

# **City of Austin Ethics Program: A Case Study**

Monica A. Aleman

An applied Research Project  
(Political Science 5397)  
Submitted to the Department of Political Science  
Texas State University  
In Partial Fulfillment of  
The Requirements for the Degree of

**Master of Public Administration**

Fall 2004

Faculty Approval:

---

Dr. Shields

---

Dr. Balanoff

---

Ms. Kristine Mohajer

## TABLE OF CONTENTS

Chapter 1	Introduction.....	Page 6
Chapter 2	Review of Literature.....	Page 9
	Importance of Ethics as Public Administrators.....	Page 9
	Ethics Codes.....	Page 10
	Ethics Training.....	Page 13
	Leadership.....	Page 17
	Ideal Type Category: Ethics Code.....	Page 20
	Ideal Type Category: Ethics Training.....	Page 22
	Ideal Type Category: Leadership.....	Page 23
Chapter 3	Setting .....	Page 28
Chapter 4	Methodology.....	Page 32
	Research Technique.....	Page 34
	Document Analysis.....	Page 34
	Interviews.....	Page 35
Chapter 5	Results.....	Page 36
Chapter 6	Conclusion.....	Page 46
	Research Weakness.....	Page 49
	Possible Further Research.....	Page 49

## **TABLE OF CONTENTS**

Appendix A	Survey Results Listening to the Workforce Survey
Appendix B	Ethics @ the COA: Preserving the Public's Trust
Appendix C	City of Austin, Ethics Unquestionable Integrity Initiative

## **TABLE OF TABLES**

Table 2.1	Conceptual Framework: Ideal Type Category/Components	Page 26
Table 4.1	Operationalizing the Conceptual Framework	Page 32
Table 4.2	Operationalizing the Conceptual Framework	Page 33
Table 4.3	Operationalizing the Conceptual Framework	Page 34
Table 5.1	Ethics Code- Results	Page 37
Table 5.2	Ethics Training-Code of Ethics Results	Page 39
Table 5.3	Leadership-Results	Page 41
Table 5.4	Leadership-Results	Page 42
Table 5.4	Leadership-Role Models Results A	Page 43
Table 5.4	Leadership-Role Models Results B	Page 44
Table 5.5	Leadership-Ethics Audit Results A	Page 44
Table 5.5	Leadership-Ethics Audit Results B	Page 45
Table 6.1	Summary Table-Results	Page 47
Table 6.2	Overall Conclusions and Recommendations	Page 48

## **ABSTRACT**

Ethics and ethical dilemmas in the workplace are common place in any and every organization. Managers and employees in the public sector, however are often held to a higher standard. The employees and managers of the City of Austin face challenging ethical dilemmas and must resolve complicated and complex issues. The purpose of this research is to assess the ethics program at the City of Austin. To gauge the ethics program at the City of Austin, three ideal type categories were identified. The ideal type categories are as follows: ethics codes, ethics training, and leadership.

The Austin ethics code is assessed through document analysis. Structured interviews were conducted to assess the ethics program, ethics training and leadership. Additionally, annual surveys administered to employees at the City of Austin were also reviewed to determine employee attitudes concerning the ethical climate and environment within their department and the City of Austin. Overall, the evidence suggests that the City of Austin's ethics program is well designed and enhanced by such features as the 24-hour ethics hotline administered by the City Auditor's office. The research does reveal that the employees at the City of Austin possess various avenues and resources when confronted with ethical dilemmas in the work place.

## **CHAPTER ONE INTRODUCTION**

Ethics is defined as the branch of philosophy that deals with the general nature of good and bad and the specific moral obligations and choices to be made, and the rules or standards governing conduct.<sup>1</sup> There are several benefits that public organizations and employees receive from effective ethics programs. A benefit discussed by Bruce (1998, 246), was improved decision-making skills. There is also evidence Guy (1991, 187) noted that demonstrates that individuals will rise to meet high ethical standards when they believe they will be held personally accountable for their actions. To illustrate the importance of ethics programs in the public sector, consider the following recent headlines.

### **Ethics in Today's Headlines**

The Dallas Morning News reports that three high-ranking security officials of the Electric Reliability Council of Texas were founding directors of a company that received contracts from the organization. The news also revealed that a consulting firm billed the grid operator for work never performed.<sup>2</sup> The newspaper daily shows headlines of questions surrounding the involvement of U.S. House Majority Leader Tom DeLay and Texas Speaker Tom Craddick in the distribution of donations to influence the outcome of a candidate's election a clear violation of state law.<sup>3</sup> These examples demonstrate how an ethics program would provide guidance to public administrators on how to handle difficult situations and

---

<sup>1</sup> American Heritage Desk Dictionary, Boston: Houghton Mifflin Co., 1981.

<sup>2</sup> The Dallas Morning News, September 30, 2004. "Texas lawmakers quiz leaders of state's power grid operator over expenses."

<sup>3</sup> The Houston Chronicle, September 24, 2004, "Records show ties of DeLay, Craddick to PAC."

what to do when faced with ethical dilemmas. The ethics program can provide a public administrator the tools to make ethical decisions in the work place. These examples and countless others illustrate the usefulness of having a well-defined ethics program.

### **The City of Austin**

To provide a tool for public administrators to assess ethics programs within their departments and their organizations, a model was developed through the literature. The model established ideal type components necessary for an effective and useful ethics programs. The model developed in the literature review was used to assess the ethics program at the City of Austin. The ethics program at the City of Austin was selected for several reasons:

- Unquestionable Integrity Initiative
- Location
- Size
- Access to contacts within the City of Austin.

Toby Futrell, the City Manager of the City of Austin, has placed a strong emphasis on the importance of ethics and ethical conduct by employees in the City of Austin. The Unquestionable Integrity Initiative was created and developed in response to the City Manager's emphasis on ethics in the workplace. The location and size of the City of Austin, provided the opportunity to examine the ethics program of a large entity. Additionally, the contacts needed to obtain information concerning the ethics program at the City of Austin were provided directly by the City Manager's office. The ethics program at the City of Austin was an ideal setting to assess the usefulness of the ethics program model developed through the literature review and research.

## **Research Purpose**

A research purpose was created to provide a tool that could be used by practitioners to assess their ethics programs within their own departments and organizations. The research of ethics programs is important to the field of public administration. The research purpose is three fold: 1) to describe types of information that should be included in an ethics program; 2) assess the content of the ethics program at the City of Austin; 3) based upon this assessment, make recommendations for improving the ethics program at the City of Austin.

Chapter Two reviews the relevant literature related to ethics programs in public organizations. Through the review of literature, common elements of ethics program are identified to create ideal type categories and components of ethics programs. Chapter Three contains the setting of the case study, the City of Austin. Chapter Four contains the methodology used to assess the common elements of the ethics program at the City of Austin. Chapter Five displays the results of the structured interviews and document analysis. Chapter Six summarizes the research and presents recommendations for future study.



## **CHAPTER TWO**

### **REVIEW OF LITERATURE**

#### **Purpose**

The purpose of this chapter is to review the literature related to public organizations' effort to develop ethics programs. This review includes common elements of ethics programs and the effectiveness of ethics programs in public organizations. There are three ideal elements of ethics programs in public organizations.<sup>4</sup> The elements are: ethics codes, ethics training, and leadership demonstrated from supervisors and managers of the public organization. The literature identified these common elements in public organizations that had institutionalized organizational ethics.

The model used to assess the ethics program at the City of Austin is developed in this Chapter.

#### **Importance of Ethics as Public Administrators**

In 1978, the Ethics in Government Act affirmed the concept that ethical conduct was an aspect of public management (Plant, 2001, 309). A 2000 study of workers' attitudes towards workplace ethics conducted by the Ethics Resource Center found, "that organizations that pay little attention to ethics put their reputations at risk and negatively influence their ability to attract and keep good people." (Hatcher, 2002, 87). The study also found that, "90 percent of American workers say that, 'they expect their employers to do what is right not just what is profitable.'"(Hatcher, 2002, 87).

---

<sup>4</sup> See for example: Bruce (1998); Gortner (1991); Sims (1994); (Thornton, 2000, 15).

Garofalo and Gueras (1999, 139) both suggest that the role of public administrators are: as an autonomous sub-ordinate, an agent responsive and responsible to the people as well as to officials and institutions, oriented toward the common good, the agency's mission, and active citizenship. Gortner (1991, 57) notes that the public service must be as understood as service in the public interest. Van Wart (1998, 73) also states that public sector professionals are expected to maintain a higher standard than that accepted for industry professionals.

Tim Hatcher (2002, 181, 182) notes that maintaining a climate of integrity, "requires building an organizational infrastructure that supports and nurtures ethical and unethical behavior." He suggests that codes, ethics officers, ombudsmen, ethics hot lines, and community development are key components of an ethical work environment.

## **Ethics Codes**

According to Jeremy Plant (1998, 163) ethics codes are created and based on a variety of motives. There are several motives and three traditions on which ethics codes are based: jurisprudence, normative political philosophy, and professionalism. The products of the jurisprudence tradition, codes specify acceptable conduct and attach procedures for identifying and verifying misconduct and pursuing disciplinary actions. As a result, codes limit discretion and mandate compliance.

The jurisprudence tradition, the legalistic approach to ethics is summarized by McCullough as:

A good code of conduct establishes standards of behavior for public servants. It includes clear and strict regulations on conflicts of interest, acceptance of gifts and travel, post-employment restrictions, nepotism, and the improper use of public office. Limits on the financial interests of government officials and employees in government business are set. It is important that these codes not appeal to the lowest common denominator...it is important that high standards be maintained in the code of conduct (Plant, 1998, 164).

The next tradition, normative political philosophy is based and focused on values such as virtue, benevolence, and honor (Plant, 1998, 165). The third tradition for the basis of codes is

professionalization. Professionalism links core values with the performance of tasks faced by the practitioner.

Pugh (1991, 17) asserts that guidelines for professional conduct for public administrators are relatively recent. The Watergate scandal prompted the development and use of ethics codes in state and local governments and the public service profession (Plant, 2001, 309). The declining trust that the public possesses concerning government officials has increased the demand for and the use of ethics codes in the public sector. These codes demonstrate to the public that the government is honest and accountable (Plant, 2001, 310).

Ethics codes fulfill three purposes:

- Encourage high standards of behavior.
- Increase public confidence.
- Assist in decision-making.

(Lewis, 1991, 143).

A number of organizations, individuals, and early scholars such as Hammurabi, Moses and Hippocrates all believed that it was easier to behave ethically when there are written guidelines to follow (Lewis, 1991, 139). Ethics codes are a tool for clarifying acceptable behavior and provide guidance to managers when dealing with ethical dilemmas (Lewis, 1991, 139). Ethics codes serve as a formal strategy for ethical management because the codes provide structure for ethical conduct and behavior (Menzel, 2001, 359). Ethics codes provide guidelines for the professional conduct and behavior for managers and employees (Pugh, 1991, 17). The words in ethics codes inspire, set a tone, and create expectations (Plant, 1998, 166). Additionally, ethics codes serve as an effective mechanism that ensures compliance by employees and managers (Pugh, 1991, 28). Ethics codes also serve as internal controls that provide a sense of moral responsibility and ethical awareness (Truelson, 1991, 237).

Ethics codes instill confidence in government and place high expectations and standards for administrative behavior in public organizations (Plant, 2001, 309). Additionally written ethics codes that are enforceable provide accountability of the government to the public (Plant, 2001, 309). Sims notes that the articulation and communication of ethical expectations through written codes is necessary to build and sustain an ethical organization (Sims, 1994, 204). Ethics codes mandate ethical behavior and clarify the standards that the organization accepts and expects from its employees (Sims, 1994, 204). Ethics codes also provide an unmistakable written document on how the organization expects its employees to conduct themselves at all times (Sims, 1994, 204). Ethics codes are a vital part of the integration of ethics into an organization (Sims, 1994, 206).

It is well-known, in fact, that executives regard codes as the most valuable way to promote ethics, perhaps because they are seen as an indication of professionalism..There is little dispute then, that codes meet a perceived demand (Bowman, 2001, 341).

Ethics codes demand compliance and lay out the expectation of the organization's leadership that individuals will accept responsibility for their actions and decisions. Ethics codes provide frameworks to assist with bureau dilemmas and decision-making (Bowman, 2001, 344).

Like a marriage vow, they will not prevent sickness and death, corruption and wrong doing, but they can transform the context within which the events occur. By providing a basis for personal and public expectations, they offer perspective-a way of thinking when confronting dilemmas of public service (Bowman, 2001, 336).

Plant (2001, 318) asserts that codes of ethics are assumed to be required of any mature profession. The literature suggests that codes of ethics are developed and help to clarify and outline acceptable behavior and conduct (Plant, 2001, 318). Plant asserts that, "It was as much a statement of professional identity and separateness as it was a carefully reasoned approached to doing good and avoiding evil"(Plant, 2001, 318). Codes are viewed as elements and external controls that project ideals and tailor behavior to situations (Plant, 2001, 314).

Pugh (1991, 17) and Plant (1998, 167) and Eivens (2000, 17) point to two examples of model codes, the American Society for Public Administration Code of Ethics and the International City

Manager's Association Code of Ethics. The first standard code of ethics for professional conduct for public administrators was the International City Manager's Association Code of Ethics that was adopted in 1924 (Pugh, 1991, 17). Additionally, both codes have also continued to evolve over time (Sims, 1994, 205). The current International City Manager's Association Code of Ethics does not specify gender, and that is a prime example of the changing conditions of our current society (Plant, 1998, 167).

Ethics Codes are also used to teach future public administrators the importance of ethics and helps students to develop an understanding of ethics (Nelson, Van Hook, 1998, 52). Professors often times use the ASPA Code of Ethics for class discussion and reading (Nelson and Van Hook, 1998, 52). Nelson and Van Hook state:

The importance of codes has been stressed by a number of scholars including Ralph Clark Chandler (1983, 32-39) and Darrel Pugh (in Bowman 1991, 9-30). A survey of practicing administrators found that a majority attach substantial Significance to a code of ethics while recognizing its limitations (Bowman, 1990). (Nelson, Van Hook, 1998, 52).

Another important component Hatcher (2002, 182) identifies as important for creating a climate of integrity is creating training and education. The literature suggests that ethics training and education is important for new employee orientation because it sets the tone for the workplace culture.

## **Ethics Training**

There is little research concerning the effects of ethics education on those who occupy administrative and support positions in local government (Bruce, 1998, 231). A study by Bruce evaluated the effect of ethics education on the attitudes of municipal clerks. Bruce concluded that in service education about the value of ethical behavior, "offered by municipal governments make a difference in the way respondents describe their on-the-job decision-making and job-related behaviors" (Bruce, 1998, 231). The study found that ethics education decreases corruption among

employees (Bruce, 1998, 246). Bruce determined that ethics education not only increases the ability to define corrupt acts, but also increases the willingness of employees to report them. Additionally, Bruce also found that the individuals that received ethics education utilize a variety of decision-making techniques and employees that have received ethics education also tend to involve others in finding solutions to tough ethical dilemmas (Bruce, 1998, 246).

Data also indicates that, in cities that offer education about the value of ethical behavior, respondents have increased confidence that reporting corruption will bring corrective action. Eighty-six percent from those cities which do educate about ethics agree that “reporting corruption will get results,”..Contrast that with cities that do not provide ethics education. In those cities, 72 percent agree that, “reporting will get results,”....In addition, those in cities providing ethics education are more likely to believe that responsibility for ethical action is a part of their job...Thus education about ethics empowers clerks to participate in ethical decision making. It gives them confidence. It enhances personal integrity.  
(Bruce, 1998, 244).

The study concluded that the respondents that received ethics education or training reported corruption. The respondents also believed that the improprieties would be addressed by city officials (Bruce, 1998, 245).

In 1997, a survey of chief administrators found that 85 percent of the respondents believed that ethics was a high priority and 58.5 percent of the jurisdictions provided some form of ethics training (Hejka Ekins, 2001, 95). The study concluded that, “Although we do not claim that ethics training causes these positive outcomes, we do believe that efforts to improve government and public trust often include strategies that increase professionalism, customer orientation and other ethics behavior.” The Hejka-Ekins’ study confirms that ethics training is a necessary component of an ethics program.

The literature suggests that ethics training creates a dialogue concerning ethical issues and dilemmas and provides a tool for employees to deal with ethical dilemmas (Sims, 1994, 163). Another study concerning a series of workshops on ethics to practitioners employed by the Division of Family and Children Services of a large southeastern state confirmed the importance of ethics

education or ethics training (Richardson, Nigro, and McNinch, 1998, 205). The managers and supervisors that participated in the workshops made several points in their evaluations:

- Ethics training is important.
- Ethical behaviors need to be leadership driven.
- Ethics training should be directly linked to job tasks.

(Richardson, Nigro, McNinch, 1998, 212).

Several authors confirmed the importance of ethics training.<sup>5</sup> Ethics training also amplifies the message and the importance of ethics (Menzel, 2001, 358). Ethical training integrates ethics into an organization by promoting ethics and behavior throughout an organization (Meier, 2000, 169). The literature also suggests that the support of top management can create an environment that can be made sensitive to ethics (Gortner, 1991, 60). Garofalo and Gueras (1999, 132) also concluded that a source of ethical action includes education and training. Additionally, ethics training was identified as a key component of ethics management (Menzel, 2001, 358), (Sims, 1994, 163), (Lewis, 1991, 181).

There are several benefits that public organizations and employees receive from effective ethics training<sup>6</sup>. Truelson (1991, 239) and Bruce (1998, 246) found that ethics training promoted self-control, integrity, and organizational conscience. Another benefit discussed by Bruce (1998, 246), was improved decision-making skills. Sims (1991, 103) notes that it is important for organizations to improve their employee's decision-making skills when confronted with ethical dilemmas as individuals and in groups. Bruce (1998, 246) concluded that those who received ethics education were more likely to approach others when confronted with tough ethical dilemmas. Additionally, there is also evidence that individuals will rise to meet high ethical standards when

---

<sup>5</sup> See for example Lewis, 1991, 181; Menezel, 2001, 358; Sims, 1994, 163; Thornton, 2000, 15.

<sup>6</sup> See for example Bruce, 1998, 245-246; Sims, 1994, 148; Truelson, 1991, 239.

they believe they will be held personally accountable for their actions(Guy, 1991, 187).

Furthermore, Sims (1994, 164) also concluded that training is an important tool to help organizations institutionalize ethics and encourage employees to act ethically.

Although the importance of ethics training has been confirmed by several authors, there is little research that identifies the key components necessary for effective ethics training for employees in public organizations. Hejka-Ekins outlines three current perspectives on ethics training (Hejka-Ekins, 2001, 79). The first perspective is the foundation, which means that public managers must understand the legal basis of their conduct and the importance of compliance with regulations (Hejka-Ekins, 2001, 79). The second perspective is that ethics training must contain components of ethical standards and a moral reasoning process that assists with decision-making (Hejka-Ekins, 2001, 79). Finally, the entire organization must provide context where individual ethics is fostered and encouraged (Hejka-Ekins, 2001, 79).

From the early debates between Carl Friedrich and Herman Finer, the controversy has continued concerning whether the focus of ethics on the individual level should be on external or internal controls (Hejka-Ekins, 2001, 81). External controls consists of ethics legislation and codes of ethics, and require public managers to comply with the law. Some of the weaknesses of using external controls are that compliance training dampens motivation and fails to acknowledge the importance of individual responsibility and good judgement . Internal controls focus on moral judgment and moral character (Hejka-Ekins, 2001, 81). Although the use of internal controls is based on the idea of developing moral integrity, there is still the problem of determining what content and methods need to be used to produce and develop moral integrity (Hejka-Ekins, 2001, 81). The two different approaches have resulted in a great deal of confusion and lack of consensus by scholars about identifying the necessary components for effective ethics training for employees in public organizations. This research project will address the confusion and provide a tool for developing effective ethics training for individuals in public sector organizations.



The literature also identified leadership as a necessary component for institutionalizing ethics into an organization (Hitt, 1990, 1). Hitt notes that the leader sets the moral tone and the behavior of the people within the organization.

## **Leadership**

Leadership is an important element in creating the culture of an organization (Gortner, 1991, 115). The way that a leader operates at the top of an organization, “percolates through any organization and plays a major role in deciding how the employees at the lower level think and act in their daily operation especially in times of crisis” (Gortner, 1991, 115 and Sims, 1994, 83). The leader is an important and key factor in the promotion of ethics within an organization (Sims, 1994, 83). When management promotes and supports ethical training, the entire environment can be made sensitive to ethical issues (Gortner, 1991, 60). Additionally, the integration of ethics into management thinking acknowledges the importance of ethics in the organization (Wilcox, 2002, 72).

Ethics and leadership go hand-in-hand. An ethical environment is conducive to effective leadership, and effective leadership is conducive to ethics. Effective leadership is a consequence of ethical conduct, and ethical conduct is a consequence of effective leadership. Ethics and leadership function as both cause and effect (Hitt, 1990, 1).

Research studies have shown that the ethical conduct of individuals is greatly influenced by their leaders (Hitt, 1990, 3). For example, “the findings of Stanley Milgram’s research on obedience make it clear that large numbers of people will act unethically when encouraged by others” (Hitt, 1990, 3). This study substantiates the influence that leaders possess on the ethical conduct of followers (Hitt, 1990, 4). The leader also sets the tone for the organization by establishing the ground rules for proper and improper conduct (Hitt, 1990, 2). The leaders of the organization shape the ethical conduct of the agency because the public managers are the doers and deciders (Lewis, 1991, 163).

Employees look to their managers and leaders when dealing with complex pressures and ethical dilemmas, and observe the way that their managers and leaders of the organizations handle pressures and ethical dilemmas and mirror the behavior of the leaders (Lewis, 1991, 165). The behavior by the employees is called modeling (Lewis, 1991, 165). The modeling reinforces the importance of the tone and climate that the leader sets for the organization (Sims, 1994, 29). The leaders and managers of organizations are responsible for the promotion of ethics. The promotion of ethics begins with the implementation of a strategy for making ethical decisions and promoting ethical conduct (Hitt, 1990, 175). The leaders and managers promote ethics through strategies and by developing programs (Hitt, 1990, 197). Through the promotion of ethics, management produces a sensitivity to ethical values that leads to ethical actions and high standards of conduct on all levels and positions in the organization (Guy, 1991, 202).

“Indeed, leaders have influence.....an effective leader is one who casts a light on the organization. This light helps establish the organizational climate for ethical conduct” (Hitt, 1990, 2).

The leader of an organization is a key factor in determining the conduct and behavior of employees because without guidance and reinforcement, the employees perception will be that ethical behavior is not important. An article by Richardson, Nigro and McNinch pointed out that ethics training was not a remedy for an ineffective manager or an inadequate supervisor (Richards, Nigro, McNinch, 1998, 212). It is critical for leadership to be at the center of an organization establishing an ethics program (Lewis, 1991, 180). Hitt (1991, 136) the article concludes that organizations prosper when there is strong leadership that encourages ethical conduct.

Sims (1994, 30) asserts that when there is not a climate that fosters ethical behavior, the result is an organization that predisposes its employees to behave unethically. The literature also points to research that the behavior by people that the leader decides to reward with pay increases or promotions sends out the message to other employees of what is necessary to succeed in an organization (Sims, 1994, 93). The reward system created by top management demonstrates to

employees what is valued and expected (Sims, 1994, 93). Sims provides an example of leadership and unethical behavior in action, by discussing an example of an employee that embezzled the funds of a small company (Sims, 1994, 86). A long time employee was accused of embezzling about \$20,000 over 15 years. She was asked why she had taken the money, and she stated that she had witnessed the president take cash from the company's petty cash box and take the coins from the soft drink machine. After witnessing, the company president's behavior, the employee believed that taking cash was then acceptable for her (Sims, 1994, 84).

Another example of the power of unethical leadership is the story of Enron. On December 2, 1999, Enron filed the largest bankruptcy petition in U.S. history. As early as 1999, there was evidence of serious problems with Enron's financial structure (Sterling, 2002, 41). Reports from industry trade journals outlined a number of concerns including:

- Had a great deal of legal insider trading by its officers and directors, a possible indicator that they were pessimistic about its future;
- Had a percentage return on capital that was low for a contract trading house, suggested that Enron would probably need ever increasing amounts of capital to sustain returns insufficient to produce any real profit growth;
- Had diverted considerable debt off its books;
- Had partnerships whose general managers were Enron officers, suggesting conflicts of interest;
- Was entering the market in fiberoptic broadband trading about the time that the market was beginning to suffer from a major glut of broadband capacity (Sterling, 2002, 42).

On March 7, 2002, Arthur Anderson was indicted for some of its activities in connection with Enron (Sterling, 2002, 167). Reports indicate that Andersen partners instructed Andersen employees to destroy documents related to Enron (Sterling, 2002, 168). The above examples illustrate the need and importance of leadership. These examples confirm the need for ethical leadership. Sims, Lewis,

Hitt, Gortner, and Wilcox all confirm that the leadership is necessary and critical for ethics to be integrated into an organization.

The literature has suggested three common elements of ethics programs in public organizations.<sup>7</sup> The elements of an ethics program: ethics codes, ethics training and leadership demonstrated from supervisors and managers of the public organization. The literature identified these common elements in public organizations that had institutionalized organizational ethics.

The review of literature identified and recommended components of ethics programs that are placed into three ideal type categories. The three ideal categories of ethics programs are 1) Ethics Codes 2) Ethics training 3) Leadership. The ideal type categories in Table 2.1 are developed from and linked to the literature that support the practical ideal type components.

### **Ideal Type Category: Ethics Code**

Ethics Codes emerged from the literature as an ideal type category based upon the idea that ethics codes were a key component necessary to create an ethical work environment (Hatcher, 2002, 82). Hitt and Pugh assert that a written code communicates management's commitment to ethics and provides guidelines for decision-making and action (Hitt, 1990, 191) (Pugh, 1991, 17). Lewis also asserts that ethics codes encourage high standards of behavior, increase public confidence, and assist decision-making (Lewis, 1991, 143). In addition, ethics codes also serve as the foundation, "of a broader quality assurance program" (Bowman, 2001, 350). The ideal type components in the Ethics Codes category reflect the components that will enable the Ethics Codes to serve as a guide for employees. The first ideal type category of Ethics Codes is Evolve.<sup>8</sup>

---

<sup>7</sup> See for example: Bruce (1998); Gortner (1991); Sims (1994).

<sup>8</sup> Eivens, R. Craig, *Municipal Government Codes of Ethics: A Content Analysis*, Applied Research Project at Southwest Texas State University, Fall 2000, 21.

## **Evolve**

The Ethics Codes need to evolve and reflect with the changing environment (Bowman, 2001, 350). The environment and the world around us change rapidly. Ethics Codes need to be periodically re-visited to ensure that the contemporary ethical issues and dilemmas facing employees today are addressed in the Ethics Codes (Plant, 1998, 167). The reasoning behind the need for Ethics Codes to evolve is as Plant states:

the association sees the need to review the code on a regular basis for relevance and appropriateness. It is not a static statement of golden rules or unchanging professional norms, but a guide to proper behavior under the conditions and operative management philosophies of the day. It changes with the times (Plant, 2001, 323).

The next component of the ideal type category of Ethics Codes is values.

## **Values**

Values are a key component for the Ethics Codes because they set the tone for acceptable behavior and conduct in the organization and create expectations (Plant, 1998, 166). Lewis asserts that affirmative values are also important because they serve as guides for action (Lewis, 1991, 144). The next component of the ideal type category of the Ethics Codes is enforcement.

## **Enforcement**

Enforcement is important because it is a mechanism and tool that ensures compliance (Pugh, 1991, 28). Additionally, Lewis asserts that a set of enforceable meaningful sanctions is a critical component of ethics codes (Lewis, 1991, 144). Plant also notes that the majority of codes include a means of enforcement and canons of action (Plant, 2001, 309, 311). The next ideal type category is Ethics Training.

## **Ideal Type Category: Ethics Training**

Ethics Training emerged from the literature as an ideal type category because there are several benefits that public organizations and employees receive from effective ethics training<sup>9</sup>. Truelson (1991, 239); Bruce (1998, 246) found that ethics training promoted self-control, integrity, and organizational conscience. Another benefit discussed by Bruce (1998, 246), was improved decision-making skills. Sims (1991, 103) noted that it is important for organizations to improve their employee's decision-making skills when confronted with ethical dilemmas as individuals and in groups. Bruce (1998, 246) concluded that those who received ethics education were more likely to approach others when confronted with tough ethical dilemmas. The first ideal type component of the ideal type category of Ethics Training is a Code of Ethics.

### **Code of Ethics**

A Code of Ethics is important in ethics training because it provides employees with a statement concerning the ethical behavior of all employees (Sims, 1994, 151). Menzel notes that ethics training and ethics codes are formal structures for ethics management (Menzel, 2001, 359). In a study regarding a national survey of municipal clerks, Menzel found that ethics training sessions consisted of an orientation of city codes, practices, and values (Menzel, 2001, 359). Hejka-Ekins asserts that the identification of ethical standards such as a professional code of ethics is important in Ethics training (Hejka-Ekins, 2001, 85). The next component of the ideal category is Dilemmas.

### **Dilemmas**

Using common dilemmas faced by employees is an important component of ethics training (Hitt, 1990, 92). Gortner also asserts that useful training is tailored to the organization. (Gortner, 1991, 60). Several scholars have found that ethics training should include decision making models specifically related to job or work requirements which will enhance the employees ability to

---

<sup>9</sup> See for example Bruce, 1998, 245, 24; Sims, 1994, 148; Truelson, 1991, 239

make ethical decisions when confronted with dilemmas common to their work.<sup>10</sup> The next component of the ideal type category is Resources.

## **Resources**

An integral portion of the Ethics training ideal type category is the resources component. Resources provide employees with an avenue to seek advice when confronted with an ethical dilemma (Sims, 1994, 151). Resources also include maintaining an open door policy so that employees can come to management when facing an ethical dilemma (Hitt, 1990, 197). Menzel asserts that ethics training that provides resources will provide employees with an awareness of ethics and ethical choices (Menzel, 2001, 363). The next ideal type category is Leadership.

## **Ideal Type Category: Leadership**

Sims (1994, 82) stated that leaders are the most effective tools to discourage unethical behavior. Additionally, Sims (1994, 83) also stated the leader in an organization is a key factor in the promotion of ethics within an organization. Gortner (1991, 60 ) concurred with Sims and states that when management promotes and supports ethical training, the entire environment can be made sensitive to ethical issues. Garofalo and Gueras (1999, 132) also pointed out that one of the sources of ethical action is the important figure in one's life that includes leaders in one's organization. Wilcox (2002, 72) stated that integrating ethics into management thinking acknowledges the importance of ethics in the organization. The first component of the Leadership ideal type category is Ethical Climate.

## **Ethical Climate**

---

<sup>10</sup> See for example Hatcher, 2002, 92; Richardson, et. al, 1998, 212; Sims, 1994, 151.

A climate that fosters ethical conduct is important because the ethical tone or climate is set at the top of the organization(Sims, 1994, 29). Hitt asserts that a manager's responsibility is to create a climate that fosters ethical conduct on the part of their staff ( Hitt, 1990, 175). The next ideal type category component is Role Models.

### **Role Models**

Role models are an important component of the ideal type category because role models serve as guides for employees (Hitt, 1990, 4). Lewis asserts that most employees learn how to deal with complex pressures and ethical dilemmas from their bosses (Lewis, 1991, 165). Menzel also notes that ethical and moral cues are sent out by top management to employees (Menzel, 2001, 363). The next component of the ideal type category of Leadership is Ethics Audit.

### **Ethics Audit**

To ensure that an ethics program is effective it is important for the leader of an organization to periodically review the ethics program (Menzel, 2001, 358). When developing an ethics program, Hitt asserts that a periodic ethics review is necessary to assess the impact of the program (Hitt, 1990, 197). Lewis also recommends that management practices be periodically reviewed in the form of audits (Lewis, 1991, 181).

## **Conceptual Framework**

The common conceptual framework used to satisfy a gauging research purpose is a practical ideal type. The practical ideal type provides an assessment mechanism and a standard from which to understand and make possible policy recommendations (Shields, 219). The practical ideal type is generally organized by categories (Shields, 219). The practical ideal type categories for ethics



programs are as follows: ethics codes, ethics training, and leadership have been developed from the literature to gauge whether the City of Austin ethics program contains the prescribed elements.

The review of literature identified components of ethics programs that are placed into three ideal type categories. The three ideal categories of ethics programs are 1) Ethics Codes 2) Ethics training 3) Leadership. The ideal type categories in Table 2.1 are developed from and linked to the literature that support the practical ideal type components.

**Table 2.1**

**Ideal Components of an Ethics Program**

<b><u>Ideal Type Category</u></b>	<b><u>Source</u></b>
<b>Ethics Codes</b> <ul style="list-style-type: none"><li>• Evolve</li><li>• Values</li><li>• Enforcement</li></ul>	Bowman (2001), Eivens (2000), Hatcher (2002), Hitt (1990), Lewis (1991 ), Plant (1998), Plant (2001), Pugh (1991)
<b>Ethics Training</b> <ul style="list-style-type: none"><li>• Code of Ethics</li><li>• Dilemmas</li><li>• Resources</li></ul>	Bruce (1998), Garofalo and Gueras (1999), Gortner (1991), Guy (1991), Hatcher (2002), Hejka-Ekins (2001), Menzel (2001), Richardson, McNinch, Nigro (1998), Sims (1994), Truelson (1991), Wilcox (2002)
<b>Leadership</b> <ul style="list-style-type: none"><li>• Ethical Climate</li><li>• Role Models</li><li>• Ethics Audit</li></ul>	Bowman and Menzel (1998), Hitt (1990), Lewis (1991), Menzel (2001), Sims (1994), Wilcox (2002)

## **Conclusion**

This chapter identified the current literature to build the model that will be used to assess the City of Austin's ethics program. The next chapter will describe the setting of the Ethics Program at the City of Austin.

## **Chapter Three**

### **Setting: The City of Austin**

#### **Purpose**

The City of Austin's ethics program is assessed in this applied research project. This chapter introduces the City of Austin and its ethics program.

#### **Institutional Setting**

The City of Austin, Travis County, Texas, was incorporated in 1909, 31<sup>st</sup> Legislature. The City of Austin possesses a council-manager form of municipal government. The powers of the City are vested in an elected council that enacts legislation, adopts budgets, determines policies, and appoints the city manager. The City Manager executes the laws and administers the government of the city.

<sup>11</sup> The City of Austin is comprised of over 25 different departments. The City provides an array of services from Public Safety to Transportation to Community Services. The City of Austin employees provide services to over 1.5 million citizens of Austin and neighboring communities. Accepted professional standards of personal behavior are laid out in the City's personnel policies and individual department policies. Another important source of standards that govern the conduct of City of Austin employees are the City's values. The City's values are:

- Courage
- Integrity
- Diversity

---

<sup>11</sup> **Charter of City of Austin**

- Teamwork
- Open, honest communication
- Respect, care and appreciation for family and the environment.

These values are important values for the employees to adhere to.

### **Unquestionable Integrity Initiative**

On September 18, 2003, Alice K. Glasco, the Director of the Neighborhood Planning and Zoning Department issued a memo( see Appendix C). The memo stated that the City Manager wanted ethical conduct to be one of the corporate initiatives for all employees to improve. There were several areas mentioned in the memo to be considered pertaining to ethics. The areas are:

- Outside Employment
- Use of Public Property
- Gifts
- Threats or bribes
- Conflicts of Interest
- Revolving door.

The initiative put in place by City Manager, Toby Futrell, is the Unquestionable Integrity Initiative for the City of Austin. (See Appendix C)

### **The Ethics Program**

There are several different departments with different and multiple responsibilities that comprise the ethics program at the City of Austin. The Human Resources Department for the City

of Austin provides ethics training to new employees, provides Human Resources updates and newsletters online, and compiles a Listening to the Workforce Survey annually concerning the attitudes of the employees of the City of Austin. The City of Austin Auditor's office, periodically conducts a City wide Ethics Audit and maintains an ethics hotline for employees and or supervisors to utilize, and conducts investigations.

City of Austin employees possess several avenues for resolving ethical dilemmas. The City Auditor's Integrity Unit resolves all issues that pertain to potential integrity violations. Additionally, the Human Resources Department also resolves all ethical issues relating to personnel matters. The City Manager's Integrity office is staffed with a City Attorney that handles all integrity issues.

New employees for the City of Austin receive ethics training and current supervisors are encouraged to attend the Supervisor's Academy that contains an ethics component. Each new employee is also provided a copy of the City Manager's expectations and values.<sup>12</sup> A 24-hour ethics hotline is also available for all City of Austin employees and supervisors. Callers can remain anonymous and often times report complaints that will be handled by the City Auditor's Integrity Unit.

Another resource used by the City of Austin, is a Listening to the Workforce Survey that is administered to all employees and all departments concerning the employees attitudes towards co-workers and their work environment. (see Appendix B) The Human Resources Department also provides online newsletters concerning personnel policies and issues that are available to all employees and supervisors. The City Auditor's Office periodically performs audits on the Ethics program at the City of Austin.

---

<sup>12</sup> Interview with Director of Human Resources on September 28, 2004.

## **Conclusion**

The next chapter explains the methodology used to assess the City of Austin's ethics program and the tools used to determine whether the City of Austin ethic's program contained the ideal type components.

## Chapter Four Methodology

### Purpose

This chapter describes the methods used to assess the City of Austin's ethics program. Chapter 4 operationalizes the framework developed in Chapter 2. Table 4.1, shows how the conceptual framework in Chapter 2 is operationalized.

**Table 4.1** —Operationalizing the Conceptual Framework-Ethics Code

<b>Ideal Type Category</b>	<b>Research Method</b>
<b>Ethics Code</b>	
Evolve	<b>Interview with Division Director of Integrity</b>  <b>Evidence:</b> Q-How often is the Ethics Code updated and reviewed?
Values	<b>Document Analysis of the Ethics Code of the City of Austin</b>  <b>Evidence:</b> A statement of the values that the City of Austin employees should adhere to.
Enforcement	<b>Document Analysis of the Ethics Code of the City of Austin</b>  <b>Evidence:</b> A statement describing how disciplinary actions are implemented.  <b>Evidence:</b> A statement regarding due process for employees who are accused of violating a regulation.



**Table 4.2-**Operationalizing the Conceptual Framework-Ethics Training

<b>Ideal Type Category</b>	<b>Research Method</b>
<b>Ethics Training</b>	
Code of Ethics	<p><b>Document Analysis of the Ethics in Public Service Training Guide City of Austin</b></p> <p><b>Evidence:</b> That in the ethics training, there is a copy of the Ethics Code of the City of Austin that is introduced.</p>
Dilemmas	<p><b>Document Analysis of the Ethics in Public Service Training Guide City of Austin</b></p> <p><b>Evidence:</b> Dilemmas commonly faced by employees are provided in the training.</p> <p><b>Evidence:</b> Employees are able to role-play and discuss the common scenarios.</p>
Resources	<p><b>Document Analysis of the Ethics in Public Service Training Guide City of Austin</b></p> <p><b>Evidence:</b> That the employees are provided with resources for who to contact and steps to take when reporting unethical behavior.</p>
	<p><b>Document Analysis of the Listening to the Workforce Survey 2004</b></p> <p><b>Evidence:</b> Response to Q: I know how to report unethical behavior.</p>

**Table 4.3** Operationalizing the Conceptual Framework-Leadership

Ideal Type Category  Leadership	Research Method
Ethical Climate	<p><b>Interview with Division Director of Integrity, Director of Human Resources, Chief Investigator of the City Auditor’s Office</b></p> <p><b>Evidence:</b>  Q: Is ethics dialogue encouraged?</p> <p>Q: Is assistance available for resolving ethical questions?</p> <p>Q: Is before the fact advice available on ethical issues?</p> <hr/> <p><b>Document Analysis of Listening to the Workforce Survey 2004</b></p> <p><b>Evidence:</b>  Q: Employees in work group generally behave ethically in the workplace.</p> <p>Q: I know how to report unethical behavior.</p> <p>Q: Proper action will be taken by my department if wrong doing is discovered.</p> <p>Q: If I have a complaint in my department, it will be handled fairly.</p> <p>Q: Employees can report unethical behavior without retaliation.</p>
Role Models	<p><b>Interview with Division Director of Integrity, Director of Human Resources</b></p> <p><b>Evidence:</b>  Q: Is top management satisfied with behavior in the organization v. uninterested?</p> <hr/> <p><b>Document Analysis of Listening to the Workforce Survey 2004</b></p> <p><b>Evidence:</b>  Q: Managers set good examples by following laws and policies that apply to their jobs.</p> <p>Q: Managers insist employees follow the law and policies.</p>
Ethics Audit	<p><b>Interview with Division Director of Integrity, Director of Human Resources</b></p> <p><b>Evidence:</b>  Q: Is there a review or assessment program?</p> <p>Q: If so, how often is an assessment done? How?</p> <p>Q: Are policies up to date in terms of new technologies, new services or procedures?</p>

## **Research Technique**

In Chapter 2, the framework developed, serves as a guide for evidence collection so the ethics program at the City of Austin can be assessed. A case study is used to evaluate the City of Austin's ethics program. Yin notes that the case study allows the investigation of real life events that contribute to our knowledge of individual, group, or organization (Yin, 2003, 1). Shields also notes that case study research allows the investigation of real life events that will satisfy the research purpose by providing a point of departure for policy recommendations (Shields, 219). Another strength of the case study is the possibility to use multiple sources of evidence (Yin, 2003, 97). Yin notes that triangulation: the rationale for using multiple sources of evidence is vital to case studies because the multiple sources of evidence provide the investigator the opportunity to gain insight on a wide range of issues (Yin, 2003, 98). Some of the weaknesses of case studies Yin notes are: the organization may change and the study may not capture all aspects of the organizational culture (Yin, 2003, 40). However, the case study appeared to be the most appropriate research technique for this project. This study includes: document analysis and structured interviews. The two main sources for this research data collection are document analysis and structured interviews.

### **Document analysis**

The documents used in this research were obtained through requests from the Division Director of Integrity for the City of Austin and from the Director of Human Resources. The documents used to assess the ethics program at the City of Austin were the: Ethics Code, the Ethics Training Manual, and the Listening to the Workforce survey information from the attitudes of the City of Austin employees on ethics in their organization, and the Report on the Ethics Program at the City of Austin from the City Auditor's office. (see Appendix B). The Listening to the Workforce Survey 2004, provided direct information on the attitudes of the employees in the different departments of the City of Austin. The Listening to the Workforce Survey is given to employees to

provide feedback to the City Manager's office annually. The documents were reviewed for evidence and the information was used to evaluate the ethics program at the City of Austin.

## **Interviews**

**Structured interviews** were used to confirm the findings from the document analysis (Yin, 2003, 90). Three interviews were conducted. For this research, several individuals were interviewed: the Division Chief for the Ethics Program at the City of Austin, the Director of the Human Resources Department for the City of Austin, and the Chief Investigator for the City Auditors office. The sample of interviewees was selected based on an initial recommendation provided by the City Manager's office to interview Division Director of Integrity . The Director recommended that the Director of Human Resources and that the City Auditor's office be contacted to provide additional background and information concerning the ethics program at the City of Austin. The interviews were conducted in September/October 2004 and were approximately thirty minutes to an hour. Some of the questions posed were: How often is the Ethics Code updated and reviewed? , Is ethics dialogue encouraged? , Are policies up to date in terms of new technologies, new services, or procedures? The interviews were short and open-ended and followed a set of questions derived from the literature (Yin, 2003, 90). Some of the strengths of the interviews are: they are targeted and insightful. The tables below, 4.1, 4.2, and 4.3 show how the conceptual framework is operationalized. The following chapter provides a review of the results from the document analysis and structured interviews.

## Chapter Five Results

### Purpose

The purpose of this chapter is to organize the results of the collected data from the structured interviews and the document analysis. Data representing each ideal type component is presented revealing the results from the document analysis and structured interviews.

**Table 5.1 Ethics Code- Results**

<b>Component</b>	<b>John Steiner, Division Director of Integrity- Interview Response</b>	<b>Response</b>
<b>Evolve</b>	Question-How often is the Ethics Code updated and reviewed?	“Not very often, I don’t know when the last time was that the Code was updated.”
<b>Values</b>	<b>A statement of the values</b> that the City of Austin employees should adhere to.	There was not a statement of values that the City of Austin employees should adhere to. However, at the training a set of Core Values is distributed to each employee, but is not present in the Code of Ethics.
<b>Enforcement</b>	A statement describing how <b>disciplinary actions</b> are implemented.	A statement describing how <b>disciplinary actions</b> are implemented is <b>not</b> included.
	A statement regarding <b>due process</b> for employees who are accused of violating a regulation.	A statement regarding <b>due process</b> for employees who are accused of violating a regulation <b>is</b> included.

An important component in any Ethics program is the Ethics Code that is provided by an organization addresses changes in technology and trends that may affect the employees. Table 5. 1 reveals that the Ethics Code for the City of Austin has not been recently updated. The literature suggested that this was important because an effective Ethics program must constantly evolve to

prepare and provide tools for employees facing ethical dilemmas in a constantly changing environment.

Values are a means of providing a model of behavior for all employees. The data in Table 5.1, reveals that there was not a statement of values provided for the City of Austin employees in the City of Austin's Ethical Code. The value statement in the Ethics Code is another written standard to guide employees' behavior. However, at ethics training for new employees and supervisors, a written statement concerning the core values of the City of Austin are distributed.

A statement describing disciplinary actions and enforcement of ethical conduct provides employees with the knowledge of the actions that they will face if they behave unethically. The statement concerning disciplinary action also provides a formal and concrete process for all employees to understand and to acknowledge. Table 5.1 reveals that a statement regarding the implementation of disciplinary actions is not included in the Ethical Code of the City of Austin. Additionally, due process is also an important concept for all employees. Table 5.1 reveals that a statement regarding due process is included in the Ethical Code of the City of Austin.

The data from Table 5.1, demonstrate that the Ethics Program at the City of Austin does not place a great deal of emphasis on their Ethical Code. The training manual discusses the City of Austin's Ethical Code as a "Reader's Digest" or condensed version of what is expected of City of Austin's employees. The manual suggests that it is difficult to possess a Code that covers every imaginable situation for over twenty departments and seven thousand employees. According to the training manual, the supervisors and managers must take the Code back to their individual departments and connect the Code to their work and duties.

**Table 5.2 Ethics Training-Results**

<b>Component</b>	<b>Document Analysis-Ethics at the City of Austin: Preserving the Public Trust</b>	<b>Results</b>
<b>Code of Ethics</b>	That in the ethics training, there is a copy of the <b>Ethics Code</b> of the City of Austin that is introduced.	There is a copy of the <b>Ethics Code</b> of the City of Austin.
<b>Dilemmas</b>	<b>Dilemmas</b> commonly faced by employees are provided in the training.	There are <b>dilemmas</b> commonly faced by employees provided in the training.
	<b>Employees</b> are able to <b>role -play</b> and discuss the common scenarios.	There are <b>scenarios for role play</b> .
<b>Resources</b>	That the employees are provided with resources for who to contact and steps to take when reporting unethical behavior.	The employees are provided with resources for who to contact and steps to take when reporting unethical behavior.
	<b>Document Analysis-Listening to the Workforce Survey 2004</b>  Q15-I know how to report unethical behavior.  N=2356	<b>74%</b>

Ethics training provides direct and hands on experience with what to do when faced with an ethical dilemma. Ethics Codes serve as written guidelines for acceptable and unacceptable behavior by employees. Table 5.2, shows that as part of the Ethics training at the City of Austin, a copy of the City of Austin’s Ethical Code is included and provided to new employees.

An important portion of the Ethics Training is providing employees with the opportunity to discuss common dilemmas faced by employees and the opportunity to role- play and discuss the common scenarios. These opportunities provide employees the ability to receive a preview of the common ethical dilemmas faced at the workplace. The role-playing gives employees the ability to place them in the dilemma and to discuss how the situation should be handled and the necessary steps to resolving the ethical dilemma. Table 5.2, reveals that dilemmas commonly faced by

employees and role-playing is part of the experience that new employees receive when attending ethics training at the City of Austin.

For employees confronted with an ethical dilemma, it is important to know what resources are available to provide guidance and resolution. Because employees are sometimes faced with difficult situations, employees should possess avenues and resources for guidance and help with ethical dilemmas. Table 5.2, shows that a list of resources is included in the Ethics Training for employees. The list includes phone numbers for the Ethics hot-line and the Human Resources Department Employee Relations number.

To determine whether employees are aware of the resources available to them to report unethical conduct, it is important to note the responses of the employees of the City of Austin, to the Listening to the Workforce Survey, question fifteen. Table 5.2 reveals that, more than 70% of the respondents believed and agreed with the statement, “I know how to report unethical behavior.” Only 14% of the respondent disagreed with the statement. This data shows that the majority of employees know the resources available to report unethical behavior.

The data from the Ethics Training Category for the Ethics Program at the City of Austin demonstrates the importance that the City of Austin places on providing ethics training to its employees. The data from Table 5.2 also reveals that the Ethics Training contains all of the components of the ideal type category.



**Table 5.3 Leadership- Results**

<b>Component</b>	<b>Interviews: Division Director of Integrity, Director of Human Resources, Chief Investigator</b>	<b>Responses</b>
<b>Ethical Climate</b>	Is ethics dialogue encouraged?	<b>Both respondents</b> stated that ethics dialogue was encouraged.
	Is assistance available for resolving ethical questions?	<b>Both respondents</b> stated that assistance was available for resolving ethical questions.  <b>Chief Investigator</b> stated that The City of Austin has a few avenues for answering ethical questions.
	Is before the fact advice available on ethical issues?	<b>Both respondents</b> stated that the employees could contact the ethics hotline, which was available 24 hours a day.  <b>Chief Investigator</b> responded that The hotline is a 24-hour line that is managed by the CAIU .

The leader of an organization determines the moral tone and behavior of the employees of the organization through their own actions and the type of decisions that they make. Often times the leader is the heart and center of the organization, and determines the ethical climate of the organization. Table 5.3, shows that ethics dialogue was encouraged at the City of Austin, assistance was available for resolving ethical questions, and that there was an ethics hotline that was available for all employees 24 hours a day. The Chief Investigator noted that there were three avenues for answering ethical questions: 1). the City Auditor’s Integrity Unit for all potential integrity violations 2). the Human Resources Department for all personnel related issues and 3). the City Manager’s Integrity Office. The response from the Chief Investigator on October 22, reveals the assistance that the ethics hotline provides to employees from the City of Austin. The Chief Investigator responded that :

Callers can remain anonymous, although we encourage callers to at least call back in a week or so, just in case we have any follow up questions. For performance measurement, we track (log) all calls to determine how many cases are actually generated from the hotline. We only

receive approximately eight to ten calls a month, and most of the calls are bogus (wrong number, etc). We may only get about two or three cases a year that are actually generated from our hotline. However, most of the cases that we get are calls coming directly to an investigator. Whenever we advertise our hotline number, we also give a number that is assigned to an investigator (usually me). We offer the same benefits of a hotline, because the caller can remain anonymous (and we don't have caller ID). I believe this is most attractive to people complaining since they can talk to an actual person and not a machine. Our office has maintained a hotline for approximately ten years. Although we don't have many calls from the actual line, I think that in most organizations it is an effective resource for resolving ethical dilemmas. Unlike our unit, many organizations usually don't even respond to complaints if the person complaining doesn't reveal their identity.<sup>13</sup>

These interview responses provided detailed information concerning the assistance available to the City of Austin employees for resolving ethical questions and the ethical climate of the City of Austin.

**Table 5.3 Leadership-Results-Listening to the Workforce Survey**

<b>Component</b>	<b>Questionnaire Item</b>	<b>% Agreed and Strongly Agreed</b>
<b>Ethical Climate</b>	Employees in work group generally behave ethically in the workplace.  N=928	<b>71%</b>
	I know how to report unethical behavior.  N=1081	<b>74%</b>
	Proper action will be taken by my dept. if wrongdoing is discovered.  N=460	<b>47%</b>
	If I have a complaint in my dept, it will be handled fairly.  N=391	<b>42%</b>
	Employees can report unethical behavior without retaliation.  N=463	<b>48%</b>

<sup>13</sup> Interview with Brian Williams on October 22, 2004.

To determine the Ethical Climate at the City of Austin, the Listening to the Workforce Survey was used. Table 5.3, shows that more than 70% of the respondents and employees of the City of Austin, agreed with the statement that employees generally behaved ethically in the work place. A majority, more than 70% of the respondents also agreed with the statement that, they knew how to report unethical behavior. Table 5.3, reveals that although a majority of employees know how to report unethical behavior and believe that co-workers behave ethically, less than 50% of the respondents believed that:

- Proper action would be taken if wrongdoing was discovered
- A complaint would be handled fairly, and that
- Employees can report unethical behavior without retaliation.

Table 5.3, shows mixed attitudes concerning ethics in the workplace for employees for the City of Austin.

**Table 5.4 Leadership-Role Models Results A**

<b>Component</b>	<b>Interview with Division Director of Integrity</b>	<b>Response</b>
<b>Role Models</b>	Is top management satisfied with behavior in the organization v. uninterested?	The Director responded that top management was interested because the City Manager had created his new position and adopted the Unquestionable Integrity Initiative.

Leaders are important in any organization for many reasons. One of the primary reasons is that employees model the behavior of their leaders. Table 5.4, shows that the top management of the City of Austin, is interested in the behavior of the employees of the City of Austin. The current City Manager initiated the Unquestionable Integrity Initiative, and invited the current director to be in charge of the new initiative.

**Table 5.4 Leadership-Role Models Results- Listening to the Workforce Survey 2004 B**

<b>Component</b>	<b>Questionnaire Item</b>	<b>%Strongly Agreed and Agreed</b>
<b>Role Models</b>	Managers set a good example by following laws and policies that apply to their jobs.  N=747	<b>64%</b>
	Managers insist employees follow the law and policies.  N=1016	<b>73%</b>

Table 5.4 B, reveals that employees at the City of Austin believe that managers set a good example by following laws and policies that apply to their jobs. More than 60% of the respondents agreed with the statement posed by Question 13 in the Listening to the Workforce Survey. Seventy-three percent of the respondents to the survey agreed with the statement that managers insist employees follow the law and policies. The survey provides data on the perception that employees possess in regards to their supervisors.

**Table 5.5 Leadership-Ethics Audit Results A**

<b>Component</b>	<b>Interview with Division Director of Integrity</b>	<b>Response</b>
<b>Ethics Audit</b>	Is there a review or assessment program?	He stated that there was no formal review or assessment program for ethical conduct.
	If so how often is an assessment done? How?	
	Are policies up to date in terms of new technologies, new services or procedures?	He stated that the policies and procedures were extremely outdated and had not been changed in years.

To continually improve an ethics program, an ethics audit is a tool to assess the effectiveness of an ethics program. Table 5.5 A, reveals the responses from John Steiner

**Table 5.5 Leadership -Ethics Audit Results B**

<b>Component</b>	<b>Interview with Director of Human Resources</b>	<b>Response</b>
<b>Ethics Audit</b>	Is there a review or assessment program?	She stated that the Listening to the Workforce Survey was used to determine whether the message on ethical behavior was getting to the employees.
	If so how often is an assessment done? How?	The Listening to the Workforce Survey is administered annually. She also stated that the Human Resources Department is always trying to assess the training provided through evaluations from the participants.
	Are policies up to date in terms of new technologies, new services or procedures?	The Director responded that they are constantly updating policies and procedures.

Table 5.5 B, reveals the responses from the Director of Human Resources. The responses in Table 5.5 B are different from the responses from the Division Director of Integrity. The Division Director of Integrity was recently assigned the duty of implementing the Unquestionable Integrity Initiative, while the Director of Human Resources has dealt with personnel issues through out her twenty years of service at the City of Austin. The different responses demonstrate the need for further study or exploration. The final chapter presents overall conclusions for the case study.

## **Chapter Six-Conclusion**

The purpose of this chapter is to present overall results and determine whether the ethics program at the City of Austin contains the components and elements of the ideal type ethics program identified in this study. A summary table 6.1 presents the results of the case study. Table 6.2 presents overall conclusions and recommendations regarding each of the ideal type categories and components. The final portion of the paper presents the weaknesses of this research along with ideas for potential future research.

Table 6.1 presents each element with an overall assessment rating. Results where the document analysis confirmed necessary statements provided in the operationalization table were given the assessment rating of, supported. In results where the responses to the Listening to the Workforce Survey were 50% or more of the respondents agreed to strongly agreed with the statements, were given the assessment rating of, supported. In results where the interviewees response was yes, were given the assessment rating of supported. Results where the interviewees response was no, were given the assessment rating of not supported. Additionally, results where the document analysis did not confirm the necessary statements provided in the operationalization table were given the assessment rating of, not supported.

**Table 6.1**  
**Summary Table Results**

<b><u>Ideal Type Category</u></b>	<b><u>Results</u></b>
<b>Ethics Codes</b>	
• <b>Evolve</b>	Not Supported
• <b>Values</b>	Not Supported
• <b>Enforcement</b>	Not Supported
	Supported
<b>Ethics Training</b>	Supported
• <b>Code of Ethics</b>	
• <b>Dilemmas</b>	Supported
• <b>Resources</b>	Supported
<b>Leadership</b>	Supported
• <b>Ethical Climate</b>	
• <b>Role Models</b>	Supported
• <b>Ethics Audit</b>	Not Supported
	Supported

The data in Table 6.1 reveals that the ethics program at the City of Austin did not contain every element prescribed by the practical ideal type of ethics program. However, the City of Austin contained five of the nine components of the ideal type categories. The ideal type category that contained the least of the ideal type category components was the Ethics Code category. The ideal



type category that contained all three of the ideal type category components was the Ethics Training category. The data revealed that the City of Austin ethics program did not include all of the ideal type components in Table 6.1. The results reveal an area of weakness in the City of Austin's ethics program. The ideal type category that possessed the least support was the ideal type category of the Ethics Code. There is room for improvement with ethics program at the City of Austin.

## Recommendations

The ethics program assessment model was developed as a tool for leaders in public organizations and municipal governments. This research answered the questions concerning the common elements of the ethics program at the City of Austin. Based on the literature and the results of the structured interviews and document analysis, the City of Austin should place more emphasis on their Code of Ethics. Listed below are several recommendations for the City of Austin to improve their Ethics Code component of their ethics program.

**Table 6.2**  
**Recommendations**

<b>Component</b>	<b>Recommendation</b>
<b>Ethics Code</b>  Evolve	<ul style="list-style-type: none"> <li>• More attention should be placed on the Code of Ethics at the City of Austin.</li> <li>• More emphasis should be placed on ensuring that the Code of Ethics reflects new technologies and is updated and constantly assessed.</li> </ul>
Values	<ul style="list-style-type: none"> <li>• Greater emphasis should be placed on the core values of the City of Austin.</li> <li>• Core Values should also be included in the Code of Ethics.</li> </ul>
Enforcement	<ul style="list-style-type: none"> <li>• Disciplinary actions that will take place if an employee violates the Code of Ethics should be included.</li> </ul>

## **Research Weakness**

This study includes a case study of the ethics program at the City of Austin. A factor that may have contributed to the different responses from some of the interview questions was the amount of time that the individuals had worked in their departments at the City of Austin. John Steiner was recently appointed with the task of instituting the Unquestionable Integrity Initiative, and had served in the capacity of ethics advisor to the City Manager. Vanessa Downey-Little has dealt with and worked with personnel and human resources matters throughout her twenty- year plus career at the City of Austin. Brian Williams current focus has been investigating complaints at the City of Austin Auditor's Office. Each interviewee possessed a different perspective and different experiences concerning the ethics program at the City of Austin.

Other limitations include, the time span provided to complete this research. With additional time, the study could be expanded to include other ethics programs in other cities.

## **Possible Further Research**

Additional study concerning ethics programs is important to identify important components and weaknesses in the content of ethics programs. To improve the content of ethics programs, important components of successful and effective ethics programs must be identified and examined. Possible topics for further research could include the importance of leadership as a key factor in an ethics program and examining ethics programs at other municipalities could provide the opportunity to strengthen the model used to assess other ethics programs. Additional study concerning the centralization of ethics programs for various departments should also be considered for future research.

Ethics and an ethical value system are critical to the basic functions of human society. The ancient Greek philosophers pondered the question, "Is there honor among thieves?" The intent of their question was to cement a basic fact that, even among thieves, a certain code of conduct needed

to be in place for it to function. Thomas Hobbes, an 18<sup>th</sup> century English philosopher, stated that without a conduct, society would revert to its natural state of “*bellum omnes contra omnes*”, war of all against all. Society, governments, individuals need an ethical basis to foster trust.

## Bibliography

Brady , F. Neil, "Public" Administration and the Ethics of Particularity," *Public Administration Review*, September/October, 2003, Vol. 63, No. 5.

Bowman, James S. (2001). From Codes of Conduct to Codes of Ethics: The ASPA Case. Terry Cooper ed. *Handbook of Administrative Ethics*. (335-355). New York, Marcel Dekker, Inc.

Bruce, Willa Marie. (1998). Ethics Education in Municipal Government: It Does Make A Difference. James S. Bowman and Donald Menzel ed. *Teaching Ethics And Values in Public Administration*. (219-231). New York: State of New York University Press.

Dawson, Stuart, " Ethics in Australian Small Business," *Business and Professional Ethics Journal*, Summer 2001, Vol.20 No. 1.

Edmonson, Henry T., III, "The *Hyppolytus*, Public Administration and the Need for Prudence." James S. Bowman and Donald Menzel ed. *Teaching Ethics And Values in Public Administration*. (147-161). New York: State of New York University Press, 1998.

Eivens, Craig R. (2000). *Municipal Government Codes of Ethics: A Content Analysis*, Applied Research Project at Southwest Texas State University.

Gardiner, Chris, "Producing Good Decisions: Beyond a Multi-Step Approach to Understanding Decision Making in Organizations," *Business and Professional Ethics Journal*, Summer 2001, Vol. 20, No. 1.

Garofalo, Charles and Dean Gueras. (1999). *Ethics in Public Service*. Washington D.C.: Georgetown University Press.

Gortner, Harold F. (1991). How Public Managers View Their Environment: Balancing Organizational Demands, Political Realities, and Personal Values. James S. Bowman, ed. *Ethical Frontier in Public Administration*. (34-64). San Francisco, California: Jossey-Bass, Inc. Publishers.

Gortner, Harold F. (1991). *Ethics for Public Managers*. New York: Praeger Publishers.

Guy, Mary E. (1991). Using High Reliability Management to Promote Ethical Decision Making. James S. Bowman, ed. *Ethical Frontier in Public Administration*. (185-205). San Francisco, California: Jossey-Bass, Inc. Publishers.

Hatcher, Tim. (2002). *Ethics and HRD A new approach to leading responsible organizations, New Perspectives in Organizational Learning, Performance And Change*. Cambridge MA: Perseus Publishing.

Hejjka-Ekins, April. (2001). Ethics In-Service Training. Terry L. Cooper ed. *Handbook of Administrative Ethics*. (79-104). New York: Marcel Dekker, Inc.

Hitt, William D. (1990). *Ethics and Leadership Putting Theory into Practice*. Columbus OH: Battelle Press.

Lewis, Carol W. (1991). *The Ethics Challenge in Public Service-A Problem Solving Guide*. San Francisco CA: Jossey-Bass Publishers.

Meier, Kenneth J. (2000). *Politics and the Bureaucracy*. Fort Worth TX: Harcourt Publishers.

Menzel, Donald C. (2001). Ethics Management in Public Organizations: What, Why And How? Terry L. Cooper ed. *Handbook of Administrative Ethics*. (355-367). New York: Marcel Dekker, Inc.

Nelson, Dalmas H., Van Hook, Peter J. (1998). Using Codes of Ethics in Teaching Public Administration. James S. Bowman and Donald Menzel ed. *Teaching Ethics And Values in Public Administration*. (21-37). New York: State of New York University Press.

Plant, Jeremy F. (1998). Using Codes of Ethics in Teaching Public Administration. James S. Bowman and Donald Menzel ed. *Teaching Ethics And Values in Public Administration*. (161-179). New York: State of New York University Press.

Pugh, Darrell L.(1991). The Origins of Ethical Frameworks in Public Administration. James S. Bowman,ed. *Ethical Frontier in Public Administration*. (9-34). San Francisco, California: Jossey-Bass, Inc. Publishers.

Richardson, William D., Lloyd G. Nigro, and Ronald L. McNinch. (1998). Ethics Workshops In State Government: Teaching Practitioners. James S. Bowman and Donald Menzel ed. *Teaching Ethics And Values in Public Administration*. (203-219). New York: State of New York University Press.

Shields, P. (1998). Pragmatism as Philosophy of Science: A Tool for Public Administration. *Research in Public Administration*, 199-230.

Sims, Ronald R. (1994). *Ethics and Organizational Decision Making A Call for Renewal*. Westport: Quorum Books.

Sterling, Theodore F., (2002), *The Enron Scandal*. New York: Nova Science Publishers Inc.

Toffler, Barbara Ley, (1986), *Tough Choices Managers Talk Ethics*. New York: John Wiley & Sons.

Truelson, Judith A. (1991). New Strategies for Institutional Controls. James S. Bowman, ed. *Ethical Frontier in Public Administration*. (225-243). San Francisco, California: Jossey-Bass, Inc. Publishers.

Van Wart, Montgomery, (1998), *Changing Public Sector Values*, Garland Publishing Incorporated, New York, New York.

Wilcox, Tracy. (2002). Ethics, Sustainability and Strategy: A Question of Balance in Human Resource Management Education, *Business and Professional Ethics Journal*, Summer 2002, Vol. 21, No. 2.

Zuccarello, Luis C., "Ethics, the Academy, and Part-Time Civic Leaders," James S. Bowman and Donald Menzel ed. *Teaching Ethics and Values in Public Administration*. (203-219). New York: State of New York University Press, 1998.

## **Appendix A**

## **Appendix B**



## **Appendix C**