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### Three Models of Ethics in Relation to Time Warner's Code of Ethics

In 1990, Time Inc. and Warner Communications merged to create Time Warner, which was purchased by AOL in 2001 to create the Time Warner of today, the world's largest media and entertainment conglomerate ("Time Warner," 2008). This paper analyzes the company's expansive code of ethics as corresponding to the Moral Rights, Utilitarian, and Justice Models of Ethics. In addition, it highlights the lack of provisions regarding individual courtesy and a built-in potential to restrict individual freedom on the job, and offers suggestions for ways to uphold and support the code.

There are numerous clauses within Time Warner's code that demonstrate that their code is influenced by each of the aforementioned ethical models. Prominent within the code is the Moral Rights Model, which is oriented to protecting individual rights to freedom, life and safety, privacy, etc. For instance, the substance abuse clause explicitly demonstrates the desire to protect an individual's right to safety. By ensuring that the work environment is free from the influence of illegal drugs or controlled substances, Time Warner is maintaining a more controlled internal environment, leading to a safer and healthier workplace for everyone by reducing the risk of accidents. Similarly, the environmental, health, and safety clause declares that Time Warner "is committed to complying with all environmental, workplace health and safety laws and regulations applicable to our businesses." Again, by abiding by the laws created within the general environment that was affected by political forces, the company is ensuring everybody's right to safety. For the inside stakeholders of Time Warner, aspects of the Moral Rights Model represented within the code help to convey American society's ethics to its employees. In this way, the company not only can avoid serious lawsuits, but it can also create an ethical culture within its own company that reflects the expectations of society. In the long run, this is beneficial for Time Warner. By better meeting society's expectations, the company is more equipped to influence outside stakeholders such as investors (Cragg, 2002). In turn, this can lead to a better attainment of resources, and thus a stronger

company.

The Utilitarian Model is also represented in Time Warner's code, which is especially exemplified by the financial clause. Within this section, Time Warner recognizes the importance of fulfilling its responsibilities to its numerous outside stakeholders including stockholders, contract parties, vendors, suppliers, and customers, thereby acknowledging that the inside stakeholders are not the only people to be considered when dealing with financial infringements. The company, in fact, has an Audit and Finance Committee. By creating this team, Time Warner recognizes that decisions regarding punishments for infractions are not simply black and white. Instead, a committee weighs the penalty. By comparing and contrasting alternative courses of action, the company is able to protect itself by lowering the number of stakeholders negatively affected by the situation (Jones, 2007).

In addition, Time Warner used the Justice Model in its formulation of the Code of Ethics, which is demonstrated by the harassment clause. Time Warner distributes the benefit of protection from harassment in an extremely fair, equitable, and impartial manner, which is the basis of the Justice Model (Jones, 2007). By assuring employees that harassment on the basis of race, color, national origin, religion, sex, disability, or sexual preference is not tolerated and is strictly prohibited, Time Warner is promoting equal treatment of each employee. In this case, the elimination of distinctions made between each inside stakeholder enables Time Warner to eradicate unjust treatment. For example, a corporate manager cannot fire a homosexual person because they feel uncomfortable around them. This type of model helps to eliminate issues such as racism, sexism, etc. ("Social Justice," 2008).

#### Oversights and Negative Implications

Despite the fact that all of the models under study influenced Time Warner's Code of Ethics, their code is not infallible. As mentioned in our textbook, one source of organizational ethics is individual ethics (Jones, 2007). A company cannot always control an individual's personal ethics. Moreover, the company cannot always protect itself from being damaged by an individual's self-interest. Herein lies a problem with Time Warner's Code of Ethics. Despite forty-five pages of expectations, the code fails to mention expectations of common courtesies such as politeness, reliability, and timeliness. It is evident that this is a serious problem considering the lawsuit that Time Warner faced in Los Angeles in 2006 ("Lawsuit Filed," 2008). According to the case, Time Warner was sued in part due to customer service calls taking too long

to be answered (if not answered at all). Time Warner failed to set expectations in regard to an individual actions within their code. Beyond these oversights, another weakness of the code is that some of the provisions within it are extremely invasive: the code creates rules that eliminate an individual's freedom to perform his or her job. A strong example is the provision on alcohol consumption, which requires that no alcohol be consumed while on the job. This can be rather limiting to an employee. For instance, if a CEO is at having dinner with an investor, according to the code he may not buy a drink. It is not entirely rare that at dinner or lunch outings with investors, the people dining enjoy a single glass of alcohol. Instead of being so restrictive, the code could have suggested appropriate times to partake of a drink or suggested a reasonable amount to drink. Rigidity in structure, like with Taylorism, and rigidity in regulations can leave one feeling powerless and frustrated, and sometimes this frustration can lead to disregard for rules (Bess, 2008). A more nuanced provision such as I suggest would help avoid this outcome.

#### Development (Training and Education) to Support the Code

So often, corporate codes of ethics are either disregarded or forgotten. Educating employees regarding the importance of the code is crucial; this includes reviewing the implications of what can occur if the code is disregarded. Without such efforts, the code of ethics is merely a document that doesn't guide the company to a more positive future. In order to promote the code, there are a few steps that may be taken. First, Time Warner can annually report to the membership the nature of violations and major problems that have occurred (while respecting confidentially, of course) by publishing a segment within the organization's major publication (Rosenberg, 1998). This will help remind employees of the existence and importance of the code.

Another way to support the code is through Critical Incident Technique Training within each of the committees that are responsible for upholding a portion of the code (Dean, 2002). Basically, this training consists of people within those committees sharing "real life" scenarios of effective and ineffective job performance in relation to their segment of the code of ethics. Then, the committee members record events and the effects they produced. After this, they sort the events to represent a continuum, one side being ethical and the other being unethical (all of which is based on their own code of ethics). The benefit of doing this sort of training is that it enables participants to generate information to improve decision-making in relation to the expectations of the company. This is different from case studies, where all information is

already provided. By incorporating realistic scenarios and greater critical thinking skills, the committee members will have a stronger idea of what is considered ethical and unethical, while relating ethics to their personal past experience. This should reinforce the code's relevance and importance to them.

#### Final Thoughts

Although Time Warner's code of ethics is expansive, it is not a perfect document. However, there are steps the company can take in order to ensure that the code of ethics plays an important role in the continue success of their company.

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