

Nepotism & Lack of Trust at The Salvation Army

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History and Introduction

My HAT project aims to conduct an ethical cultural analysis of The Salvation Army, where I was previously employed. Through firsthand accounts from former colleagues, I will examine an ethical situation that occurred five years ago. Ongoing relationships with those involved staff members provided me an opportunity to gain in-depth insights into the organization's handling of the matter even though I am no longer employed there.

The Salvation Army's mission to "do the most good" aligns with a utilitarian perspective, emphasizing the greatest good for the greatest number. The organization's commitment to preaching the gospel and meeting human needs without discrimination underscores this principle. While the organization continues to serve the community with essential support such as food, shelter, and holiday assistance, this analysis will examine a specific incident where a disconnect emerged between the organization's proclaimed values and its actions. Despite the organization's dedication to its mission and community, the ethical climate during this period appeared compromised. There was a notable disparity between the Salvation Army's public image as a benevolent institution and the ethical realities experienced by its employees.

Ethical Challenges

Kristen Fields, the Development Assistant within the organization applied for an upcoming vacant Outreach Coordinator position in the Development Department. Kay Harper, the Director of Development was a key member of the interview panel and held the final decision-making authority for the role. The Outreach Coordinator position had been previously held by Loren Hill, who had submitted a resignation but remained employed during the interview process. Kristen, had at least three years of experience supporting outreach initiatives under Loren, making her a strong candidate for the Outreach Coordinator position. Her in-depth

knowledge of processes, procedures, and key donor relationships within the community made her well-prepared to assume the role.

RJ Goodwin, a janitor with five years of service at the Salvation Army, also applied for the Outreach Coordinator position. Despite his institutional knowledge, he lacked direct outreach experience. Both RJ and Kristen interviewed for the role. Ultimately, RJ, the son-in-law of the Commander, was selected over Kristen, who possessed several years of hands-on outreach experience working closely with the previous Outreach Coordinator. Despite being the Director of Development with final hiring authority for the Outreach Coordinator position, Kay was pressured by HR and the Commander to select RJ Goodwin, the Commander's son-in-law, over the more qualified candidate which was obviously Kristen. Both Kay and Kristen contested the decision, asserting that hiring RJ constituted nepotism within the organization.

The mission of the Salvation Army “doing the most good” leads one to believe they share an utilitarianism perspective which says to choose the option that brings the most happiness to the most people. In this situation of nepotism, a person would weigh the pros and cons of hiring a family member and then choose what's best for everyone involved.

A utilitarian might argue that nepotism can be justified if it leads to the greatest good for the greatest number of people. For example:

- Other family members would be happy.
- If a family member is highly qualified it could benefit the company and its employees.
- Family members might feel a stronger sense of loyalty to the company since they were hired by family, leading to increased dedication and effort (increase pressure to deliver)

A utilitarian might also argue that nepotism leads to negative consequences for the majority:

- When people are hired because they're related to someone important, other workers feel treated unfairly. This makes them unhappy and less productive.
- Hiring a less qualified family member can hurt the company by making it work slower, make mistakes, and lose money.
- Nepotism can damage a company's reputation.

Even though there is no law that explicitly prohibits nepotism in most workplaces, it's still viewed as unfair. In some cases, nepotism can lead to legal issues, such as discrimination or favoritism claims. Unless you own a small family business, nepotism should be avoided.

Ratings

Leaders, with their greater influence and broader responsibilities, face six core ethical challenges: power, privilege, accountability, information management, consistency, and loyalty (Johnson, 2021). Given the Commander's central role, I used the Ethical Challenges of Leadership to rate his leadership.

The Challenge of Power (1 - Poor)

Commander misused his power to control others. Although the Development Director had chosen Kristen as the candidate, she felt was best suitable for the outreach coordinator position, he was able to override her decision. He chose his son-in-law based on personal relationship rather than qualifications. From my understanding this wasn't an isolated occurrence. Commander's daughter (RJ's wife) was also employed at the Salvation Army.

The Challenge of Privilege (1 - Poor)

In this ethical situation, Commander used his privilege to make it difficult for someone who was qualified to advance within the organization. Kristen was not promoted to a job that she was very much qualified for. She spent 3 years assisting the previous Outreach Coordinator. Commander overlooked this and used his privilege of power to choose who he wanted in that position. That privilege also allowed him to give his son-in-law the highest pay with no qualifications or experience.

The Challenge of Responsibility (2 - Needs Improving)

The Commander's main responsibility is to ensure that the mission of the organization is fulfilled and oversees the overall direction, strategy, and performance of the organization. Personal gain at the expense of others and the organization is an abuse of responsibility. To hire someone in a role that has no experience, puts the organization at risk.

The Challenge of Information Management (2 - Needs Improving)

By influencing the Director of Development to conceal her disagreement with the candidate selection and publicly endorse the chosen individual, the decision-maker is exerting control over the decision-making. This strategy prevents accusations of nepotism from the Commander by covering the true nature of the decision-making process.

The Challenge of Consistency (1 - Poor)

Commander did not always show consistency in how he treated all employees. Employees should be treated fairly and equitably, regardless of their role or position. Commander lacked relational transparency. He would praise Kay for her hard work; however, during the annual performance review, she would receive a low rating with little to no explanation for the discrepancy. It seemed like her performance reviews were more closely tied to whether or not she disagreed with him or gave him pushback than her actual job performance.

The Challenge of Loyalty (2 - Needs Improving)

The Commander was dedicated to the organization's mission of community service, providing essential support like food, shelter, and holiday assistance to those in need. He represented The Salvation Army positively in public. While he showed loyalty to the organization by effectively serving the community, his loyalty to employees seemed lacking. He often played favorites and contributed to creating a toxic work environment. He favored the Human Resources department as they never offered opposing viewpoints. He basically got what he wanted whether right or wrong.

Power and/Leadership and/or Trust

For many years, there was a low level of trust at The Salvation Army. While employees were invested in the organization's goals, there was a significant gap in trust between employees and upper management. This section will evaluate leadership's performance in building trust based on the "Building Blocks of Organizational Trust" model. I have provided separate ratings for Kay Harper, Director of Development, and the Executive Team. The Executive Team consists of the Human Resources Department, the Commander, and three of the Department

Directors. While the Director of Development is a member of the Executive Team, I have evaluated her performance independently.

Dialogue of Openness and Sharing:

The Director of Development (High)

Kay was consistently open and honest and didn't shy away from sharing information with her team. Although she was often discouraged from doing this, she maintained her integrity and provided a safe place for employees to address their concerns. She listened to the concerns of others, provided support and often put her job on the line to care for others. She kept her promises and didn't hesitate to address issues. When Kristen was not selected as the outreach coordinator (who was her pick following the interviews), she encouraged Kristen not to remain silent and supported her as she addressed her concerns to Human Resources.

Executive Team (Low)

Decision-making was often secretive and lacked open communication. Important discussions happened behind closed doors displaying hidden agendas and employees were hesitant to voice their concerns due to fear of retaliation. Promises were often broken, and most legitimate concerns were swept under the table and ignored. The Outreach Coordinator position was filled internally without external candidates being considered. This led to the perception that leadership had already chosen the person to fill that role, undermining the interview process. Although Kay was the direct report, she didn't have the final decision-making authority and was overruled in her decision to hire Kristen.

Consistency in Behavior:

Director of Development (High)

Throughout Kay's tenure, she demonstrated consistent integrity. Her commitment to fulfilling promises was unwavering, even when faced with challenges. She consistently honored her commitments and exhibited a strong moral character even when urged to compromise her values, she remained steadfast. She was encouraged to say that she agreed that RJ was the better candidate for the job, but she refused to go along. Despite facing significant challenges, she maintained her professionalism by consistently reporting to work, treating colleagues fairly, and fulfilling her job duties with integrity until her resignation.

Executive Team (Low)

The team's actions were often compromised by their loyalty to the President. They frequently found themselves executing decisions they disagreed with, creating a disconnect between their personal beliefs and organizational actions. While the decision to hire RJ was met with disagreement, their course of action remained unchanged - he was hired for a role he wasn't qualified for.

Everyone Committed to the Mission:

Director of Development and Executive Team (High)

I believe overall everyone was committed to the mission of this agency which was to "do the most good" in the community which lines up with the utilitarianism perspective. Its mission is to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination. During this incident (and even today), I believe everyone worked together to fulfill the mission and serve the local community.

Culture and Climate

I was able to interview both Kay Harper and Loren Hill to help analyze this ethical challenge. Kay eventually resigned from the company due to many unethical practices, a decision shared by several other employees. When asked why she resigned, Kay stated *“the overall work environment was so toxic I had to leave, I just couldn’t take it anymore - hiring RJ over Kristen was the last straw for me”*. When I asked Loren why she left she shared many of the same feelings as Kay, *“I was so unhappy being there, I loved the mission, but the environment was toxic, and leadership couldn’t be trusted”*.

Although employees are encouraged to report problems through Human Resources (HR), most of the employees did not trust the HR Director and didn’t trust that their concerns would be confidential. Employees often resorted to informal channels, such as complaining to colleagues. This led to rumor-spreading and by the time it reached HR there was so much misinformation. Without a safe way to report issues, unethical or illegal behavior continued to go unchecked. After Kristen expressed concerns about nepotism in the hiring process, HR provided a letter detailing her alleged past misconduct. However, many of these accusations were unsubstantiated by performance reviews and contradicted the positive feedback Kristen had received from her current supervisor. This information was used to justify hiring an inexperienced candidate over her.

While some misconduct cases were addressed promptly and fairly, regardless of the employee's position, inconsistencies existed in the organization's response. For example, a harassment complaint involving coworkers was investigated thoroughly by HR, including interviews with witnesses. However, accusations against higher-level employees were often ignored or minimized, leading to the accuser resigning and leaving the company. When Kristen

raised concerns about nepotism, HR supported the hiring decision, and no formal investigation was done.

Despite having leaders that employees seldom trust, Kay stood out as a role model within the organization. She consistently embodied the following characteristics and values:

Integrity by demonstrating strong ethical principles and values by doing the right things even when encouraged to do wrong.

- Competence by possessing the skills and knowledge in marketing and development.
- Passion by being dedicated to being a moral person and being dedicated to stand her ground for what is right while being faced with possible retaliation.
- Resilience by being determined to fight for what is right.

Kay encouraged employees to prioritize ethics over consequences (do what was right regardless of the outcome). By giving this advice she promoted integrity and trust. She encouraged employees to not be afraid to call out what was wrong. Unfortunately, sometimes this was hard for employees to do if they didn't already have a backup plan because speaking up could jeopardize their job security.

Kay eventually resigned from the company due to many unethical practices, a decision shared by several other employees. Formal terminations were rare, but the overall work environment was so toxic that many employees voluntarily resigned. Instead of outright firing, the company often resorted to tactics like withholding promotions and pay increases, creating a situation where employees felt compelled to leave.

Assessment

Unfortunately, this agency was ethically decoupled (hopefully things have changed). There was a significant disconnect between the organization's ethical image and its

ethical reality. Often, they didn't do what they said they would. They promoted “doing the most good” for the community however this didn’t seem to apply to the employees.

The Executive team, including HR, lacked a clear sense of right and wrong. They couldn't identify or solve ethical problems and seemed to have no guiding principles such as core values. Ethics were commonly ignored in favor of pleasing others.

An important component of ethical culture includes having core values. “Organizations fall short when they fail to identify their core values and live up to them” (Johnson, 2021). Core values serve as the ethical compass for an organization. When an organization clearly defines and consistently upholds its core values, it creates a strong ethical foundation. Ignoring or breaking these values can hurt the company's reputation and decrease employee morale. By embodying core values in daily operations and decision-making, organizations can foster a culture of integrity, trust, and respect. Companies can build trust and respect by always following their core values.

Like many of the employees at The Salvation Army, often feel frustrated when working at ethically decoupled organizations especially when their personal values clash with the company's actions. After many instances, people become angry and resentful towards the organization for allowing the unethical behavior. People were frequently resigning because it was difficult to trust upper management.

Recommendations

Building an ethical workplace will be important to the mission and success of The Salvation Army. An ethical foundation will build trust among staff, volunteers, donors, and the communities they serve. When employees trust the company it can lead to increased productivity, reduce employee turnover, and have a good reputation that ultimately enables the

organization to achieve its goals of continuing to help those in need. Failure to address the ethical concerns identified in this analysis could result in continued employee turnover and compromise The Salvation Army's ability to achieve its goals. My recommendations include:

1. Ethical training

Provide ongoing ethics training to the Executive Team to increase their knowledge and awareness of what is considered ethical and unethical. They should also attend training that is focused on conflict resolution and building trust with the employees.

2. Executives to Lead by Example

Executive leadership must lead by example and consistently demonstrate ethical behavior and values. They should always act honestly and fairly. Their actions should inspire other employees to do the same.

3. Develop a Code of Conduct

By developing a code of conduct, The Salvation Army can note specific guidelines for employee behavior. This document sets clear rules for ethical behavior and it tells employees what is right and wrong and helps create a trustworthy workplace.

4. Implement policies to protect employees

To create a safe environment for employees to report misconduct without fear of retaliation, there should be protection policies. These policies should clearly outline the reporting process and protections against retaliation. This helps people feel safe to tell about wrongdoing without fear of getting in trouble. Most employees expressed dissatisfaction with the Commander and HR's actions of overruling Kay's decision to hire Kristen, but fear of retaliation silenced employees.

5. Provide various avenues for employees to report misconduct

To ensure that employees have multiple options for reporting misconduct, especially when concerns arise about HR's involvement, there should be other reporting systems which include an anonymous hotline or a direct line to an independent ethics and compliance office or department. Giving employees many ways to report problems shows that the company cares about honesty and fairness. This encourages people to speak up when something is wrong.

6. **Hire an outside consultant**

Using an outside consultant to regularly assess employees' perceptions of ethical behavior is helpful in gauging the organizational ethical climate and identifying current and potential issues. By a consultant gathering feedback through surveys, focus groups, or one-on-one interviews, The Salvation Army Board Members can learn how ethical or unethical the workplace truly is.

Also, an outside consultant can conduct a comprehensive analysis of the HR department's operations, ethical challenges, and areas that need improvement. Based on these findings, the consultant can then recommend and implement changes such as promoting, demoting, or terminating employment. Essentially, the consultant will act as an unbiased observer, that will not only expose ethical challenges, but will also bring a fresh perspective on how to revamp the HR department's structure.

References

Johnson, C. E. (2021). *Organizational ethics: a practical approach* (5th ed.). Sage.