

# **UNIVERSITY OF POTSDAM**

## **Governance, Ethics and Workplace Behavior**

Wintersemester 2018/2019

Day: Wednesday's, starting 17 October

Time: 10 - 12.00

Room 3.06, S 14

Christoph Demmke, Visiting Professor and Scientific Advisor to the Budgetary Committee of the European Parliament, former Professor of Comparative Public Administration and Public Management; Head of Unit in the OECD, Paris

E-Mail: demmke@uni-potsdam.de

### **COURSE DESCRIPTION:**

Governance is about how public and private actors get things done; this concerns mainly public policy making and implementation. Ethical Governance is getting things done in accordance with the relevant moral, values and principles.

The moral and ethical aspect of public policy making has gained importance in the last years, not only because of ever new corruption and conflicts of interest scandals. The growing interest in the issue has led to many questions and doubts: Are public policies effective in the fight against corruption, conflicts of interest and unethical behavior? How does changing government by itself impact on these developments? Which moral values, norms and principles matter? And, what do we know about the development of unethical behavior? What is unethical behavior at the workplace? How is it possible for employees to find the best solutions in concrete daily life dilemmas? What is moral reasoning at work? Are we not overstressing the impact and importance of ethics at work?

Such questions are addressed in our course.

This course will be taught in English.

### **REQUIREMENTS AND EVALUATION**

Students are expected to come class having completed all the assigned readings. Make sure to allow sufficient time for class preparation.

I expect students to attend all meetings and to arrive to class on time. For oral presentations, I will *support* student with literature research, including literature not covered in the bibliography. I normally make announcements concerning deadlines and assignments at the beginning of class.

Students who use laptops in class must do so exclusively for the purpose of note taking. I expect that students neither do not surf the web.

Regular attendance is required. Please arrive on time. Should you have to miss a class, please notify me in advance.

## **PRESENTATIONS**

Presentations should be no longer than 20 minutes per person and not longer than 40 minutes per team. The max. number is 2 students per presentation. First comes (meaning: the first notifies me about a selected topic), first picks the topics. Normally, I do not allow for two students/group holding presentations about the same topic-.

## **Topics and provisional course programme**

### **Governance, Ethics and Workplace Behavior**

#### **1. Introduction and relevance of course topic:**

- a. Changing Governance influences Ethics and workplace behavior
- b. Institutions matter ! Good Governance matters
- c. Ethics Pays !
- d. Unethical Behavior Costs !
- e. Impact on Trust, Rule of Law, Democracy, Equality, Fairness perceptions, Leadership
- f. Focus not on Governance but on changing workplace ethics in the context of new modes of Governance

#### **2. Changing Statehood and the impact on Values, Corruption, Conflicts of Ethics and Ethics**

- a. New political and societal trends:
  - i. Marketisation and Market Without Limits (Sandel)
  - ii. Privatisation of Infrastructure, Health Services, Education, Public transport, Pension, Energy
  - iii. Security, Control and Surveillance
  - iv. Digitilisation, quantification and new ethical challenges (China)
- b. Changing relationship between State and Society
  - i. Classical concept of Leviathan
  - ii. Classical Concept of bureaucracy and bureaucratic values (Rational, Standardised, Centralisation, Rule Bound, impersonal, separated, rule focused)
  - iii. The Blurring of Boundaries between the State and Society, Public and Private Sector
  - iv. Trends towards post-bureaucracy (decentralization, destandardisation, individualization)
  - v. Public Management Reforms, NPM and new values
  - vi. HRM reforms and individualization (PRP)
  - vii. Rationality as fading concept
  - viii. Politics and Religion (Obama)
  - ix. Moral Relativism: Decreasing popularity of Democracy, Human Rights, rule of Law

= IMPACT ON ETHICS

= ETHICS has COUNTRY; ORGANISATIONAL, INDIVIDUAL PERFORMANCE; COSTS; Effectiveness, Democracy, Rule of Law and Trust

### **3. WHAT IS ETHICAL BEHAVIOR? Public Sector Values and Principles**

- a. Desirable Attitudes of Civil servants
- b. Definition Values and Principles
- c. Integrity (Leo Huberts)
- d. Micropolitics (Neuberger)
- e. Values and Principles in Theory
- f. Is Volker Beck (not) integer?

### **4. The challenge of living and working ethically**

- a. Ethical decision-making in daily life: growing complexity
- b. Value Change
- c. Translating values and Principles and Practice
- d. The Ambivalence of Values: The case of Rationality, ethics of Neutrality, Obedience
- e. Value Conflicts and conflicting Public Management objectives
- f. Value Dilemmas, Dealing with Dilemmas (Dilemma Training)
- g. Ethical decision-making: Utilitarianism and Duty Ethics: The Trolley case

**PRESENTATION Topics:** Values and Principles in Theory and Practice; Value Conflicts and conflicting Public Management objectives; Value Dilemmas, Moral Theory and Moral Reasoning at Work (Literature: Leo Kaptein)

### **5. Unethical Behavior – what is it? Trends and Evidence**

- a. Definition according to Huberts
- b. Definition of ISW according to Shimanke
- c. Development of unethical behavior:
- d. The extension of definitions and policies
- e. Growing Awareness
- f. More rules, more violations, impact on trust
- g. What do we know ? Evidence

### **6. Causes, awareness and development of unethical behavior**

- a. Systemic, Organisational and Individual Causes
- b. Are we honest? Case: Lincoln and Austrian Newspapers
- c. Are unethical individuals “bad apples”?
- d. Individual or context?
- e. Uncertainties: The case of gifts and iPads
- f. Behavioural ethics: Intentional and Unintentional Unethical Behaviour

- g. Public Management Reform and the impact on Ethics
- h. Organisational Culture
- i. Opportunities and lack of control and enforcement
- j. Bad Leadership and ISW
- k. Language
- l. Stress and Job Intensity
- m. Unfairness

PRESENTATION: Discuss the concept by Leo Huberts

PRESENTATION: Discuss Frederickson/Emil Kolthoff

Presentation by Niewenburg/Anecharico

PRESENTATION: Tenbrunsel Blind Spots

Presentation: OECD Behavioural ethics

## **7. The Development of Corruption**

- a. Measuring Corruption
- b. Causes of Corruption
- c. The Theory of Micropolitics and Particularism (Mungiu-Pippidi)

PRESENTATION: Discuss Heywood, Mingui-Pippidi/Mayer-Sahling

## **8. Conflicts of Interest**

- a. Definition of Col
- b. Dimensions, Developments, Policies, Instruments

PRESENTATION: Discuss Demmke et al./Anderssen/Peters/Lamounes

## **9. What to do? Ethics Management and Ethics Policies**

- a. Stop symbolic policies: Public Policy Approach
- b. Navigation wheel
- c. Instruments
  - i. Menu of Instruments
  - ii. Gift Policies
- d. Policies
- e. Management and Institutionalisation
- f. Infrastructures
- g. Awareness Raising
- h. Assessing and Monitoring Ethics
- i. Dilemma training
- j. Transparency
- k. Post-Employment

PRESENTATION: Discuss Huberts, Demmke et al

PRESENTATION : Discuss van Dooren

PRESENTATION Topics: Moral Theory and Moral Reasoning at Work (Kvalnes, Tenbrunsel, Kaptein)

## **10. Ethical Leadership**

- a. Importance and Theories

PRESENTATION: Discuss Lasthuizen et al

## **11. Justice in the Public and Private Sector -The Public Sector with a superior moral?**

- a. John Rawls on Justice. What is Justice?
- b. The Importance of Fairness and Organisational Justice on workplace behavior (Trevino/Cropanzano/Fortin)
- c. Justice and Individualisation – “Die Singularisierung der Gesellschaft” (Reckwitz)
  - i. Individualisation of HRM
- d. The Merit Principle
  - i. Merit and Inequality
  - ii. Growing Inequality, Individualism and Unfairness in the Public Sector
  - iii. The Case of Performance Related Pay
- e. Where is the Public Sector better than the Private Sector: Equality, Fairness, Justice, Anti-Discrimination?
  - i. The case of Pay for Managers

PRESENTATION: Discuss Rawls on Justice

PRESENTATION : Discuss the concept of Organizational Justice

## **12. Politicisation in Politics and Administration: Are Civil Servants neutral?**

- a. the relationship between Politics and Administration
- b. Recruitment, Selection and Politicisation (Meyer-Sahling/Diamond)
- c. Impartiality
- d. The Theory of Representative Government
- e. Diversity Management and Identity

PRESENTATION:

Discuss concepts of Politicisation

Discuss the concept of Representative Bureaucracy and Diversity

## **13. Democracy, Rule of Law and Trust in Europe**

- a. Where to go from here?

## **Introductory Course Literature:**

- Leo Huberts (Ed) (2014), *The Integrity of Governance*, Palgrave MacMillan

### **For those who would like to go deeper into the Subject**

- Christoph Demmke/Timo Moilanen (2012), *Effectiveness of Public Service Ethics and Good Governance in the Central Administration of the EU 27*, Peter Lang, Frankfurt/M.
- Oyvind Kvalnes (2015), *Moral Reasoning at Work*, Palgrave MacMillan
- Muel Kaptein, *Workplace Morality*, Emerald, 2013
- M. Bazerman/A. Tenbrunsel, *Blind Spots, Why we fail to do what is right and what to do about it?*, Princeton University Press, 2011

## **Background Literature:**

1. Frank Anechiarico/James B. Jacobs, *The Pursuit of Absolute Integrity*, University of Chicago Press, Chicago, 1996
2. Staffan Andersson/Frank Anechiarico, *The Political economy of conflicts of interest in an era of public-private governance*, in: Paul M. Heywood (editor) (2014), *Routledge Handbook of Political Corruption*, Routledge Handbooks, New York
3. Nathalie Behnke (2006), *Ethik-Maßnahmen für die öffentliche Verwaltung – Modeerscheinungen oder Mauerblümchen?*, in: J.Bogumil/W.Jann/F.Nullmeier (ed.s.), *Politik und Verwaltung, Politische Vierteljahresschrift*, No. 37/2006, pp. 250
4. Terry Cooper, *The responsible administrator*, Jossey Bass, 2006
5. De Cremer, D./Tenbrunsel, A., *Behavioral Business Ethics*, Routledge, 2012
6. R. Cropanzano/Jorgan H. Stein/Thierry Nadisc, *Social Justice and the experience of emotion*, Routledge, New York, 2011
7. C. Dahlström/V. Lapuente, *Organizing Leviathan*, Cambridge University Press, 2017
8. G. de Graaf/Zeger van der Wal, *On value differences experienced by sector switchers*, in: *Administration and Society*, Vol. 40, No.1/ 2008, p.79

9. de Graf, Gjalt, The Bright Future of Value Pluralism in Public administration, in: Administration & Society, Vol. 47 (9), 2015, pp. 1094-1102
10. Demmke, C. et al, Regulating Conflicts of Interest for Holders of Public Office in the European Union, Office of Official Publication of the EU, Luxemburg, 2008 (together with M.Bovens/T.Henökl/K van Lierop/T.Moilanen)
11. Demmke, C., Conflicts of Interests at Regional and Local Level, Study for the Council of Europe, 2016
12. Diamond, P., The End of Whitehall?, Palgrave, 2018
13. Frankel, M.S. (1989), Professional Codes: Why, How, and with What Impact?, in: Journal of Business Ethics, No.8, pp.110-111, 1989
14. G.Frederickson/Richard K.Ghere, Ethics in Public Management, 2nd Edition, 2013
15. S. Hahn/Hartmut Kliemt, Wirtschaft ohne Ethik?, Reclam, 2017
16. Paul Heywood, Routledge Handbbok of Political Corruption, 2014
17. Leo Hickman, A life stripped bare. My year trying to live ethically, Eden, 2006. See also A. L. Allen (2004), The New Ethics, Miramax, New York
18. Alain Hoekstra, & M. Kaptein (2012). The Institutionalization of Integrity in Local Government. Public integrity, Vol. 15, Issue 1, pp. 5-28
19. Alain Hoekstra (2016), Institutionalizing Integrity Management: Challenges and Solutions in Times of Financial Crises and Austerity Measures. In: Lawton, A., Z. van der Wal and L.W.J.C. Huberts (Eds.) (2016), The Routledge Companion to Ethics and Public Service Organizations
20. Leo Huberts/Alain Hoekstra (eds.), Integrity Management in the Public sector, Bios, 2016, Den Hague
21. Leo Huberts, Integrity, What it is and why it is important, in: Public Integrity, 18 July 2018
22. Steffen Hurka/Christian Adam/Christoph Knill (2016). Is Morality Policy Different? Testing Sectoral and Institutional Explanations of Policy Change. Policy Studies Journal, DOI: 10.1111/psj.12153
23. Jørgensen, Torben Beck/Bozeman, Barry, Public Values, An Inventory, in: Administration and Society, Volume 39 Number 3, May 2007, pp. 354-381

24. M.Kaptain, Workplace Morality, Behavioral Ethics in Organizations, Emerald, 2013
25. C. Knill, (2013). Morality Policies in Europe: Concepts, Theories, and Empirical Evidence. London: Routledge
26. E.W. Kolthoff, Ethics and New Public Management, Den Hague, 2007
27. T. Lamboo/Wouter van Dooren/Paul M. Heywood (2015), Prime Witnesses? Case Studies of Staff Assessments, Ministry of the Interior and Kingdom Relations, Den Hague
28. Karin Lasthuizen (2008). Leading to Integrity: Empirical Research into the effects of Leadership on Ethics and Integrity. Amsterdam: University of Amsterdam
29. G.S. Mackenzie (2002), Scandal Proof, Do Ethics Laws make Government better?, Brookings Institution, Washington D.C.
30. Steffen Mau, Das metrische Wir – Über die Quantifizierung des Sozialen, Suhrkamp, Berlin, 2017
31. Donald Menzel, Ethics Moments in Government, CRC Press, 2010
32. C. Moliner et al. (Eds.), Organizational Justice, Routledge 2017
33. Alina Mungiu-Pippidi, The Quest for Good Governance, Cambridge University Press 2016.
34. Alina Mungiu-Pippidi/M.Johnston (eds.), Transitions to Good Governance (2017), Edgar Elgar, Cheltenham
35. Oswald Neuberger, Mikropolitik und Moral in Organisationen, 2. Aufl, 2007, UTB
36. Paul Nieuwenburg (2007), The Integrity Paradox, in: Public Integrity, 2007, Vol. 9, No. 3
37. OECD (2014), Survey on Managing Conflict of Interest in the Executive Branch and Whistleblower Protection, OECD, Paris
38. OECD (2018), Behavioural Insights for Public Integrity, OECD, Paris
39. Peters/Lukas Handschin (eds.), Conflict of Interest in Global, Public and Private Governance, Cambridge, Cambridge University Press, 2012
40. Susan Rose-Ackerman, Corruption and conflicts of interest, in: Jean Bernard Auby/Emmanuel Breen/

41. Thomas Perroud (Eds.), *Corruption and Conflicts of Interest, Studies in Comparative Law and Legal Culture*, 2016
42. A. Pinnington et al., *HRM – Ethics and Employment*, Oxford University Press, 2012
43. M. Reckwitz, *Die Gesellschaft der Singularitäten*, Suhrkamp, 2017
44. Michael Sandel, *What Money Can't Buy: The Moral Limits of Markets*, Farrar, Straus and Giroux 2012.
45. R. Schafer – Landau, *The Ethical Life*, Oxford University Press, Fourth Edition, 2018
46. R. Schafer-Landau, *The Fundamentals of Ethics*, Oxford University Press, Third Edition, 2015
47. Sunstein, C., *The Ethics of Influence*, 2016
48. Julia Thaler and Bernd Helmig (2016), Do Codes of Conduct and Ethical Leadership influence Public Employees Attitudes and Behaviours, in: *Public Management Review*, vol. 18, 9, 1365-1399
49. Treviño, L. K. 1986. Ethical decision making in organizations: A person-situation interactionist model. *Academy of Management Review*, 11: 601-617
50. Treviño, L. K. 1990. A cultural perspective on changing and developing organizational ethics. *Research in Organizational Change and Development*, 4: 195-230
51. Treviño, L. K. 1998. Ethical decision making in organizations: A person-situation interactionist model, *Academy of Management Review*, 11(3): 601-617
52. Treviño, L. K., Brown, M., & Hartman, L. P. 2003. A qualitative investigation of perceived executive ethical leadership: Perceptions from inside and outside the executive suite. *Human Relations*, 55: 5-37
53. Treviño, L., & Brown, M. 2004. Managing to be ethical: Debunking five business ethics myths. *Academy of Management Executive*, 18(2): 69-81
54. Treviño, L. K., Butterfield, K. D., & McCabe, D. M. 1998. The ethical context in organizations: Influences on employee attitudes and behaviors. *Business Ethics Quarterly*, 8: 447-476.
55. Treviño, L. K., Hartman, L. P., & Brown, M. 2000. Moral person and moral manager: How executive develop a reputation for ethical leadership. *California Management Review*, 42: 128-132

56. Zeger van der Wal/E. Th. van Hout (2009), Is public value pluralism paramount? The intrinsic multiplicity and hybridity of public values, in: *International Journal of Public Administration*, Vol. 32, 3-4/2009, pp. 220-231
57. Van Wart, Codes of Ethics as Living Documents, in: *Public Integrity*, Vol. 5, No. 4, pp. 331
58. White, M., *The Manipulation of Choice*, Palgrave MacMillann, 2013