Ethics and HRM Education

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Abstract Human resource management (HRM) education has tended to focus on specific functions and tasks within organizations, such as compensation, staffing, and evaluation. This task orientation within HRM education fails to account for the bigger questions facing human resource management and employment relationships, questions which address the roles and responsibilities of the HR function and HR practitioners. An educational focus on HRM that does not explicitly address larger ethical questions fails to equip students to address stakeholder concerns about how employees are treated or the ethical dilemmas facing employers with regard to the employment relationship, and ironically makes the HRM function less strategic to the organization. In this paper, we identify some of the key ethical issues within the employment relationship, discuss how extant HRM education often fails to address these issues or help students to become aware of them, and offer a framework for integrating ethics into HRM education.

Keywords Human resource management (HRM) • HRM education • HRM professionals • HRM functions • Strategic human resource management (SHRM) • Stakeholder theory • Stakeholders

For many people in organizations, human resource management (HRM) is the personnel department where questions about payroll and benefit are directed. HRM is often conceptualized as a set of tasks—selection, training, promotion, diversity management, and payroll—that are done by staff people who are ancillary to the real work of the organization. Yet two
recent concurrent developments in HRM suggest such micro-level focus is insufficient. On one hand there is the demand on HRM to be more strategic and to contribute more effectively to the performance of the organization. On the other hand there is acknowledgment of the ethical import of HRM on employees and other organizational stakeholders. We are primarily concerned with the latter, that is, the development of a deeper understanding of the ethical implications of HRM within HRM education. However, we do not assume these trends in HRM must be dichotomous. Indeed, we argue that, ironically, it is by attending to the broader ethical concerns of stakeholders that HRM can best serve the long-term needs of organizations.

There has been considerable attention given to whether HRM is strategic, and if so how and in what sense (Lengnick-Hall et al. 2009; Paauwe 2009). However, it is an open question as to whether focusing on specific HRM tasks—whether within research, teaching, or organizational practice—scales up to a conclusion that HRM is itself strategic. The link between organizational performance and specific HRM practices is often less than manifest; Guest (1987: 263) points out that HRM research needs “a theory about HRM, a theory about performance, and a theory about how they are linked” and Guest et al. (2003) note that while HRM is associated with higher levels of organizational performance, this does not necessarily mean that HRM causes higher performance. Indeed, the notions of HRM, performance, and the links between the two are highly contested within the academic literature (Paauwe 2009; Janssens and Steyaert 2008).

In a similar way, HRM policies and practices are central to ethical analyses of organizations. Employees are internal stakeholders (Freeman 1984) without which the organization cannot operate (Greenwood and De Cieri 2007; Greenwood and Freeman 2011). Within each function comprising HRM, there are significant ethical issues that confront organizations and HRM practitioners. Selection, for example, implicates concerns about procedural fairness (Cropanzano and Wright 2003) and effects on employee diversity with regard to race and gender, which are themselves concerns about procedural fairness (Graves and Karren 1996). Selection processes further raise concerns about the distribution of positions—particular senior-level managers—within organizations and whether those outcomes are fair, particularly to women and members of minority racial groups (Young 1990). However, HRM poses ethical concerns beyond whether specific tasks are accomplished in an ethical (or more likely, legal) manner. Concerns about fairness and equity, employee voice, encroachment on employee privacy, and demands on employee time are examples of issues not always well addressed within the literature on ethics and HRM—much less within HRM education. Many ethical concerns about HRM can be posed as questions about the terms of exchange between employers and employees; in short, whether employees are getting a fair deal. However, the role of HRM within the organization—what it does and what it ought (in a normative sense) to do—is also important. HRM, in short, can and often does have a dark side (Guest and Conway 1999).

We propose that HRM education that fails to equip students to understand these debates, comprehend why stakeholders have concerns about specific HRM practices and the ethics of employment relations, and respond in ways that are both ethical and responsive to stakeholder concerns is inadequate for both students and the organizations that they will serve. Employment relations are among the most salient for organizational stakeholders and ethical issues within employment abound. In this paper, we will first discuss why teaching ethics within HRM education matters within the wider context of management education. We will then discuss some of the key ethical issues within the employment relationship and HRM practice, noting how extant HRM literature and education often fails to address these issues or help students to become aware of them. We will conclude with a framework for
integrating ethics into HRM education that seeks to address ethical issues within HRM functional areas and broader questions about employment ethics. We believe that building student competencies to understand ethical issues in employment and to help organizations develop effective responses might make HRM more strategic within organizations rather than less. Specific HRM tasks within functional areas can be outsourced or minimized in importance. However, understanding ethical issues within the employment relationship and how those concerns might affect the organization’s strategy and practices is much harder to outsource. Increasingly, stakeholders are evaluating organizations based on their responses to social issues and concerns. Inept or inadequate responses to ethical concerns about employment can be particularly damaging to organizations. HRM, and by implication HRM education, have an important role to play in shaping organizational responses to stakeholder concerns about ethical employment practices.

### Why Teaching About Ethics and HRM Matters

Teaching is a site of active debate about ideas, or least it should be. At the university level, teaching should inform students about broader debates within whatever field they are studying. Because management is an applied field of study, it is particularly important to integrate broader debates—which often implicate political and ethical issues—within the curriculum. One requirement of management-program accreditation is coverage of social and ethical issues within the curriculum (Swanson 2004). Further, an often-explicit goal of management education is to form the organizational leadership of the future (Caldwell et al. 2007). Therefore, we posit that debates about how subjects should be taught ought not to be divorced from such debate within communities of practices and the wider public. Indeed, failing to equip students to understand ethical issues within their fields of study—especially given the attention that organizational policies, practices, and behaviors receive—does students a disservice. Whether the topic is general management (Caldwell et al. 2007), accounting ethics (Madison and Schmidt 2006), or HRM (Miller 1996; Orlitzky and Swanson 2006), part of being a responsible business person and business leader involves not only being aware of ethical issues within the field chosen, but also being able to understand and respond appropriately to them. This is particularly true for HRM professionals (Foote and Robinson 1999), who in many countries have a professional society that has created a code of ethics, and who work within a field within which ethical issues are rife.

HRM education is, of course, one subject among many within a management curriculum. Some students will only take an introductory course in HRM, while others will take much more in support of a degree or other credential in the subject. While in this paper we will address the particular topic of ethics in HRM education, we think it important to discuss the wider context in which management education is embedded and its legitimacy challenged. Business education occurs in an environment in which trust in individual business and the institution of business has been decline for quite some time (Pirson et al. 2012), in large part because of myriad business scandals that have received significant public attention (De Cremer et al. 2011). AACSB International, one of the most prominent management education accrediting bodies, in its 2004 report on business ethics education, suggested four themes for business ethics education: “the responsibility of business in society; ethical decision-making; ethical leadership; and corporate governance” (AACSB International 2004: 10). The Principles for Responsible Management Education (PRME) represent a parallel effort to integrate ethics and management education. Concerns about the quality of management education related to ethics have likely only intensified in recent years.
Within the broad ambit of management education, the four themes for ethics education within management programs are increasingly being addressed, although there is wide variance as to whether they are addressed primarily in one or more standalone courses. In this paper, we do not seek to address the debate about whether business ethics should be a compulsory topic within the business curriculum or be integrated within subject-area courses. Rather, we propose that business ethics education should be matched to the ethical challenges and public expectations facing organizations generally and distinct organizational functions particularly. Accounting education, for example, has had to change dramatically in light of various scandals that often were connected to inaccurate and often unethical accounting practices (Boyce 2006; Boyce et al. 2012; Madison and Schmidt 2006), although the efficacy of these changes is the subject of considerable debate (Carmona 2012). HRM education should be similarly responsive to changing stakeholder expectations and the ethical concerns inherent to the contemporary employment relationship.

Eight years after the publication of the 2004 AACSB International report on ethics in management education, there is evidence that many programs have failed to fully integrate ethics in the curricula. Rasche et al. (2012), examining data in the Aspen Institute’s *Beyond Grey Pinstripes* survey of business schools, found that while ethics courses doubled among schools responding to the survey, three-quarters of these courses were electives. Further, there was considerable variance in the level of ethics integration in core courses. As a result, there was a disconnect between the positive story that business schools were telling a variety of constituencies about the level of ethics education and the reality thereof.

It is beyond the scope of this paper to resolve the debate about ethics and management education. Rather, we make a more limited set of claims. First, the broad themes identified by the 2004 AACSB—the responsibility of business in society; ethical decision-making; ethical leadership; and corporate governance—should be addressed in all business programs. No one course or topical area—including HRM—can or should bear the weight of exposure to ethics in management education. Ethics in HRM—or any other functional area of business and management—can best be understood when integrated with an understanding of how strategy, governance, ethical leadership, corporate compliance and corporate culture interrelate (Trevino and Nelson 2010). In particular, strategic management and organizational behavior are highly related to organizational ethics.

Second, while it is important to ensure that the broad themes related to business ethics education are included with the broad curriculum that every student is exposed to, there are specific ethical issues with specializations that also need to be addressed. Finally, given that most business school graduates will start their careers in middle management positions in which they will be translators and implementers of strategic decisions rather than creators of them (Osterman 2006), business ethics education should simultaneously address the wider societal context anticipated in the 2004 AACSB guidelines whilst also specifically addressing the ethical concerns that graduates will face in the early careers.

We posit that HRM is particularly important with regard to ethics education for a number of reasons. First, almost all people who work—whether in HRM or some other part of the organization—face ethical issues within employment. Whether one is an employee or has employees, or is a supervisor, a subordinate or both, ethical issues are faced almost constantly (Wiley 1998). Second, ethical issues within HRM have been a significant focus of legal concern and public attention, especially in the last forty years. Whether the issue is executive compensation, ensuring fair treatment of employees in selection and promotion, or any other of myriad ethical issues, employment issues are constantly in the public eye (Hammonds 2005). Employment issues are often central to debates about the organizations ethics. Third, employees are arguably the stakeholders who are closest to the organization.
Managers may not have contact with other stakeholders—such as shareholders or customers—but they certainly have contact with the employment relationship (Greenwood and Anderson 2009). In short, employment and HRM are highly salient to almost every single individual within any organization, no matter the industry or type of organization.

HRM professionals—those who graduate from HRM programs and work within HRM departments in organizations—have a particular interest in being conversant in the ethical implications of HRM. If HRM-related employees are simply carrying out a set of technical and/or clerical tasks, then it is perhaps less necessary for them to be ethically aware. They may merely carry out routine tasks mechanistically, and resist involvement with values and culture of the organization. But if their responsibility is to shape those policies in response to legal expectations and stakeholder concerns, then it is essential that they have the training necessary to do so effectively. HRM education therefore should be matched to the ethical expectations that stakeholders and society have about the employment relationship and the attendant role of HR, and should also help HRM professionals take a leading role in shaping organizational responses.

Finally, we note that part of being a professional in any field is being able to understand the ethical issues inherent to your work. Accountants, doctors, and lawyers all have codes of ethics and generally are expected to have studied ethics within their fields, often with a concomitant testing or credentialing requirement. As Khurana (2007) points out, while management is not a profession in the literal sense of the word, for it to become more like a profession (with the concurrent respect that comes with being defined as such) management must pay more explicit attention to ethical issues. However, HRM is more like a profession than management generally. For example, HRM in the United States has a professional organization: the Society for Human Resource Management. Australia similarly has the Australian Human Resources Institute. The Society for Human Resource Management has a code of ethics, as public accounting does. Although it is the case that professional membership is not required to work in HRM, and HRM personnel are not required to be licensed by a government body, HRM is quasi-professional—meaning that people working within HRM face higher and better-specified ethical expectations than do general managers. Therefore, because of the nature of HRM, stakeholder (including government) expectations, and the ethical issues inherent to HRM and the employment relationship, more explicit attention to ethics education within HRM educational programs is justified. We now turn our attention to the key ethical issues within HRM.

**Key Ethical Issues Within HRM**

Ethical issues within HRM relate not only to the ethical implications of specific employment practices and HRM, but also to the appropriate role of HRM within organizations. Employees are internal organizational stakeholders (Freeman 1984) without which an organization cannot operate (Greenwood and De Cieri 2007). Much of the extant literature on ethical issues within HRM has focused on micro-level HRM practices: considering the ethical implications of specific HRM functions or policies and practices (Vallance 1995; Miller 1996). This perspective is important and often used, but is by itself insufficient.

The traditional focus of teaching and research with regard to ethics in employment and HRM tends to take one of two broad approaches (Greenwood 2002). The first theme draws from deontological (duty- and rule-based) and consequentialist ethical frameworks and seeks to examine the rights and responsibilities of employers and employees within the employment setting in areas such as privacy, whistleblowing and surveillance. The second theme
addresses issues of justice and fairness in the employment relationship, including employment conditions, equal opportunity, and human resource development. However, both foci have in common a significant defect: they fail to account for the role and meaning of HRM within organization—and more to the point, what the role of HRM should be from a normative perspective (Greenwood 2002; Greenwood and Freeman 2011). For example, issues of the relative power of employers and employees—and the implications thereof for the role of HRM within organizations—do not receive much attention within the literature on the ethics of HRM. As Janssens and Steyaert (2008: 146) properly point out, “HRM studies should consider patterns of power and inequality not only at the organizational but also at the broader socio-political level.” HRM is inherently political and value-laden; seeking organizational benefit through the strategic deployment of human resources, for example, is itself a value commitment.

Limiting HRM to the functional level—whether in terms of course content or ethical analyses thereof—truncates the importance of HRM and HRM professionals. HRM, to be sure, does consist of a set of functions, as does accounting or other functions within organizations. But the role that HRM plays—and ought to play—is much broader. The ways in which work is organized are themselves dependent on “broader patterns of culture, power, and inequality” (Janssens and Steyaert 2008). Similarly, Legge (1995; 1999) argues that the rhetoric used within HRM is of ethical import; in particular, conceptualizing employment relations within a market metaphor is quite different from conceptualizing them within a community metaphor. To the extent that HRM is taught as a series of functional tasks disconnected from broader issues of power relations or wider socio-political debates, graduates of HRM programs will be ill-equipped to respond to social and ethical challenges within employment posed by various stakeholders—as will the organizations employing them. Further, conceptualizing HRM as a series of tasks is ironically less strategic to organizations, which has been one of the critical frames for recent HRM research. HRM as a means of understanding and responding to ethical concerns about the employment relationship is arguably more strategic than conceptualizing HRM as the personnel and payroll department.

HRM is thus a site of ethical activity in the organization, and indeed a primary one. However, much of the ethical import of HRM is not well accounted for in the extant scholarly literature or within HRM education. We now consider what has been done within HRM research as a means of assessing what needs to be done and how HRM teaching might better respond to the wider social and political issues related to HRM. Ethical analyses of specific HRM functions and practices have been a research focus, but concerns about equity and fairness and consideration of the role of HRM within the organization much less so. Further, the trend toward bundling sets of HRM practices (Lengnick-Hall et al. 2009) has not been well examined in the literature on HRM and ethics.

**A Framework for Integrating Ethics into HRM Education**

Thus far we have discussed some of the ethical issues within HRM that merit inclusion within coursework and HRM programs. We now propose a framework for integrating ethics education into HRM education, the key points of which are highlighted in Table 1. The framework includes four ethics education areas, addresses where and how they should occur, and details the topical issues and current issues for debate.

To begin with, HRM education should embrace multiple paradigms. Much HRM scholarship is largely positivistic and managerialist in nature (Keegan and Boselie 2006;
Table 1 Framework for integrating ethics within HRM education

<table>
<thead>
<tr>
<th>Ethics education area</th>
<th>Where/how it occurs</th>
<th>Topical issues</th>
<th>Current issues for debate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundational topics</td>
<td>Where: Throughout the management education program</td>
<td>The responsibility of business in and to society</td>
<td>What is the place of business in society?</td>
</tr>
<tr>
<td></td>
<td>How: In specialized courses, integrated throughout the curriculum, or both</td>
<td>Ethical decision making</td>
<td>To whom and for what are managers accountable?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ethical leadership</td>
<td>What is the relationship between ethics and strategy?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Corporate governance</td>
<td>How do governance and compliance mechanisms ensure ethical conduct by organizations and their managers?</td>
</tr>
<tr>
<td>Introduction to ethics in HRM</td>
<td>Where: Introductory HRM course</td>
<td>Ethical frameworks and stakeholder theory as applied to HRM</td>
<td>What ethical responsibilities are owed to employee stakeholders, and why?</td>
</tr>
<tr>
<td></td>
<td>How: Separate chapter on ethics within purpose-written HRM textbook</td>
<td>Ethical underpinnings of specific HRM practices and SHRM</td>
<td>How can the interests of employers and employees be balanced?</td>
</tr>
<tr>
<td>Ethics within HRM functional areas</td>
<td>Where: Advanced HRM courses</td>
<td>Ethical analysis of specific HRM functions (staffing, performance appraisal, compensation, and training and development)</td>
<td>What are the ethical implications of specific HRM functions?</td>
</tr>
<tr>
<td></td>
<td>How: Specialist advanced readings addressing functional-level issues in HRM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broader issues within HRM and ethics</td>
<td>Where: Advanced HRM courses</td>
<td>Ethical analysis of bundles of HRM practices</td>
<td>What are the broader ethical responsibilities germane to the HRM professional?</td>
</tr>
<tr>
<td></td>
<td>How: Specialist advanced readings addressing macro-level issues within HRM</td>
<td>The (conflicted) ethical status of HRM professionals</td>
<td>How do (and how should) HRM professionals function in their dual roles employee advocates and employer representatives?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The ethical implications of strategic HRM</td>
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</tr>
</tbody>
</table>

HRM = Human Resource Management
SHRM = Strategic Human Resource Management
Indeed, the literature on SHRM seems to embrace positivism and managerialism to a degree that is inconsistent with honoring (or even considering) ethical duties to employees. If HRM professionals are to become truly professional, then it is necessary for them to be exposed to critical perspectives about the theory and practice of HRM that call into question organization-centric perspectives thereof. Here work from business ethics and stakeholder theory can be helpful, as can insights from critical management studies.

As previously noted, ethics within HRM education needs to be embedded within a larger educational framework. This framework should take in the four themes for business ethics education—the responsibility of business in society; ethical decision-making; ethical leadership; and corporate governance—through coursework to which all students are exposed. However, in most graduates’ early careers, their organizational responsibilities will not relate to broad strategy setting or direct participation in corporate governance. Rather, they will be doing specific work—whether in marketing, accounting, finance, operations, HRM, or some other specific function. That said, focusing on broad themes—which we call “foundational topics” in Table 1—related to ethics in organizations provides a basis for which to address specific ethical issues and topical areas such as HRM ethics.

As is the case for the broad themes discussed previously, ethics education within HRM should also run throughout the entire curriculum. Many business and management students who do not major in HRM nevertheless take an introductory course in the topic and should be exposed to the major ethical issues within HRM. As we have noted, almost every graduate of a school of business and management will be a supervisor, a subordinate, an employee, or an employer—and likely will play multiple roles during their careers. All students should have a basic grasp of the key ethical issues within employment and HRM. HRM majors, who presumably have made a commitment to the field as a career, should delve deeper into the ethical issues germane to a broad range of HRM tasks and functions while also examining the philosophical underpinnings of HRM and critically analyzing them. Ethics education within HRM education should therefore not only be a one-off chapter within an introductory textbook, but rather be a constant theme that is reinforced throughout the curriculum.

Introductory HRM Courses

At this level of study (referred to as “introduction to HRM ethics” in Table 1), in which most business and management students engage, the key goal is to expose them to the ethical frameworks that are germane to HRM along with some work that seeks to apply them to particular HRM tasks and functions. This can best be done with a separate textbook chapter, written by a specialist within the field of business ethics, which includes material on different ethical frameworks and stakeholder theory. Recently some introductory textbooks are adding separate chapters on ethics and HRM (see, for example, Mondy 2008; Kramer et al. 2010); although other textbooks add material on ethics within subject-area chapters, often at the end of each chapter (see, for example, Lepak and Gowan 2009). Ethics is a distinct field of study, as HRM is, with its own specialized language and analytical frameworks. A separate textbook chapter encompassing ethical frameworks and stakeholder theory signals to students that these topics are central to understanding HRM. Adding material on ethics to the end of introductory textbook chapters, in contrast, signals that ethics is ancillary and something that one thinks about after an organizational decision has already been made as a means of justifying it. Nevertheless, a dedicated chapter should be supported by material integrated throughout the other chapters with concepts and examples provided in main text and cross-references made to the specialist material.
Ethics education within introductory HRM courses should also seek to explore the ethical underpinnings of specific HRM practices and frameworks. SHRM, for example, seems to be highly consistent with utilitarian analyses of the employment relationship and HRM practices, and consequently has been criticized by scholars working from justice- and rights-oriented perspectives. The idea behind SHRM is that certain HRM practices—alone and in concert with others—will help an organization yield some sort of competitive advantage. A discussion of how HRM is strategic might first note SHRM’s consistency with utilitarianism and then ask whether SHRM might violate ethical duties owed to employees, or whether imaging the human beings who are employees function as “resources” might be ethically problematic. Attention to ethical frameworks such as utilitarianism, Kantian ethics, rights, justice, and the like might round out introductory discussions of HRM topics while making students aware of why some practices within HRM are controversial or might not be well received by employees. When employees perceive that compensation is unfair or evaluation systems are arbitrary, for example, they are making ethical judgments that then inform other actions that they take (such as exit, reducing their levels of commitment, and absenteeism). This insight is reinforced from work in equity theory (Shore et al. 2006), a common topic within organizational behavior courses.

Exposure to stakeholder analysis is also important at this level of HRM education and goes hand in hand with exposure to ethical frameworks. The stakeholder concept has done much to broaden the view of managers beyond seeking to maximize profitability for shareholders. Analyzing why and how employees are stakeholders and what stakes they have in the organization is important (Greenwood and Anderson 2009), as is an understanding of why other stakeholders—such as government—have an interest in the employment relationship. Understanding why and how various stakeholders seek to influence employment practices helps students understand the dynamic nature of stakeholder networks and how issues affecting organizations change over time. Stakeholder theory is also useful for understanding changes in HRM practices over time. Selection processes, for example, have changed in large part because of concerns about fair treatment of women and members of minority racial groups that were the result of various civil rights movements and government action. By exposing students to ethical frameworks and stakeholder theory, HRM instructors can paint a more complete picture of the employment relationship and how it has changed, organizational obligations to employees, stakeholder expectations of employers with regard to HRM and employment practices, and why HRM has ethical implications for organizations and managers.

Advanced HRM Courses

Courses that HRM majors take should reinforce the introductory material on ethics and stakeholder theory provided within the introductory course. However, the conversation should go deeper. Textbooks within staffing, performance appraisal, compensation, and training and development might more effectively integrate various ethical frameworks within chapters, not as an add-on, but rather as a means of better understanding the complexity of HRM and the ethical questions various HRM practices poses. Specific references discussing theoretical and empirical advances in the ethical debate could be set as additional reading: for example, the areas of ethics and compensation (Heery 2000), performance measurement, stakeholder theory (Greenwood and De Cieri 2007; Greenwood and Freeman 2011), and training and development (Hatcher 2002; Greenwood and Wilcox 2005; Wilcox 2006). Indeed, this paper per se provides many such references. These are included within the area of “ethics within HRM functional areas” in Table 1. Further, critical
reflections on the HRM function and HRM practice could inform classroom discussions (Kasser et al. 2006).

Performance appraisal provides an interesting example. Obviously performance appraisal is motivated by broader organizational concerns related to efficiency and profitability, which explains why organizations evaluate employee performance for the purposes of compensation, promotion, and (in the case of poor performance) termination. So the why of performance appraisal is quite clear to students. But performance appraisal also raises issues of procedural, interactional, and distributive justice. To the extent that performance appraisal treats women unfairly, for example, it would violate standards of justice (Young 1990). A justice-oriented analysis of performance appraisal would start by noting that valuation procedures ought to be procedurally fair, and the process itself ought to be conducted with a high degree of interactional justice. But it would continue by asking whether particular evaluative schemes and standards are themselves fair, or if they reflect cultural biases and references that are disconnected from performance. Such discussions might also usefully reflect on why justice is a strongly held value by human beings and whether there are tensions between performance appraisal and expectations for procedural and interactive justice. Similarly, discussions about compensation might ask questions related to equity and fairness while further delving into the question of whether compensating some people within the organization much more highly than others creates bad outcomes with regard to organizational performance. Such a conversation would do more than add ethics to material about performance appraisal. It would also help students better understand performance management, and how perceptions of fairness in employment affect organizational performance.

Integration of ethical frameworks into functional-area coursework is not meant to turn students (or for that matter, instructors) into philosophers. Rather, such conversations deepen discussions about functions like staffing and compensation by forcing students to consider why organizations do what they do and whether it is possible to improve outcomes for employees and organizations by giving greater attention to ethical considerations. Further, understanding ethical frameworks might also help HRM majors understand why some HRM practices are better received than others; HRM practices that violate deeply held norms of justice and fairness, for example, are highly likely to be resisted by employees.

Focus on Broader Issues in the HRM and Ethics Debate

Beyond simply understanding ethical frameworks and stakeholder analysis, it is critically important for HRM majors, who will be making their careers in the field, to understand the broader issues related to HRM and ethics. HRM is more than a set of tasks, but rather implicates some of the most critical ethical issues facing organizations. For HRM students to become true professionals, it is important that they have a better understanding of the ethical issues germane not only to employment practices, but also the role of HRM in the enterprise. More macro-level issues include bundles of HRM practices and HRM policies, the status of HRM practitioners, the role of HRM within the organization, the implications of HRM as strategy, and HRM within the broader context of social change: referred to as “broader issues within HRM and ethics” in Table 1

**Bundles of HRM Practices and HRM Policies** Thus far we have focused on HRM as a set of discrete tasks like staffing and compensation. However, HRM is increasingly being conceptualized as bundles of practices (Lengnick-Hall et al. 2009; Wright et al. 2005), often meant to make HRM more strategic and supportive of improved organizational performance. High-commitment HRM (Appelbaum et al. 2001) and seeking to increase flexibility through the use of outsourcing are but two examples of HRM policies that bundle together multiple
HRM practices. High-commitment HRM has an emphasis on concern for employees, but only for those workers deemed to be core and essential by (and to) the organization. Such workers are the beneficiaries of high organizational commitment, training, job ladders, and some level of job security. Other workers are treated as easily replaceable commodities, and perhaps subject to outsourcing or other means of reducing organizational attachment to them.

Ethical analyses of high-commitment HRM might ask two questions. The first question relates to equality of treatment and identification of “core” workers—if high-commitment HRM is good for some workers, why not for others? If all workers are of equal moral worth, it is ethically correct to draw such fine distinctions? How contingent should employment policies be on the perceived worth of an employee? The second relates to whether such workplace practices manipulate employees into accepting the organization’s culture uncritically, ironically disempowering them (Claydon and Doyle 1996). Similar analyses can be offered of other bundles of HRM practices.

The Status of HRM Practitioners

Of particular concern is the compromised nature of HRM professionals as simultaneously employee advocates and employer representatives. There is an inherent tension within the role of HRM professional (Kochan 2007). Although HRM professionals are not accorded the same status as are well-established professions like law, medicine, and public accounting (and do not have licensure requirements), many of them are members of organizations (like the Society for Human Resource Management and the Australian Human Resources Institute) that do have specific guidelines for ethical conduct and professional development. It could be argued that HRM would be more effective and ethically reflective if its practitioners thought of themselves as professionals. However, the degree to which HRM is or should be considered a profession, and whether this would enhance the ethical nature of HRM, is an open question that is highly salient but beyond the scope of the present discussion (see Watson 2002; Wright 2008). One important point of discussion within HRM education is simply to surface and discuss professional tensions of which students may not be aware but will become so very early in their careers.

Further, HRM education that exposes students to the conflicted nature of HRM work would be beneficial in preparing students for the roles that they will be undertaking. The impetus to make HRM strategic often forces HRM personnel to subordinate the needs and ethical duties organizations owe to employees to “strategic” imperatives (Wilcox and Lowry 2000; Van Buren et al. 2011). Maintaining the legitimacy of HRM within the organization is therefore in tension with HRM professionals functioning as employee advocates (Kochan 2007). However, if employees do not have an advocate they may be treated unethically and unfairly by the organization for which they work. Further, failure to account for employee interests and concerns may cause the organization to adopt policies that may be perceived as beneficial but in fact are harmful to its long-run interests. Just as shareholders have shareholder relations departments, so should employees have organizational representation through the work of HRM professionals. The general issue of employee voice is a critical one that is beyond the scope of this paper (see Van Buren and Greenwood 2008 here), but this topic similarly merits attention within HRM coursework, particularly that focusing on industrial relations. Reflecting on the role of HRM within HRM education—both what it is and what it should be—would benefit future HRM professionals, their organizations, and employees.

The Role of HRM Within the Organization and the Implications of HRM as Strategy

We have repeatedly noted the push to make HRM more strategic through SHRM. Many of the bundles of HRM practices previously noted are drawn from the literature on SHRM (Wright et al. 2005). However, calling HRM “strategic” creates a set of ethical implications (Stoney
What does it mean, for example, to call a human being or group of human beings “strategic assets?” Here we note that the strategic import of HRM occurs at two levels of analysis: within specific HRM functions such as selection and training as organizations seek advantage through the effective use thereof, and at the level of HRM as an integrated organizational function.

Related to this point is the increasing tendency to view employees as sources of human capital; such a tendency may cause employees to be valued for their “resourcefulness” than their humanity. Human capital analyses may turn employees into commodities. To the extent that SHRM focuses on reducing core workforces and outsourcing work—say manufacturing to developing countries—further ethical issues arise. Wilcox and Lowry (2000) note that what has been commonly referred to as “hard” HRM—viewing employees instrumentally as a means of achieving the organization’s goals—is now cast as SHRM. However, strategic HRM choices can lead to the diminution of fundamental human rights (Wilcox and Lowry 2000) and violate ethical duties owed to employees, whether they work for the organization or for a firm that supplies services to the organization. We suggest that the ethical implications of calling HRM “strategic” have not been well explored, but should be. As Lengnick-Hall et al. (2009) note, the effects of SHRM on employees are poorly understood, conceptualized and measured at present within HRM scholarship. Without knowing how strategic HRM affects employee-level outcomes (which likely differs for different kinds of employees, based on attributes such as skill level and employees’ market power), it will be challenging for HRM professionals (and general managers) to fulfill ethical responsibilities to them.

In the same way that accounting education programs are struggling with the implications of what professional responsibilities in public accounting might mean for the practice thereof (Boyce 2006; Boyce et al. 2012), so should the ethical implications of SHRM be a focus of HRM education. Professionals should not uncritically accept practices within their fields, but rather should subject them to critical and ethical scrutiny before deciding on a course of action. SHRM is rife with often hidden and unexamined ethical implications. Consideration of such ethical implications would also help HRM students better understand the inherent tensions of their work within organizations. Further, the roles that HRM professionals are expected to play in terms of legal compliance (Bagley 2008), protection of whistleblowers (Miceli et al. 2009), and management of organizational ethics merit further analysis and discussion.

HRM Within the Broader Context of Social Change HRM is often the locus of social change. Changes in industrial and labor relations legislation, changes in collective bargaining (including the decline of employee voice; Van Buren and Greenwood 2008; Van Buren et al. 2011), growing income inequality within organizations and societies (Bloom and Michel 2002; Shaw et al. 2002), changes in the psychological contract of employment (Shipler 2004), and demographic changes all have ethical implications and practical outcomes for the practice of HRM within organizations. Examination of these trends and social changes, how they came about, and their effects on HRM practices and ethical analyses thereof, would do much to make HRM curricula more responsive to current conditions. These examples of social change have ethical implications, shape legislation and stakeholder expectations, and impact the practice of HRM within organizations. Likewise, developments in HRM, such as the move towards SHRM, are likely to impact the broader society. Explicit consideration of these topics should be part and parcel of HRM education; failure to equip students to understand these topics would impoverish their education and make them less effective within their organizations.

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HRM education should not be an island unto itself. Rather, it should be better integrated with other courses in the business and management curriculum. We also propose that HRM courses should be integrated with courses in areas such sustainability (Colbert and Kurucz 2007), social accounting (Roslander et al. 2006), and human rights (Kolben 2010; Winstanley and Woodall 2000). Admittedly these are specialty topics that may be harder to fit into a standard management curriculum. However, these are the cutting-edge topics that will inform HRM practice and ethical analyses thereof in the future. When there is an opportunity to include such topics, doing so would add richness and currency to the HRM curriculum.

Conclusion

We have contended that HRM education needs to account for ethical issues within the employment relationship. Employment is a front-and-center concern of organizational stakeholders, and employees are core stakeholders in the firm. Integration of ethics education within the functional areas of HRM is important. Indeed, what we say here with regard to the study of HRM could similarly be applied to other areas of business education; for example, marketing. We propose, however, that the broader concerns of fairness and equity within the employment relationship, and the role of HRM within the organization and within society, also need to be addressed. HRM professionals should be equipped to understand these issues and to help their organizations respond accordingly, and all management students should learn about how these issues affect their future work.

Because management of social issues has become an expected competence of organizations, HRM professionals who are able to manage employment-related social issues may become more central to their organizations, making HRM more strategic. Ethics content within should therefore be part of broad survey courses and functional-area courses within HRM education, reinforcing key concepts and ethical frameworks throughout. We emphasize the point that integration of such content is achievable, and indeed through the use of cases and discussion topics many textbooks are doing some of this integration already. However, given the important of ethical issues vis-à-vis the employment relationship, more coherence and emphasis would be beneficial, both to students and to the organizations for which they work. HRM educators have a role to play with regard to making students aware of the key ethical issues within employment and HRM. Furthermore, they are more likely to be effective if they work with ethics materials created by experts within that field. A more-holistic framework for educating future HRM professionals is needed to be truly responsive to the ethical challenges of employment of today and the future.

References


