CONSIDERATIONS ON MANAGERIAL ETHICS IN SPORTS ORGANIZATIONS

Lecturer PhD Mihai Constantin Razvan BARBU
University of Craiova
Email: mihai_rc@yahoo.co.uk
Associate professor PhD Liviu CRACIUN
University of Craiova
Email: lcraciun70@yahoo.co.uk

Abstract:
The scholarly literature in the ethics field approaches the ethical management issue in different areas such as accounting, retail, banking, public institutions or private companies. The subject of sports managers' ethics is not very well highlighted in the national literature, as "sports industry" is constantly evolving. Sports have a strong impact on the national culture, influencing the values of millions of spectators and participants. The definition of sports given by the Council of Europe is "all forms of physical activity which, through more or less organized participation, aim at expressing or improving physical and psychological condition, the development of social relationships or obtaining positive results in all levels competitions". In this paper we conducted a study on managerial ethics tools within sports clubs. The used methodology involved the intersection of the main current stage of knowledge and the formulation of new judgments. The study identified and highlighted the major role of the manager of sports clubs in providing the framework for the manifestation of ethical behaviors.

Keywords: managerial ethics, sport organizations, ethical tools

1. Introduction

Ethics represents the code of principles and moral values that governs the behavior of a person or group, of what is right or wrong. Human action may fall within one of three areas, which differ in the amount of explicit control existing at that level: the law, the ethics and the free choice of each individual. Exercised control is high in law field, decreasing a lot when talking about individual freedom of taking decisions about oneself.

Between the two poles, there is the ethics field, which, although not legally regulated, has standards of behavior based on moral values and principles guiding the behavior of individuals and organizations. Since ethical standards are not coded, problems often arise about what is right.

Another important concept is that of the *ethical dilemma*: a situation that occurs when all alternatives are considered undesirable due to potential negative consequences, making difficult to distinguish between right and wrong. The individual who must decide in the situation of an ethical dilemma is known in the literature as a *moral agent*. The manager of sport organizations is that kind of moral agent, being confronted in its decision-making and leadership activity with ethical issues.

2. Literature Review

Crăciun (2005) presents the main standard ethical theories: *the ethics of virtues, utilitarianism and ethics of duty.*

The *ethics of virtues* is the updated version of the ideas presented by Aristotle in *Nicomachen Ethics*. In the work of Aristotle, it the distinction is made between the aim-values, appreciated for themselves (happiness) and mean-values, appreciated for the higher purposes to which they contribute.

In terms of management, the manager who acts in the spirit of this theory will seek to obtain long term profit by making judicious and documented decisions. The Aristotelian ethics is not based on moral norms, but on the individuals' virtues: courage, truth, honor, etc. This approach in managerial ethics emphasizes the morality of the manager, whose activity is focused on social responsibility and altruism, and who adopts honorable decisions.

The Utilitarianism (teleological theory) was initiated by the nineteenth-century philosophers, Jeremy Bentham (1784-1832) and John Stuart Mill (1806-1873), and considers as a moral behavior that attitude and action that produces positive effects for a large number of people. Thus, in the perspective of this utilitarian approach, the manager should take those decisions, which have a favorable impact for most individuals.

The ethics of duty (Kantian deontological theory) continues the moral philosophy of Immanuel Kant (1724-1804); so, according to Kant, the positive finality of a behaviour is not sufficient for an act to be considered moral. If, according to utilitarian current, the intentions, means or purposes of an individual do no matter, but the result, for the ethics of duty, these are more important. If the positive result is achieved by accident or because of selfish reasons, ethical duty does not appreciate that behavior as being moral. Therefore, the manager must be animated in decisions-making and actions by positive intentions, which also should lead to positive results.

Another popular deontological theory is that of *justice* or f*undamental moral rights* (Sharma and Bhal, 2004). This approach requires that the manager's decisions should be based on standards of equity, fairness and impartiality. There are three types of justice (righteousness): distributive, procedural and compensatory.

The Distributive justice requires that the differential treatment of people should not be based on arbitrary characteristics. Similar individuals in terms of the approached subject should be treated equally. If individuals are different, then the treatment is different, but equal. According to this theory, the manager must provide equal wage to employees who perform equal work, regardless of gender, age, ethnicity, religion or other differences

The Procedural justice involves establishing clear rules, a consistent and impartial enforcement of them, in a word, a proper management. The *Compensatory justice* requires that individuals should receive a compensation of the cost of damages from the responsible person. Individuals should not be held responsible for problems over which they do not have control. Thus, managers must provide compensation to persons who have been discriminated in the organization they administrate, whether the act was intentional or not.

Understanding these different approaches of managerial ethics is only a first step; managers must also learn to apply them effectively. The approaches provide general principles that managers may deem necessary in the process of decision-making in accordance with moral norms.

3. The Role of Ethics in Sports Organizations

The importance of ethics, both conceptually and applied to sports

organizations and for participants in sport activity consists of the favorable consequences that appear on long term, pursuant to the adoption of some behaviors, attitudes and decisions which include moral principles.

One of the most important roles in developing and maintaining an ethical climate in the sports organization is the sports manager. His decisions have an impact on employees and affiliates athletes, but also on the community and the way it perceives the organization in terms of compliance with the standards and ethics.

The manager can be a model of behavior and attitude for his employees, having the ability to create or influence the organizational culture of the administered institution. Melé (2011) explains in his book *Management Ethics: Placing Ethics at the Core of Good Management,* the need of ethics in effectively exercising the management attributes. Thus, the role of ethics doesn't lie in avoiding what is bad or wrong, but doing what is right and with benefits for all participants.

In the conception of the author, management is a mix of traits and skills related to art (vision), science (analysis), experience and morality (ideas and values). The four aspects of management are illustrated in Figure 1:
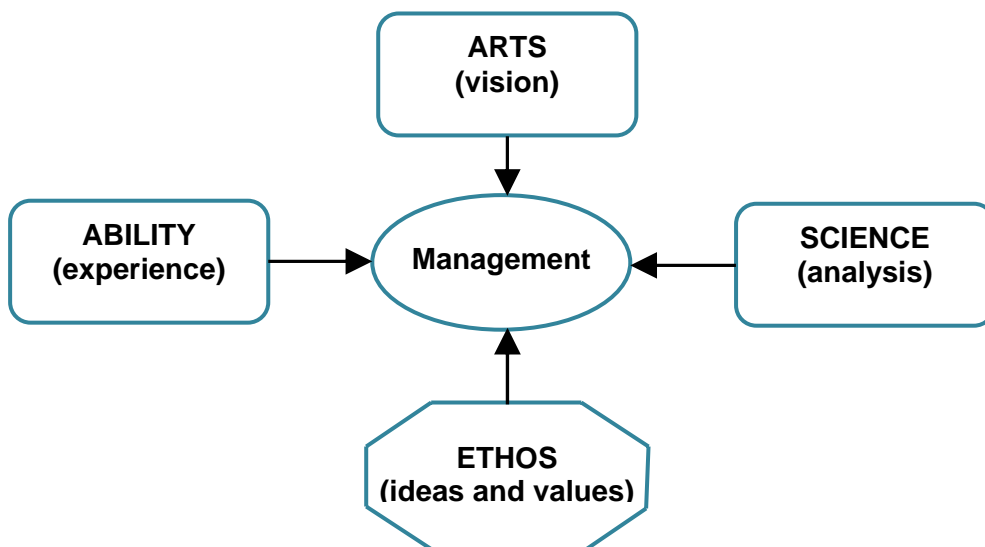

Figure 1. Aspects of management
Source: Melé (2011, Management Ethics: Placing Ethics at the Core of Good Management, Palgrave Macmillan, p. 10

One can note the increase of the importance of ethics in modern management, as opposed to the traditional approach according to which management is art and science. Ethical principles and their integration in the management of an activity, whether economic, social or sports-like, are a current concern of an effective manager and leader. Ethical management in sports organizations can create new models and practices of management and leadership.

The role of sports ethics is reflected in the following benefits brought to participants: humanizing the field; creating a climate of trust, transparency and openness; encouraging loyalty; strengthening the moral habit in the organization; encouraging the responsibility of being

effective and moral; the development of an ethical organizational culture.

Loyalty, for example, brings employees close to the organization they belong. The manager, coaches and athletes are identified in terms of values with the sports organization they belong to, so that the fluctuations in the personnel structure are less obvious than in environments in which ethics is not appreciated.

Ethics should be considered an integrant part of management decision-making process, as managers should be constantly concerned about maintaining the ethical integrity of the organization which they administrate. Implementing ethics at the organizational level is achieved by displaying ethics on the three pillars, which reflect the importance of morality at all levels (Fig. 2).
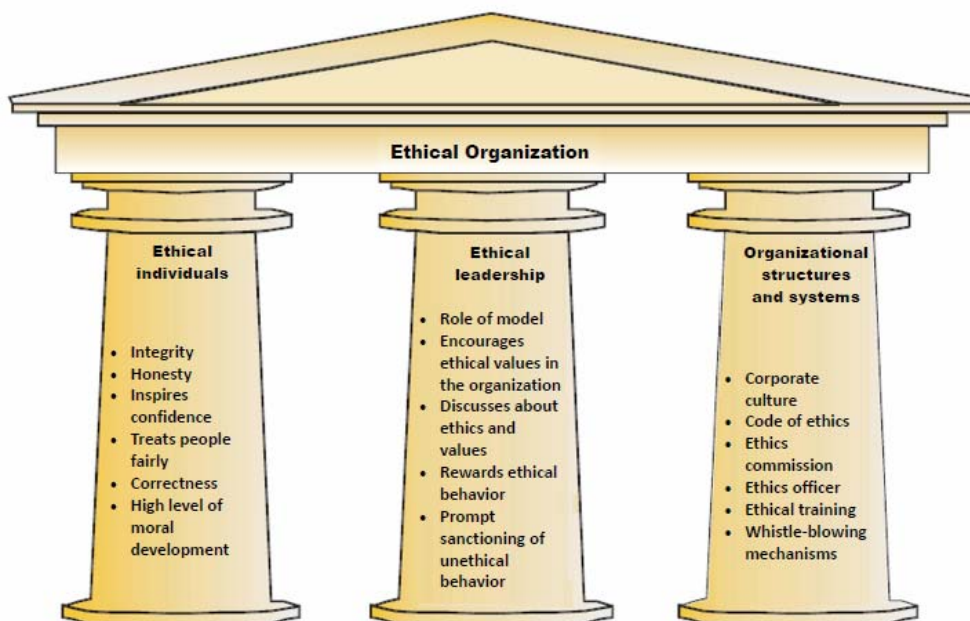

Figure 2. Pillars of ethical organization
Source: Klebe Treviño L., Pincus Hartman L., Brown M. (2000), Moral Person and Moral Manager, California Management Review 42, No. 4, Summer 2000, pp. 128–142

The individuals' ethics, the manager's ethics and the ethics at the level of the structure and systems of the organization contribute to a general ethical climate and to the development of an ethical culture within the organization. The central pillar is that of the leadership level, because the ethical manager is a model for other individuals (first pillar), which adopt a similar behavior.

The ethical leadership is focused on rewarding ethical behavior and punishing unethical behavior, showing employees that compliance with morality matters in the organization. Also, the manager is the one that implements an ethics management system through various tools (third pillar).

4. Tools of Ethics Management
The importance and the role of ethics in an organization have led to a new branch of management, namely the

management of ethics, which differ from the ethical management.

Thus, there are many definitions of the concept of ethics management in the national and international scholarly literature. As Mureşan notes in his paper The Management of Ethics within organizations (2009), the institutionalization by law of the ethics management in Romania does not exist.

The author defines ethics management as the overall activities and measures that aim the institutional organization of ethics, in order to create integrity organizations (Mureşan, 2009, p. 39). On the other hand, the concept of ethics of management regards the study and control of various ethical issues arising in the management of the activity of the organization.

Kaptein (1998) defines ethics management as a systematic and coherent development of the activities, but also adopting measures in order to achieve the fundamental and justified expectations of stakeholders (interested parties) and to balance conflicts. In short, Menzel (2012) believes that ethics management represents the promotion and maintenance of a strong ethical culture at the workplace.

In small organizations, the ethics management is delegated at global level, not being the appanage of a particular manager. However, large organizations consider that ethical initiatives should be coordinated by a manager who should handle the actual ethics implementation and application of appropriate tools.

The main *tools of ethics management*, discussed in the scholarly literature, are:
- ethics boards and committees
- codes of conduct and codes of ethics
- ethics audit
- ethics training programs
- telephone support in order to highlight ethical issues

- whistle blowing mechanism
- specific policies and procedures (policies on gender equality, data confidentiality, etc..)

Ethics boards and committees deal with the development of ethics policy, the evaluation of the actions of employees, but also the investigation and punishment of violations of regulations and codes of ethics. In some organizations, ethics is managed by a committee which includes the top-level managers, for the existing functional areas.

These ethics committees provide the organization with the strategic direction on ethical issues and the appropriate behavior in certain situations. The members of these ethics committees are: the committee chairman and the specialist members of the organization's main functional areas (human resources, accounting, communication, audit, finance, etc.).

According to Soltani (2004), the duty of such committee is the implementation and control of the ethics management programme, the elaboration of ethics policies and procedures, and ethical problems solving.

Mureşan (2009) summarizes the main features that these ethics committees meet:
- elaboration and development of the deontological code of the institution
- regular assessment of the institution's policies in terms of ethics and policy updates
- training and maintenance of ethical organizational culture
- moral counseling or consulting
- participation of staff in ethical education programs and provision of a good image of the organization under moral aspect
- protection of rights, safety and welfare of the members of the institution

The key question that arises referring to these ethical committees concerns to the ethical expertise of its

members. The ethics expert must have the necessary training and experience in order to analyze the moral situations better than others. In this respect, one can rely on standard ethical theories outlined over time.

The codes of ethics represent the specification of norms and beliefs of an organization and the values to be followed by employees and managers. According to Soltani (2004), these are: trust, loyalty, friendship, obligation fulfillment, etc. In the literature, sometimes the concepts of code of ethics, respectively code of conduct are used alternately and confused.

According to a general understanding at the EU official documents level (Moilanen and Salminen, 2006, p 1), the code of ethics has an aspirational character, of presentation of moral values to be respected. The code of conduct combines the principles of ethics with the expected actions in a given situation. The comparative report of the two authors in the EU Member States reveals significant differences in the perception and understanding of the codes of ethics.

The codes of ethics should be created through the collaboration of representatives of all employees, so that the compliance of moral principles to be made voluntary, without being considered an external imposition. These codes should be created and then managed, meaning that measures should be taken for their effective implementation and for their continuous update and adaptation to the evolution of the organization, obligation which comes to the ethics committee.

Schwarts (2002) highlights the requirements that an effective code of ethics should meet: meeting the moral standards of trust, respect, responsibility, equity, care, in order to avoid damages and the civic spirit of compliance of law, environment and other individuals.

The author also presents the way to implement the code, through distribution, training and the role of model of managers. The management of the code of ethics is made by imposing (by setting penalties), protection of those who report ethical violations and monitoring of the implementation and compliance with the principles included in the code.

In sport, the Council of Europe adopted in 1992 and revised in 2001 the code of sport ethics, one of the strategic documents recognized worldwide. This code promotes fair play among young sportsmen, through educational and preventive measures, in order to strengthen the ethical climate. It encourages the dissemination of best practices for promoting diversity in sport and combats all forms of discrimination.

Analyzing the ethical codes of various sports federations in Romania (Romanian Federation of Judo, Romanian Federation of Boxing or Romanian Federation of Sports for Persons with Disabilities), we noticed that these include the main moral values in sport, rules for participants (athletes, coaches, referees, etc.), applied sanctions, implementation methods.

The ethics audit is the process through which the ethical climate of the organization is assessed, the way in which moral values and principles are stated, implemented and managed by the responsibles for ethics issues (ethics committees and boards). According to Kaptein (1998, p 62), the ethics audit performs the following functions: *descriptive* (by describing the current state of morality), *normative* (emphasizing a desired, ideal situation), *identification of gaps* (moral gap between the desired and the real situation), *sanctioning* (by providing information about the breach of regulations) and *evaluative* (ethical climate evolution or deterioration).

The permanent ethical audit is the means used in order to monitor the implementation of the code of ethics in the organization and is a component of its administration by the board of ethics (Schwartz, 2002).

Ethics training programs help employees to deal with ethical issues and to understand the values shown in the code of ethical under a common behavior. Basically, these programs complement the code of ethics of the organization. Sometimes, these programs take the form of meetings, during which the mode of action to be adopted in case of ethical dilemma or conflict is discussed.

According to Mureșan (2009), ethics training is an intensive formative process, strongly influenced by the specific of the organization. In our country, the organization of these programs of moral training of the employee is rare compared to other countries, where considerable amounts are invested in training the employees' morality, the public system not excepted.

The author approaches the two models used in training programs: that of compliance, based on compliance with laws and regulations (current model) and that of integrity, based on the creation and development of a moral consciousness, in harmony with the ethos of the organization. Methods specific to the models of compliance are occasional conferences, seminars, training sessions through dilemmas, videos and online ethics self-training. In the integrity model, the training of characters through teaching strategies is emphasized.

The telephone line for the report of ethical problems and consultation in case of moral dilemmas is another important tool in ethics management. It is better for the employees, if this method is managed by someone outside the organization (legal counselor, ethics officer, etc.).

The whistle-blowing phenomenon consists in the disclosure of the illegal, immoral and illegitimate practices by employees. Organizations can not rely solely on ethical structures and codes of ethics in order to prevent immoral behavior. The employees who refer such matters, address to people outside the organization (media, agencies, people in the legal environment, etc.) (Ogarcă 2009, p. 105).

The organizations must understand that this phenomenon is positive for maintaining the ethical climate at a high level. Therefore, employees should be encouraged to disclose the problems found within the organization through confidential telephone lines.

The phenomenon has grown in recent years, but more often, whistle-blowers do no beneficiate of protection, they lose their jobs, they are seen as unfair by colleagues or demoted from their positions. Managers must be prepared to see in these people an advantage for the organization and not a threat and to develop systems of effective protection for them.

Specific policies and procedures are used by organizations in order to facilitate the implementation of moral values in the code of ethics. These policies should be constantly updated, a process to which the members of the organisation are due to participate. Such policies relate to gender equality, non-discrimination, conflict of interests, data confidentiality, policy in case of receiving and giving gifts, environmental protection, etc. Procedures point a behavior pattern when the employee is in an ethical dilemma, but also the sanctions associated with committed violations.

The sports organization must adopt the corporate governance principles. The corporate governance framework should ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All

shareholders should have the opportunity to obtain effective redress for violation of their rights (Bocean & Barbu, 2007, p. 127).

All these tools, methods and principles should be known, understood and applied by the ethical management of the organizations, in order to ensure a healthy, strong and stable ethical climate. In Romania, the theoretical and especially the practical framework of the management of ethics is at an early stage, many organizations not even knowing the concept. The importance and the role of ethics in the society and organizations (including sports ones) require the study of ethics, training in ethics management and ethical expertise formation.

5. Ethics of the Sports Clubs Manager

Sports clubs managers face many ethical dilemmas in their relationships with athletes, coaches, referees, athletes' parents, fans, in the personnel recruitment, selection of athletes, organization of sports competitions, etc. As mentioned, the ethical issues which a sports manager has to cope with are: discrimination, violence in sport, doping, taking advantage of athletes, rigging the results, employing on criteria other than competence, verbal or physical harassment, financial engineering, etc.

The sports club manager is judged and valued by employees and athletes, both in terms of his professional skills and the ethical valences. Manager's actions and decisions are dependent on his own values and beliefs. Thus, the recruitment of a sportsman belonging to another club may be considered by some as immoral, while the manager can justify it ethically through the interest of the club he manages.

According to Robinson (2010), there are issues not having a wrong or right answer, but the manager's way of doing it in a specific way provides a clear picture of its ethical profile.

DeSensi and Rosenberg (2003) highlight the following factors which have led to an increase in non-ethical attitudes and behaviors among managers of sports clubs:

- *overestimation of success*, as measured by extrinsic rewards (trophies, scholarships, income growth). To achieve this objective, some managers encourage unethical behavior (rigging the results or use of prohibited substances by athletes).

- *seeking prestige and material rewards.* Success leads to image, prestige and recognition. A successful sports club can attract more and better players, increasing sponsorships, and improving the facilities offered. The manager is not the only one to win, but also are the coaches, athletes, their families and other employees.

- *self-interest.* Decisions are taken by unethical managers to better serve their purpose. This behavior can become a habit in the club managed by them, because the manager is a model for employees, even in matters of morality. By perpetuating the leader's attitude and behavior, sportsmen may leave the club in favor of another, regardless of loyalty and other ethical principles. Similarly, coaches, referees or sports clubs managers can turn to those organizations that offer more benefits and higher income.

This pressure of inner impulses requires an ethical training of sports clubs managers, so that they behave ethically, understand and assimilate the moral principles and know what to do and what decisions to take when faced with an ethical dilemma.

A good sports manager must have extensive knowledge of sports, educational training, especially in sports administration, professional attitude, in addition to personal attributes such as intelligence, honesty, flexibility, integrity, honesty, leadership skills and a sincere interest in the sports management

process. He must communicate clearly and effectively, without hiding information or conducts (Gîrboveanu 2005, pp. 59-61).

One of the ethical issues in sport management refers to violence, abuse or exploitation of underage athletes. The manager's responsibility concerns not only his behavior directly to the athletes, but also the supervision of other employees working with younger players (e.g., coaches). The existence of violence in sport is a failure of leadership coupled with lack of will, rather than a lack of awareness of the seriousness of the phenomenon (Brackenridge, 2001).

A sports club manager activity is assessed in terms of measures taken to prevent and, if case of violations, to punish violence, harassment, discrimination, doping or pressure on athletes. The manager must encourage and promote the principle of sportsmanship, of fair play and equality among athletes, regardless of gender, age, ethnicity, religion or health problems.

The manager of a sports club must be continuously train, throughout life. The continuous professional training represents a means of economic development, of social progress and insurance against stalemate, of losing the job and the maladjustment of the individual to occupy a new job (Niță 2007, p. 24).

The club manager must ensure equal employment opportunities, without using other criteria than those of competence and professionalism. Experience has shown the occurrence of many cases where recruitment is made preferentially in favor of acquaintances or persons, who in turn can provide benefits and privileges.

A serious problem in sports is the pressure on athletes to take performance. These pressures made by the manager, directly or indirectly, may cause athletes to behave morally wrong

and to use banned substances, which increase their potential.

The use of these substances or the use of banned methods are not risky only because they lower the ethical level inside the sports club, but also through their impact on the physical and mental health of those resorting to them. More serious is the emergence of new substances and new methods that help increase performance, but that do not appear on international lists.

The manager must ensure and maintain the reputation and image of the sport organization. Clubs having performances based on work become strong brands. The branding of a sports club aims to provide an identity to that club, which on a long term basis can lead to an increase in the fans base and revenues from merchandising activities. The branding of a sports club aims to form a positive and real image (Popescu 2011, p. 145).

6. Conclusions

The manager must ensure a free, open and transparent climate in the club he runs, that does not encourage such methods. He must take measures to educate and inform athletes about the risks of doping and intensify anti-doping tests in addition to those required on a national level.

Frequent cases of young people who die suddenly while practicing a sport should be a warning to management activities and should determine the manager to provide the necessary framework for regular medical checks, both of the physical and mental health of the athletes in the club.

In order to create a strong ethical climate in the sports club, the manager must show ethical leadership (which is considered the key tool in the management of ethics), to ensure transparency in decision-taking, to facilitate the ethics training of employees and athletes, to ensure the

institution and implementation of a code of ethics.

Social responsibility and involvement in social projects should be encouraged by sports management, who understands the importance of solidarity with the community in which they operate. Environmental protection is also important, the manager must take steps so that travelling athletes or fans participating in sport competitions do not destroy nature.

It is necessary that a sports club manager understands that its objective is not performance at any cost and by any means. His moral duty is to ensure the optimal deployment of sports activities, in accordance with the legal regulations and moral principles, in a healthy ethical climate in which sportsmanship is more important than victory at all costs and risks.

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