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Expanding Ethical Standards of HMR: Necessary Evils and the Multiple Dimensions of Impact

Abstract

Ethical challenges abound in HRM. Each day, in the course of executing and communicating HR decisions, managers have the potential to change, shape, redirect, and fundamentally alter the course of other people's lives. Managers make hiring decisions that reward selected applicants with salaries, benefits, knowledge, and skills, but leave the remaining applicants bereft of these opportunities and advantages. Managers make promotion decisions that reward selected employees with raises, status, and responsibility, leaving other employees wondering about their future and their potential. Managers make firing and lay-off decisions in order to improve corporate performance, all the while harming the targeted individuals and even undermining the commitment and energy of survivors. Even when managers complete performance appraisals and deliver performance feedback, they may inspire one employee and devastate another. For each HR practice, there are winners and there are losers: Those who get the job, or receive a portfolio of benefits, and those who do not.

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14 Expanding ethical standards of HRM: necessary evils and the multiple dimensions of impact

Joshua D. Margolis, Adam M. Grant,
and Andrew L. Molinsky

Ethical challenges abound in HRM. Each day, in the course of executing and communicating HR decisions, managers have the potential to change, shape, redirect, and fundamentally alter the course of other people's lives. Managers make hiring decisions that reward selected applicants with salaries, benefits, knowledge, and skills, but leave the remaining applicants bereft of these opportunities and advantages. Managers make promotion decisions that reward selected employees with raises, status, and responsibility, leaving other employees wondering about their future and their potential. Managers make firing and lay-off decisions in order to improve corporate performance, all the while harming the targeted individuals and even undermining the commitment and energy of the survivors. Even when managers complete performance appraisals and deliver performance feedback, they may inspire one employee and devastate another. For each HR practice, there are winners and there are losers: those who get the job, or receive a portfolio of benefits, and those who do not.

It is therefore a reality of organizational life that managers engage in acts that harm people. These tasks have important consequences for individuals, organizations, and society. Although individuals might prefer to avoid performing them altogether (Bazerman, Tenbrunsel, and Wade-Benzoni 1999; Folger and Skarlicki 1998; Tesser and Rosen 1975), failure to accomplish these tasks threatens the greater good for which they are intended. Failure to perform them also threatens to harm the welfare and dignity of the harmed

parties (Bies 2001; Molinsky and Margolis 2005), as well as the HR professional's own sense of morality and professional competence. When the task constitutes a fundamental part of one's role or professional socialization, failure to get these tasks done, and done well, has an even larger effect on the person asked to perform them.

How can organizational scholarship be a useful guide for HR professionals who are called on to perform these ethically challenging tasks? One set of guidelines is provided by research on procedural justice, a term that refers to people's perceptions of how fair decision-making processes and interactions are (Brockner 2002). A central premise of procedural justice is that people must be treated in a consistent and equitable manner. That manner has been operationalized in at least three ways: (a) granting voice: giving those affected by a practice or outcome the opportunity to offer input (Folger 1977; Lind and Tyler 1988); (b) providing justifiable explanations to those affected by a practice or outcome, as well as information that the decisions and actions which brought about the practice or outcome were fair and unbiased (Bies and Shapiro 1988; Brockner, et al. 1990); and (c) interpersonal treatment that shows concern or compassion for those affected by a practice (Frost et al. 2000), which is sometimes deemed interactional justice (Bies and Moag 1986). Research has shown that when accorded procedural justice, people are more willing to accept negative outcomes and less likely to respond in a destructive manner (e.g. Greenberg 1990, 1993; Sheppard, Lewicki, and Minton 1992; Tyler 1999).

Procedural justice would appear to be an important ethical standard for guiding the practice of ethically challenging tasks, such as firing someone, delivering negative feedback, and denying bonuses—tasks in which a manager must cause pain or discomfort to another person in the name of a greater good (Molinsky and Margolis 2005). However, treating the recipient well is only one of the ethical challenges elicited by these tasks.

Managers face a crucial internal ethical challenge when called on to cause harm to another human being. Do they acknowledge the trade-off between harming one party and advancing the interests of others? Do they sustain uneasiness, even repugnance, about causing one person harm, about distributing benefits and opportunities to some and denying them to others—albeit in the name of an organizational objective—or do they suppress all questions and queasiness, rationalizing the harm in a way that erases doubt?

Where is the organization in this drama? That question introduces another ethical concern elicited by the distributive judgements HR practices entail. Organizational objectives carry moral weight, but it is easy for them to be eclipsed in discussions of managerial ethics. Organizational objectives may sometimes come at a cost to some human beings, but the capacity of an organization to function effectively may require HR practices that benefit some people and harm others. In wrestling with this trade-off, and in treating targeted individuals with procedural justice, managers doing the work of HRM

may misplace the organizational objective itself—superior performance, better teamwork, or recognition of outstanding effort.

In this chapter, we propose an ethical compass to guide the work of HRM—in particular, those tasks in which harm is being done to another human being for the purpose of achieving a greater good. This ethical compass builds on previous research on procedural justice, extending it to the full range of ethical challenges elicited by these difficult tasks. We elaborate three ethical standards to guide HR practices, and we illuminate the conceptual and practical challenges entailed in meeting these standards. We then suggest some levers that can help managers move towards fulfilment of these standards.

We draw on two streams of research and theory to lay out the three ethical standards, the challenges they pose, and the levers for equipping managers to address the challenges and live up to the standards. One stream of research focuses on ethically challenging professional tasks deemed 'necessary evils' (Molinsky and Margolis 2005): tasks that entail causing harm to another human being in the name of a perceived greater good or purpose. These tasks call upon a professional to knowingly and intentionally cause psychological or physical harm to another human being in the service of achieving some perceived beneficial outcome. Necessary evils have important consequences for individuals, organizations, and society, but individuals often attempt to avoid performing them altogether (Bazerman, Tenbrunsel, and Wade-Benzoni 1999; Folger and Skarlicki 1998; Tesser and Rosen 1975). Research into how necessary evils are performed lends insight into ethical standards for guiding HRM and for realizing those standards in practice.

The second stream of research focuses on the other side of the ledger, positive impact (Grant, forthcoming). When performing a task, people who perceive the positive impact of their actions on other people end up experiencing a range of benefits (Grant, forthcoming; Grant et al., forthcoming). The challenge lies in raising HR managers' levels of awareness of the potential for their actions to positively affect others. That is no small challenge, we suggest, since HRM so often entails necessary evils that raise vexing questions about ethics.

Three ethical standards for HRM

We propose three ethical standards for governing HR practices. Each of these standards embodies a core principle and protects a prominent constituency whose interests and well-being hinge on the work of HRM. We first specify the standards, and then for each one, we explain its intended function, the constituency whose interests it protects, and the problems, both practical and conceptual, confronting the standard. We begin simply by proposing the three standards:

- Standard # 1: *Advance the organization's objective.* Execute the task in question so that progress is made towards the objective that calls for it to be done in the first place.
- Standard # 2: *Enhance the dignity of those harmed by the action.* When managers distribute opportunities and benefits, there are those who do not receive those opportunities and benefits—or who receive fewer than others. When companies go through cycles of destruction—restructuring, downsizing—individuals get harmed. In both instances, those who lose out are due treatment that respects their standing, fosters their resilience, and enables them to continue to function effectively.
- Standard # 3: *Sustain the moral sensibility of those executing morally ambiguous tasks.* Someone must deliver the poor performance appraisal, announce the lay-off, or shutter the manufacturing facility. The ambivalence induced in performing these tasks reflects an underlying uneasiness about fair treatment and fair outcomes, and managers ought to remain attuned to that uneasiness.

To explain why we specify these three standards and what normative weight they carry, we now outline the function each is designed to serve, the constituencies to which it responds, and the problems posed in attempting to fulfill it.

STANDARD # 1: ADVANCE THE ORGANIZATION'S OBJECTIVE

It would seem to go without saying that hiring and firing decisions, performance appraisals, and even downsizings should serve a central organizational objective. However, it does tend to go unsaid, and even worse, in the doing of these tasks, the underlying organizational objective is often utterly misplaced. By making the organization's objective explicit, the aim of this ethical standard is to align the specific HR practice with a clear grasp of the objective it is designed to advance.

This ethical standard therefore serves two functions. First, it requires managers to identify the objective that their actions are intended to serve. It prompts careful consideration of the objective these practices serve, initiating a process of thoughtful due diligence to ensure that the purpose does warrant the practice. Imagine managers working in a company with a forced-ranking performance evaluation system. They must explain to those receiving below-average appraisals why they are ranked as they are. The need to deliver these negative appraisals does not itself make the practice wrong. It does make the practice difficult, and it does inflict emotional and material harm on some people. Clarity about the objective can help managers weigh the difficulty and harm, and it can push them to question whether the objective really

necessitates the practice and whether the practice really advances the objective. Might there be alternative ways of advancing the objective? Perhaps not, or perhaps ways that are not as effective, but the process of clarifying the objective and questioning its connection to the practice solidifies the importance of the practice and aligns it with the objective it serves.

This ethical standard also serves a second function: it makes the underlying objective psychologically salient. Too often, legal requirements and administrative rituals shape HR practices, eclipsing the purpose those practices are meant to serve. The law certainly needs to be followed, and administrative routines certainly preserve consistency, but they are insufficient guides for action. When performing tasks that leave some people less well off or that fracture an organization as it goes through change, managers need a meaningful sense of direction.

In general, a clear and engaging direction tends to enhance motivation and performance in work tasks (Hackman 2002; Locke and Latham 1990, 2002), but it is even more essential in the painful side of HRM. Research on delivering bad news (Tesser, Rosen, and Tesser 1971) indicates that people simply avoid delivering it, perhaps anticipating the distress others will feel (Folger and Skarlicki 2001) or responding empathically to the experience of those being harmed (Molinsky and Margolis 2005). In general, it is reassuring to know that human beings cringe at the prospect of hurting others, but there are some purposes that require people to harm others, at least to some limited degree (Blass 1991; Milgram 1974). Making those purposes clear enables people to make sense of the harm they are doing, understanding what they are doing at a level of meaning that accentuates the larger purpose served (Vallacher and Wegner 1987).

Some might fear that this amounts to mere rationalization. The risk does exist that people will grasp for any purpose that can excuse otherwise questionable conduct. However, our aim in suggesting this ethical standard—advance the organization's objective—is to reduce the likelihood of rationalization and increase the likelihood of careful deliberation, of considered judgment in performing HR practices, so that even those that raise ethical questions have been checked against underlying goals. Necessary practices that have been weighed seriously against their intended organizational objective may nonetheless entail harm. Clarity about the underlying objective enables those performing these practices to connect psychologically to the objective and perform what otherwise would be experienced solely as a harmful task.

Advancing the organization's objective reflects the interests and needs of three central constituencies. It captures concern for those who benefit from the organization's ongoing and effective operation, typically owners, shareholders, clients, and employees. Terminating a contract employee, denying a promotion, or shutting a plant should all be designed to ensure the ongoing effective functioning of the organization. Presumably, the effective operation of the organization benefits those who continue to use its products and

services, those who remain employed making those products and services, and those who gain economically from the company's production of those goods and services. In addition, advancing the organization's objective also provides a degree of protection for the harmed targets of HR practices. It ensures that serious thought and consideration have gone into why this practice and its outcomes are warranted. It also places boundaries around the harm that can be done, invoking managers to limit the harm to only that necessary to advance the now-salient objective.

Conceptual and practical challenges confront this standard. Conceptually, no matter how aligned hiring, firing, compensation, or appraisal practices are with an organizational objective, that objective might not justify the practice. Promoting or rewarding one person rather than others, or demoting an underperforming team member, may clearly serve the purpose of enhancing performance quality or productivity, but does that objective necessarily warrant the practice? In addition, the injunction to advance the organizational objective may focus effort and increase the likelihood that the practice will serve that objective, but seldom can we know with certainty ahead of time whether a practice will produce its intended consequence. Even in those instances when the objective unequivocally justifies the practice, what if the practice turns out not to advance the objective? Will a downsizing truly save a company, preserving shareholders' investment and other employees' jobs? What if it fails to do so? We simply cannot augur whether the desired outcome will emerge from the harmful action, or whether the distribution that leaves some better off and others worse off will indeed benefit the organization. And even if the benefit materializes, is it sufficient to justify the harm done?

The practical challenge follows from these conceptual dilemmas. Is it even possible for individuals in organizations to align their practices with underlying organizational purposes? Much as managers might engage in what they experience as a conscientious process of aligning HR practices with organizational purposes, managers might fall far short of actual alignment. Human faculties of deliberation are limited (March and Simon 1958), biases creep in (e.g. Tversky and Kahneman 1992), and time and other organizational demands constrain the extent of deliberation. It is impossible to generate all available options, construct the full set of options that may serve the desired objective while unleashing less harm, or even weigh whether a single practice advances its intended objective and whether that objective grants sufficient permission to perform the practice. The overwhelming power of institutional pressures (DiMaggio and Powell 1983; Dobbin and Sutton 1998) even suggests that the HR practices chosen are far less subject to deliberate choice. Rather, they are selected off-the-shelf of accepted or mandated routines and customs, and a convenient rationale follows, making them seem far more rationally chosen than they are (Dobbin and Sutton 1998; Haidt 2001).

Managers face another practical challenge when engaging in HR practices. The organizational objective can be misplaced altogether amid the storm

of emotion and anxiety unleashed when bad news and bad outcomes must be delivered. The risk is great that the task itself will not get done (Bazerman, Tenbrunsel, and Wade-Benzoni 1999). The sway of raw visceral forces (Loewenstein 1996) in the moment of task execution may keep the manager from delivering candid feedback, announcing the true extent of the lay-off, or reporting the blunt fact of bonus distributions. The task may not get done and the organization's objective may fail to be advanced.

We do not deny these challenges. In fact, they motivate the introduction of this first ethical standard. The conceptual and practical challenges exist even without the first ethical standard in place. But insisting that HR practices should advance organizational objectives opens the possibility of a more intentional, mindful (Langer 1978; Weick, Sutcliffe, and Obstfeld 1999) approach to weighing and adopting specific practices. The first ethical standard cannot eliminate these challenges—organizational life makes these challenges endemic to HR practices. However, the second and third ethical standards address the inevitable presence of these challenges.

STANDARD # 2: ENHANCE THE DIGNITY OF THOSE HARMED BY THE ACTION

This second standard differs from and augments procedural justice in an important way. Procedural justice seeks to embody fundamental respect for human beings by treating people with just procedures. In so doing, theorists and researchers find that people abide by decisions and feel those decision outcomes were arrived at fairly. A premise of procedural justice is that people must be treated in a consistent and equitable manner. Research has shown that when accorded procedural justice, people are more willing to accept negative outcomes and less likely to respond in a destructive manner (e.g. Greenberg 1990, 1993; Lind et al. 2000; Sheppard, Lewicki, and Minton 1992; Tyler 1999).

Whereas procedural justice is foremost a defensive standard, designed to prevent the violation of rights and the impairment of human beings, dignity lays out an affirmative standard, designed to promote the effective functioning of human beings. Although dignity is often mentioned in discussions of procedural justice (Tyler and Lind 1992), here we use dignity to signify something distinct and specific. Dignity refers to individuals' capacities to exercise those faculties that identify a person as distinctively human, faculties that endow each human being with the capacity to develop and pursue purposes (Margolis 2001).

Dignity expands the lens of procedural justice. Procedural justice revolves around concern for harmed individuals' perceptions and experiences of the harmful act itself. The second ethical standard we propose revolves around harmed individuals' capacities to operate constructively *after* the harmful

act. This second ethical standard serves a different function from procedural justice. Procedural justice functions to impart a sense of fairness and ensure acceptance of the outcome, thereby limiting potential repercussions and negative emotions for victims and witnesses. Dignity functions to preserve and restore the capacity of harmed individuals to act effectively. As suggested by research indicating that procedural justice has a more significant effect on negative emotions than it does on positive emotions (Weiss, Suckow, and Cropanzano 1999), procedural justice prevents the downside; conversely, dignity fosters the upside. Dignity focuses on preserving and enhancing the faculties and sense of identity people need in order to get on with life.

Why does this matter to HRM? When practices entail distributions, some will lose out on what is being distributed—jobs, promotions, opportunities, rewards. Focusing on dignity expands the distributive pie for those who end up worse off. They may be denied opportunities or have their jobs and lives disrupted, but attending to their dignity ensures that another good is distributed to them. Enhancing their dignity means equipping them with the ability to move on and restoring their sense of self-efficacy (Bandura 1997), so that they can cope with the blow, rebound, and move forward.

The challenges inherent in the first ethical standard also make this second standard especially important. In an imperfect world, managers do not have time to perfectly determine if a practice is indeed justified, and even if justified, whether it will indeed advance the organization's objective as intended. Certainly, managers can take actions to ensure that a worthy purpose is being advanced and that the organizational purpose warrants the harmful practice. However, the reality is that some people do end up with less in distributive decisions and that some people do carry the burden of displacement and restructuring—at times, even unjustifiably absorbing these negative outcomes. Dignity introduces a commitment to them, a responsibility to distribute to them the capacity to be creative agents in the aftermath of the harm. This is a compensatory standard, ensuring that those harmed by HR practices, however justifiably they may be harmed, emerge with their human faculties intact.

The conceptual difficulty of this second standard lies in its asymmetric function: Enhancing the dignity of victims does not redress the underlying wrong. A HR practice that harms one party to advance an organizational purpose might nonetheless still be unjustifiable or, worse yet, might in fact fail to advance the objective. How does preserving the dignity of targets speak to this problem? We acknowledge that it does not speak directly to the problem, but no practical solution can; the underlying ethical problem cannot be redressed. There will be instances when downsizing might not be ethically justified, even if it preserves a company, saves jobs, and permits a profit. The only option resides in asymmetric response, a response that (a) recognizes the realistic possibility of distributive injustice and the possibility that some people will

be unjustifiably harmed and (b) responds to those possibilities through the distribution of alternative creative resources.

The practical problem with enhancing the dignity of those harmed by HR practices is that it is not easy to do. From the perspective of the target of harm, preserving their sense of self-efficacy and equipping them with skills and capabilities to move forward is akin to teaching people to swim *after* throwing them into the middle of a pool. The overwhelming sinking feeling of the experience makes it difficult to develop the skills and orientation that would prevent sinking (Zajonc 1965). From the perspective of those called upon to perform the harmful practice, it is challenging enough to deliver the harmful blow (Molinsky and Margolis 2005)—to deny opportunities or end relationships, for example. Amidst the welter of emotion, those doing the work of HRM must master the experience of the situation to respond appropriately to the harmed individuals. This is one of the most difficult tasks that a manager can face, and later we illuminate two mechanisms for helping managers meet this challenge.

STANDARD # 3: SUSTAIN THE MORAL SENSIBILITY OF THOSE EXECUTING MORALLY AMBIGUOUS TASKS

As the two prior standards indicate, HR practices focus foremost on the human beings they are intended to affect and on the organizations those practices serve. Human Resource practices rarely take into account the practitioners of HRM, whether a HR manager or a general manager. Although hiring, firing, promoting, appraising, rewarding, and restructuring are actively carried out by people, the people who perform these tasks have largely been neglected.

Neglecting the practitioners of HRM seems especially problematic because the enactment of HRM is both practically and ethically challenging. As we argued in proposing the first ethical standard, often HR practices raise irresolvable ethical conflicts, and as we suggested in proposing the second standard, performing HRM effectively may entail simultaneously delivering a blow and restoring the humanity of the person absorbing the blow. Tasks that remain morally ambiguous and that require opposing actions require at least some consideration of how those charged with these tasks can carry them out.

Our third ethical standard brings into consideration the people doing the work of HRM. The function of this third standard is to set out a criterion that recognizes the realistic psychological challenges confronting those who must implement HR practices. We propose that HR practices should be designed to help those who perform them to sustain their capacity to ask moral questions

and to deliberate seriously, rather than reach for rationalizations and convenient escapes from responsibility.

Practices that distribute opportunities and advantages to some but not others, or that demolish aspects of a company in order to preserve or open opportunities, leave those performing these practices with a choice. They can live with the noxious feeling of dissonance, wondering, 'Do the gains really justify the harm I am doing?' Or they can release the dissonance by accepting the justifiability of the cost absorbed by those who lose out. Research indicates which way managers will lean: most human beings naturally seek to resolve cognitive dissonance (Cooper and Fazio 1984; Festinger 1957; Heider 1958; Schachter and Singer 1962). They will find it difficult to live with the possibility that a bonus was given to the wrong person, that a lay-off was not needed to save the company, or that a negative performance appraisal of one individual, even if it improved the team's performance, might have harmed the individual too significantly.

So, too, when dealing face-to-face with the human beings who lose out. The overwhelming cocktail of emotion experienced by those who deny the opportunity or impose the cost can drive the most conscientious HR practitioner either to dodge the task altogether or to do it in a manner that reduces his or her own anxiety (Molinsky and Margolis 2005). In these cases, the dignity of the target does not register, even as an afterthought. The pressures and psychological weight of the situation make one's own experience as the executioner the sole preoccupation.

To espouse ethical standards for guiding HRM requires attending to the experience of those who must perform the work of HRM. Our third ethical standard does not magically enable managers to live with ambivalence and satisfy heightened demands. It does, though, call attention to the experience of managers. It creates an imperative for designing HR practices so they foster the capability of HR practitioners. Specifically, this third ethical standard calls upon organizations to (a) foster HR practitioners' capacities to retain, rather than resolve, qualms and moral conflicts, and (b) provide means for HR practitioners to learn how to achieve multiple objectives when performing acts that affect others.

Human resource practices are difficult enough to devise, especially practices consistent with standards of morality. Introducing concern for the agent enacting those practices makes them more difficult to devise. Conceptually, it also raises the question of which party takes precedence: the organization, the target, or the practitioner? Whose concerns should anchor HR practices? Which of these ethical standards takes precedence? Our aim in introducing this third standard is not simply to complicate matters. Rather, the capabilities of the person performing the HR practice must be taken into account if the HR practice is to be performed proficiently and in accordance with ethical

standards. Simply leaving the performer out of the picture does not remove the problem; it overlooks, and potentially exacerbates, the problem.

The practical challenge lies in equipping managers to perform unnatural acts. Human beings seek to evade or reduce noxious experiences, whether it is the dissonance of questionable practices or the anxiety of witnessing the target's experience. How can managers be equipped to live with negative emotions, with qualms, and with multiple demands to meet organizational needs and enhance the dignity of victims, yet remain capable of offering a job to one person and not others, deliver a performance review, and transfer jobs from one location to another?

One reason for introducing this ethical standard, much as with the other two, is to pose these questions. Where should the crafting of HR practices start—with concern for whom?—and how should HR professionals be equipped? We do not pretend to have answers. These ethical standards indicate the need for organizations to develop responses that protect the welfare of the organization, victims, and managers in order to address the ethical questions that HRM raises.

A family of ethical standards

The three standards function as an integrated set. The first insists that the purpose of the HR practice be considered and that the practice be carefully aligned to fulfil that purpose. This neither guarantees that the purpose indeed warrants the practice, nor that the practice will indeed fulfil the purpose. It does increase the likelihood that hiring one person rather than another, delivering negative feedback, or laying off part of the workforce will occur after deep consideration of both the purpose these practices are intended to serve and the cost of advancing that purpose through those practices.

Practices will no doubt be performed that fail to realize the purpose and, even in realizing the purpose, exact a toll on harmed parties. Thus, the second standard insists that the methods used to perform these HR practices provide some asymmetric compensation. The justifiability of HR practices that dole out gains and losses to some and benefits and wins to others cannot be guaranteed in the imperfect world of organizations. Since some people absorb the costs while others enjoy the benefits, then those who suffer the harmful, perhaps unjustified, consequences are due something in return. Our second ethical standard proposes that they be granted treatment that reinforces their creative potential.

Human resource management means meting out benefits to some and harms to others. The ethics of this work is destined to remain unresolved.

Every instance in the workplace is likely to be ambiguous; we cannot know if denying an applicant a job offer or firing an underperformer serves the organization well until the consequences tell us so, and even at that, we cannot determine if the organization's benefit warrants the harm done to those who lose out. How, then, can people live with the unresolved ethics of HR practices while performing those practices and extending special efforts for those negatively affected? Our third standard indicates that it begins with an ethical injunction to attend to the moral development of those called upon to perform these tasks.

The ethics of HRM is about more than treating people sensitively or being fair and measured. Human resource management entails consideration of the organization, the target of harms, and the HR managers themselves. There will certainly be trade-offs between these three standards, and those trade-offs merit attention in future conceptual and empirical work. For now, we close by drawing on two streams of research that indicate two levers that managers might use to begin making the three proposed standards more of a reality in organizations.

Levers of intervention

If the three proposed standards bring awareness to the broader ethical challenges embedded in HRM, how might those challenges be met? Drawing on two streams of research, we suggest two unconventional means of intervention. The first underscores the positive impact managers can have on others, even as they perform necessary evils that leave some people worse off. The second applies subtle shifts to the implicit identities people have when they are called upon to perform practices that have negative outcomes for others.

POSITIVE IMPACT

Grant (forthcoming) proposes that the relational design of work—structuring jobs and tasks with attention to their potential to foster interpersonal interactions and connections—can enable performers to become more aware of the impact of their actions on beneficiaries. Grant et al. (forthcoming) conducted three experiments to examine the effects of heightened contact with beneficiaries.

The first experiment took place in the field with callers responsible for soliciting alumni donations to a university. These donations provided student scholarships, but the callers had no contact with the students who were receiving these scholarships. Callers in the experimental condition read a letter

by a student scholarship winner explaining how the scholarship had made a difference in his life, and then had the chance to ask him questions for five minutes. Callers in the control condition were not exposed to this brief intervention. One month after the intervention, over the course of one week, callers who met the beneficiary displayed significantly higher persistence (47% more minutes on the phone) and job performance (45% more pledges and 120% more donation money) than callers in the control condition. Compared with their baseline levels two weeks before the intervention, callers who met the beneficiary displayed significant increases in persistence (142% more minutes on the phone) and job performance (84% more pledges and 171% more donation money). Callers in the control condition did not change in persistence or job performance over this time period.

In another experiment, Grant and colleagues found that performers who merely saw a beneficiary, without interaction, spent more time on impactful tasks than performers who did not see the beneficiary. Performers also reported higher satisfaction with these tasks. Merely seeing a beneficiary was sufficient to motivate performers to care about the welfare of the beneficiary, which increased performers' task persistence and satisfaction. These findings suggest that contact with beneficiaries is highly motivating.

How might this be applied to circumstances when decisions distribute gains to some and losses to others—the classic situation of HRM? It is tempting to suggest that those doing the work of HRM be exposed as much as possible to the winners—those who get the job, receive the bonus or dividend, or keep their employment during a lay-off.

We suggest the contrary. Organizations can help HR managers perceive the benefits they can produce for the victims—the individuals harmed. That can then enable those doing the HRM, when in contact with those victims, to experience more palpably the benefit they are having. To put this in terms of our three ethical standards, if managers can be oriented to see their roles in terms of enhancing the dignity of those losing out (standard two), then they may be motivated to aid and assist those being harmed when in contact with them, thereby coming closer to fulfilling standard three, sustaining their own moral sensibility rather than withdrawing or resolving dissonance.

IDENTITY

How people implicitly see themselves has tremendous influence on their behaviour (e.g. Bargh and Chartrand 1999; Grube and Piliavin 2000; Nelson and Norton 2005). For example, a series of experiments we conducted indicates that in imperfect situations, implicitly seeing oneself as a helper rather

than just as a messenger makes a significant difference in a person's conduct (Grant et al. 2006).

In two experiments, we primed half of the performers with prosocial identity using a scrambled sentence task that included words such as helping, compassionate, altruistic, and kind. The other half completed a control task. We then asked performers to deliver bad news: to write a letter informing honours thesis students that their thesis grants were being taken away. The organizational purpose was that the department was short on money and other students needed the funds. We varied procedural justice by informing one group that the process for deciding who would lose the scholarships was fair, and the other group that the process was biased (a faculty member chose to give the money to his own students). In the control condition, for which we did not manipulate the identity of participants, performers in the unfair condition felt worse and expressed more compassion in their letters than those in the fair condition. These results conformed to our predictions.

In the other condition, in which we primed participants' prosocial identity, prosocial identity actually reversed reactions to procedural justice. Performers whose prosocial identities were activated actually felt *worse* and expressed *more* compassion when the process was *fair* than when it was *unfair*. This result surprised us.

To understand this counter-intuitive result, we conducted a second experiment using the same design to examine whether the effect would recur with a different behavioural outcome: the degree to which performers would recommend that the department financially compensate the victims. We did indeed replicate the result of the first experiment. Performers in the control identity condition offered more compensation to the victims when the process was unfair, but the effect was reversed for performers whose prosocial identities were activated. When in a prosocial mindset, participants actually offered more compensation when the process was fair.

Further inquiry into the results—and into the mechanisms that account for those results—revealed the importance of identity and inferred roles. When prosocial identity is not activated, participants intuitively see themselves as messengers, focusing on *communicating* the bad news to victims. When the process is fair, these performers have a relatively easy time delivering the news of fair procedures. When the process is unfair, these performers' beliefs in a just world are threatened (Lerner and Miller 1978). They feel worse and attempt to compensate the victims in order to restore justice.

Alternatively, when prosocial identity is activated, participants intuitively see themselves as helpers, focusing on *assisting* the victims in coping with the news. When the process is unfair, performers have the opportunity to blame the unfair process as a reason for the victims being harmed. They grant assistance by explaining away the outcome. When the process is fair, performers lack an explanation to provide to the victims, and thus they cannot

fulfil their inferred role of assisting the victims. Accordingly, they feel worse and attempt to compensate the victims in order to restore justice.

The results of these experiments suggest two important implications for managing the ethics of HR practices. First, examining the control identity condition, procedural justice can have divergent and counterproductive effects. Fair procedures result in a more comfortable experience for the performer, but those same fair procedures also reduce the performer's expression of interpersonal sensitivity to the victim; the unfair procedures, although psychologically taxing, increase interpersonal sensitivity. Second, a performer's identity drives his or her experience and execution of practices that entail harming another person. When procedures are unfair, a prosocial mindset helps those performing the harmful tasks express more interpersonal sensitivity.

Does this mean that organizations should jettison procedural justice? Not at all. Instead, our findings suggest that in a world in which even fair procedures do not guarantee ethical outcomes, it would be constructive to help those doing the work of HRM to see themselves as more than mere messengers. Sustaining managers' moral sensibility and orienting them to enhance the dignity of those affected negatively by HR practices may very well improve their capacity to deliver treatment experienced as affirmative and constructive. Some people are burdened with harmful and unfair outcomes that cannot be fully justified, and those doing the work of HRM, oriented correctly, can ease that blow.

Conclusion

We have proposed three ethical standards to guide the practice of HRM. Advancing the organization's purpose, enhancing the dignity of harmed parties, and sustaining the moral sensibility of those performing the task provide a small, simple, but illuminating set of standards. These standards highlight underlying ethical challenges that arise in performing the work of HRM, and they orient managers towards not only the targeted party, but also to themselves and to the organization as a whole. As important as procedural justice is, it becomes more powerful when standing alongside ethical standards that promote due consideration of organizational objectives, active efforts to promote the dignity of harmed parties, and care and development of the very people asked to perform the tasks of HRM.