Gerry, a 59-year-old food services night manager has worked for the hospital for 22 years. Well-liked, Gerry has been a loyal employee, in part, because the Sisters have provided him opportunity, hiring him after two years of unemployment. They helped him get his GED and moved him up the ladder while he supported a large family.

In the dead of night, security recently discovered Gerry smuggling hospital food and supplies. When confronted, Gerry admitted to a pattern of diverting resources. He claims he is an addicted gambler consistently losing his pay check, mired in debt, and unable to feed his family. He has offered, quite penitently, to make restitution. While the hospital theft policy indicates immediate dismissal for theft, superiors, who have supported him over the years, wonder whether a Catholic hospital should have a more humane disciplinary policy.

At first blush, most people would quickly resolve Gerry’s case: pilferers are immediately terminated! However, an organizational ethics view might bring another perspective. At minimum, organizational ethics would seriously consider the claim for leniency and provide the ethical tools to analyze the burdens and benefits of allowing a change in organizational practice.

With greater frequency, organizational ethics is making it onto people’s moral radar in health care, first because of JCAHO requirements, and more recently because of business ethics scandals like Enron. While awareness may be on the increase, most are unsure how to think about organizational ethics, or how to distinguish it from clinical ethics. Simply stated, organizational ethics examines the choices of the organization as a moral agent, and the choices of the people who inhabit it, including board members, managers, and employees. Organizational ethics’ relationship to clinical ethics is that of category to subcategory. Clinical ethics focuses on choices of providers and patients in the clinical realm.

Organizational ethics looks at all the choices, not only business choices, but also those that overlap with clinical issues. Most people whose skills are honed in clinical ethics find it difficult, if not futile, to apply concepts like autonomy, justice, and beneficence to analyze cases like Gerry’s. They falter not because there is a different morality but rather because different tools and perspectives are needed to analyze organizational problems.

In Gerry’s case, the moral issue could be framed many ways. Some would view leniency to him as either a moral problem of favoritism, or an issue of religious forgiveness, or a problem of consistency with policies. While analyzing the problem from these different perspectives will yield valuable insights, a common method in organizational ethics is to examine the formal structure of the organization, such as its policies and procedures. Policies reflect the organization’s moral choices—management proposes policy, boards approve it, and everyone follows it. Organizational ethics looks at all aspects of policy including: what is the goal of a policy, is the policy so ambiguous that different people interpret it with significant variation, is the policy followed or is some informal policy normally practiced?

In Gerry’s case it might be worth investigating whether the disciplinary policy is followed consistently or whether there are agreed upon exceptions. If a policy is exceptionless, individual cases are not the opportunity to act on special considerations. The moral integrity of an institution requires consistent action. To act haphazardly and contrary to policy is a risk to the organization. The proposed exception, along with other reasons for exceptions, might be grounds to include leniency as part of disciplinary policies; however, there would need to be full review and approval by appropriate authorities. Gerry’s case provides several common claims for exceptions to disciplinary policies: he is...
addicted and therefore not free, he is a loyal employee, and the institution is faith-based and is guided by values such as forgiveness, hope, and transformation.

Considering addiction is plausible in as much as a person acting under addictive behavior is less rational and free, and therefore perceived to be less culpable. All addictions are devastating for the addicted person; but managers considering leniency as an exception to policy sometimes only consider certain addictions, such as drug and alcohol addiction. Any adequate examination of the issue would have to inquire about other addictions that might be included, such as sex addictions that compel people to use computer pornography, or any obsessive/compulsive disorder. Allowing for exceptions based on addictions, while conceivable at first, would be a nightmare to administer in practice. The burden would include sorting out the kinds and levels of addictions that would be permitted, and the ability to protect the institution from future transgressions of recovering employees.

Another special concern frequently considered is the status of the employee—loyal, well loved, friend and colleague. Organizational sociologists highlight what is often plain: people treat equally guilty persons unequally based on factors such as race, class, similarity in background, and previous reciprocal business relationships. Such a reason for an exception, riddled with bias, undercuts an organization’s ability to act fairly. Organizations must act consistently, and there must be the perception and reality of fair treatment in the face of unequal power of an employer who can dismiss and the employee. In the face of unequal power, appropriate mechanisms for appeal need to be considered.

Still another claim for exemptions rests on the faith-based nature of the organization. In the Christian tradition, persons who are employees of a religious organization were never thought of as widgets, but rather as persons to be reverenced. There was never a pattern of ignoring the fact that a person had transgressed. Rather the transgression was acknowledged and out of mercy the religious organization sought to help and to heal. Less focus was spent on judging the person and more on reintegrating the person into the community. Simultaneously, justice required the organization to ameliorate the situation to insure that no further transgression could occur or victims be harmed.

In conclusion, an organizational ethics mechanisms such as management team, after examining the burdens and benefits of claims for leniency to a disciplinary policy, might conclude that merits for leniency are outweighed by the burdens of amending the policy. For example, however compelling the appeals to addictive behavior and the faith-based mission of an organization, the feasibility of implementing the leniency exception might divert resources from caring for patients to caring for employees. The policy might not change, but the reflective act to consider leniency exceptions might redouble the organization’s commitment to provide healing to the employee through counseling and other programs. All organizations face human resource issues like Gerry’s as well as other concerns related policies; therefore, organizations need to consider identifying and implementing an organizational ethics mechanism that offers a safe forum to voice questions and to respectfully examine the merits of allowing the organization to act differently.