equal, rational, self interested, but, in the original position, they do not know their place in society, they have no idea about how well they will fare in the natural lottery of talents, nor do they know their likes, dislikes, religious beliefs, etc. They know only the general facts about human society. It is assumed that they have different aims (life plans), but they cannot advance them at the cost of others since all knowledge is held behind the veil of ignorance. *Ignorance of these things guarantees impartiality in ethical choice.*

According to this method of reasoning (from behind the veil of ignorance), the management and stockholders of Johnson & Johnson would have reasoned impartially, that is, they would never have put the consumer at risk any more than they would have been willing to put themselves at risk! However, the Rawls method has a serious flaw; I doubt that many of us can reason so abstractly

about concrete daily moral problems. This especially becomes clear when Rawls spells out what we must “forget” to reason ethically (our place in society, our talents, likes, dislikes, religious beliefs, etc.)! Rawls is also subject to some of the same criticisms as Kant; the actual impact of any moral decision on concrete human beings never comes clearly into focus. The failure to consider consequences is remedied in our next approach.

Consequences: take actions that produce the most good for the most people.

Approach Two: What Is the Impact of What You Do?

There are those, however, who do not believe that morality is about rules and duty, but about *consequences*. This approach to ethical reasoning is known as Utilitarianism, and was argued most strongly by John Stuart Mill (1806 - 1873). According to Mill, actions that produce the most good for the most people are considered morally right. Utilitarianism seeks “the greatest good for the greatest number.” Following this course, the decision makers at Johnson & Johnson would be forced to consider not only the interests of Johnson & Johnson, but also the interests of the public at large. Determining the greatest good for the greatest number would require a cost and benefit analysis for *all* parties concerned.

This method of reasoning *probably* would have required the product recall. The protection of the millions of Tylenol users represents the greater good and outweighs the financial costs to Johnson & Johnson.

But if only a few would be poisoned, what then? *Unfortunately, utilitarianism would allow large and unfair burdens to be placed on the few to benefit the greatest number.* This runs against many of our ethical sensibilities. It also does not say much about what is meant by the greatest “good” for human beings. This flaw is remedied in a Personalist approach.

Approach Three: Economic Personalism

Personalism has *human dignity* at its center. The focus on human dignity has support from sources as varied as the United Nations, Economic Personalism in Christian social thought, and the Dalai Lama. Ethical reasoning according to this approach will ask the question: which action most leads to the protection and promotion of human dignity? Of course, *the key to answering this question for any issue will be how one understands the human person.*

The approach I prefer: Economic Personalism: choose the action that most likely leads to the protection and promotion of human dignity.

Aspects of the Person to Consider

Those within the Judeo-Christian tradition believe that all persons were created in the image and likeness of God. It is this belief that gives a foundation for protecting and promoting human dignity. Catholic social thought in particular has latched on to this approach to answer questions of business and economic ethics. (As I have indicated, it is not only Jews and

Christians who affirm human dignity, but also others—Muslims, philosophers, and others—who do so for their own reasons and within their own traditions. I trust that the reader who is neither Jew nor Christian can find application for all or most of the ideas presented here.)

The following discussion covers the six basic aspects of the human person to consider when making ethical decisions in your everyday worklife using the Economic Personalism approach. After surveying these aspects, we'll look at how they would have affected decision-making in the Tylenol situation.

1. Spiritual

In Economic Personalism, all things on earth are understood as being ordered to human beings as their center and summit. Indeed, human persons are *spiritual* beings, distinguished from other creatures by their capacity to know and to love. In other words, God gives persons their true being, not simply in the sense of existence in time and space, but in the sense of life purpose, meaning, and ethical structure.

To become truly what he or she is meant to become spiritually, a person must have 'space' to practice spirituality. This means that *your* ethical decisions must have respect for and encourage various belief systems. For example, peo-

ple need time off from work for religious holidays. It is your duty to help a Muslim be a *good* Muslim, for example, by giving him the space to practice spirituality.

Human beings are distinguished from other creatures by their capacity to know and to love.

2. Communal

Christians believe that God's being is not solitary, but *communal*. For example, we speak of a community of persons, Father, Son, and Spirit, who give and receive the gift of love. Human persons, created in the image and likeness of God, also find their true being in the process of giving and receiving love and in the experience of unity amidst difference. Since Economic Personalism indicates that a person only develops to his or her fullest with others, it is your ethical responsibility to encourage this. For example, you can give employees the opportunity to socialize, participate, work in cooperative settings, and join appropriate associations.

3. Material

In making ethical decisions using Economic Personalism, you would also

Protecting Human Dignity at the Workplace

Characteristics of Human Beings	Definition	Sample Application
1. Spiritual	A person must have 'space' to practice spirituality.	Respect and encouragement for various belief systems. Time or days off for religious holidays are very important.
2. Social	A person only develops to his/her fullest in association with others.	Employees should have opportunities to socialize, participate, work in cooperative settings, and join appropriate associations.
3. Material	A person requires food, clothing shelter, etc. to survive.	Payment of just wages and benefits. Safe and pleasant working conditions.
4. Free & Creative	We all want to move forward professionally, to exercise our creative abilities.	Assignments should assign creative responsibility to the lowest level possible.
5. Fragile	We are all prone to error; we have our weaknesses and failings.	Employees need oversight, second chances, extra training, or re-assignment.
6. Equal	People are entitled to equal treatment regardless of race, color creed, etc.	There should not be discrimination on a non-performance basis.

consider the *material aspect* of a person. The basis for this is that God has created persons as body and spirit, and our everyday material processes should serve to reveal the hidden presence of God.

Although, realistically speaking, the activities of caring for the body, providing for the needs of family and self, participating in economic life, do involve some repetition and at times toil, the more salient truth is that in the process of these activities we can discover and recognize the activity and presence of the Creator.

Consider the act of *eating*. You eat and provide nourishment for the material needs of your body, but we almost always prefer to do this *communally*. The material overlaps with the spiritual. Eating can become almost a spiritual event. Indeed, for Christians, the Eucharist, a meal, is the high point of worship.

As an ethical decision maker, you would consider that a person requires food, shelter and clothing to survive, and you would pay just wages and benefits and provide safe and pleasant working conditions to protect people in the material sense.

J&J put people before money. They understood their social responsibility to protect persons, whose unique value is inestimable.

4. Free and Creative

Economic Personalism emphasizes freedom for the individual because it is only in the exercise of our *freedom* that we can turn ourselves toward what is truly good. In our freedom and creativity, we may participate in and contribute to that process of giving and receiving love that involves God and other persons. The more people are involved, the more giving and receiving of love there is.

As an ethical decision-maker at work, you will help people move forward professionally, to exercise their creative abilities.

5. Fragile

Of course, a realistic understanding of the human person must recognize the

significance of human finitude and the significance and tenacity of *our moral failings*. In our finitude, we realize that we can never achieve the good that we often desire. We must learn patience, humility, and realism in setting objectives. Refusal to do this is a rejection of our bodily nature. Furthermore, in our freedom we have all refused to participate as we should in the process of giving and receiving love; the image of God in us all is thereby lessened and distorted.

Since we are all prone to our weaknesses and moral inconsistencies, you should give your employees compassionate oversight, second chances, extra training, or even re-assignment.

6. Equal

We may speak of human *equality* in the sense that all persons are called to know and to love God, all have certain rights and duties with respect to other persons, and all should have equal opportunity. The basic equality among persons has been the basis for the call to provide all persons, and especially the least advantaged, with the necessary material and non-material support to achieve the ends of human life. You must be careful not to discriminate on a non-performance basis.

Back to Johnson & Johnson

It seems that Johnson & Johnson understood its social responsibility to protect persons, whose unique value is inestimable. Human beings were put before things (money in this case). This action was consistent with the protection of human dignity, and therefore the recall was a proper exercise of managerial freedom. Given our nature as morally inconsistent and shortsighted creatures, there was surely the temptation to do otherwise.

This approach also includes the wisdom contained in the prior methods. Universal obligation (Kant and Rawls) must be respected because of our *equal* human dignity, and we must consider carefully the ultimate impact (utilitarianism) on actual human beings when reaching a judgment. However, Economic Personalism far surpasses utilitarianism in

actually defining what we mean by human beings and their innate dignity.

Recognizing their social obligation, Johnson & Johnson acted to protect people on the material level. Because they too were fragile and morally inconsistent, the J&J executives could have chosen otherwise. Spiritually, they maintained our trust. They recognized basic equality by not putting their own good above others.

In sum, they chose the action that most led to the protection and promotion of human dignity.

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Conclusion

So, how do we make ethical decisions in business? How are we to handle the complex situations mentioned at the beginning of this article? I believe that Economic Personalism is overall the most comprehensive and helpful. It is the most comprehensive because it includes the insights of Kant, Rawls, and Mill; and it is most helpful in fulfilling "human dignity."

It is a great relief to ethicists and moralists—and a source of deep satisfaction—that Johnson & Johnson fared so well in the long run in the wake of its highly ethical actions. We see that ethical behavior can be consistent with surviving and making money. ●

1. Richard T. DeGeorge, "Business Ethics," 5th edition (Upper Saddle River, NJ; Prentice Hall, 1999). Page 3.

2. "Gaudium et Spes," in Vatican Council II: The Conciliar and Post Conciliar Documents, General Editor Austin Flannery, O.P., (Collegeville, Minn.: The Liturgical Press 1979), paragraph 12.

3. "Gaudium et Spes," in Vatican Council II: The Conciliar and Post Conciliar Documents, General Editor Austin Flannery, O.P., (Collegeville, Minn.: The Liturgical Press 1979), paragraph 17.

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