

3M Ethics: An Organizational Analysis

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From humble beginnings as a Midwest mining company, 3M has grown into an expansive global corporation with 92,000 employees across a dozen industries (3M, 2019). Nevertheless, over its one hundred plus years of operation, 3M has remained dedicated to ethical practices that far exceed legal requirements and outpace their peers. Out of the twenty-five characteristics of ethically transformed organizations noted by Johnson (2019), I would argue that 3M possesses all twenty five. Hence, this paper will analyze the components of 3M's ethical culture as described by Johnson (2019) and mention a number of those characteristics integrated into their organizational culture.

To begin, Johnson (2019) states that an organization's core values act as their guiding principles designed to endure the test of time. At 3M, a fundamental value that influences their culture is simply referred to as "doing the right thing" regardless of its cost, popularity, or lack of expediency (3M, 2002). In their self-published book detailing the corporation's history, 3M (2002) also lists its culture of caring for employees and its obligation to be a good corporate citizen among its time-tested truths influencing their culture. For example, 3M prioritizes sustainability and takes a hard stance against unfair labor practices.

As far as their mission (or purpose) statement is concerned, the corporation states that "at 3M, we apply science in collaborative ways to improve lives daily" (2019). This is also summarized in their current slogan: "Science. Applied to Life." Hence, the ethical undertone reinforces their dedication to the improvement of society, as opposed to profit or other less idealistic goals. Combined with their central values listed above, 3M's core ideology—described by Johnson (2019) as the character of the organization—ties scientific research to the betterment of daily life. With experience in a variety of industries from consumer to health care, evidence of

their mission's success can be found in every home or office that contains Scotch tape, Post-It notes, or Nexcare bandages.

Furthermore, 3M's (2018) Code of Conduct is easily accessible to anyone with a web browser. Broken down into six sections, their code clearly outlines how employees can "Be 3M" (2018) or rather, be good, honest, fair, loyal, accurate, and respectful. In its brief introduction to the Code, they remind employees:

"We are defined by more than just what we make—we are defined by how we do business: the 3M Way, always making the right choices for our Company and our customers and protecting our reputation in all we do." (2018)

Moreover, their code holds individuals to a higher standard than outlined by laws in order to demonstrate their dedication to high-integrity and ethical behavior. Additionally, their section Be Good codifies an ethical decision-making process along with supplemental guidelines and resources employees can use if they face an ethical dilemma or notice unethical behavior (2018).

Next, their section Be Honest discusses how employees should view business courtesies (i.e. economic benefits from external sources) in relation to their value, frequency, timing, and worth (2018). It also outlines how employees should interact with their business partners (e.g. suppliers, lobbyists) and governmental bodies/agents, as well as its standard for maintaining integrity in their sales and marketing (2018). This theme ties into the following section, Be Fair (3M, 2018), which touches upon topics such as bribery, fair competition, product quality, and political activities.

The remaining sections—Be Loyal, Be Accurate, and Be Respectful (3M, 2018)—all address topics Johnson (2019) views as important parts of any organization's code of ethics. For instance, the Be Loyal (3M, 2018) section discusses how to handle conflicts of interest, company

assets, confidential/personal information, preventing insider trading, as well as their social media and communication policy. The Be Accurate (3M, 2018) section touches on the importance of honest record keeping, along with issues dealing with global trade compliance and money laundering. Finally, the Be Respectful (3M, 2018) section pertains to ethical employment practices (e.g. rejecting discrimination, harassment/disrespectful behavior, forced labor/human trafficking, and workplace safety). Furthermore, this section emphasizes the importance placed on sustainable business practices and ways employees can volunteer in or give back to the community (2018). In its totality, 3M's Code of Conduct (2018) offers much more than ethical employee guidelines. Their 63-page interactive PDF also includes helpful examples, self-check quizzes, and a number of links to resources that further elaborate on the aforementioned topics.

Thus, after discussing 3M's code of ethics, it is useful to understand how the organization is structured to support their ideals. Johnson (2019) reminds us that "structure influences moral behavior through the creation of authority relationships, delineation of lines of accountability, and allocation of decision-making rights...[however,] lines of accountability are blurred in many large, complex organizations" (p. 267). As a global corporation doing business in over 200 countries, the exact organizational structure of 3M is not public knowledge. However, encouraging signs of ethical practices include the existence of a Vice President and Chief Ethics and Compliance Officer listed among 3M's top leadership roles (3M, 2019). Moreover, 3M's status as one of the world's most ethical companies determined by Ethisphere also indicates the organizational structure was carefully vetted for ethical functionality.

Furthermore, Industry Week's (2015) discussion with Human Resource director, Marlene McGrath, and Paul and Schneider's (2010) presentation on employee engagement elaborates on 3M's employee evaluation systems. Since ethical behavior is strongly motivated

by intrinsic and extrinsic rewards, it is imperative that all organizations view employee evaluations with ethics in mind. At 3M, policies to ensure this occurs include having third-party evaluators for contractors and company executives regularly receiving 360-feedback/reviews. Moreover, 3M ties employee engagement to those evaluation systems as a way to determine management's role in creating a happy, productive workforce (Paul & Schneider, 2010).

Other components of ethical organizations described by Johnson (2019) elaborate on the role ethics play in daily operation. Most importantly are clearly communicated ethics messages and the ability to report alleged unethical behavior. These components were briefly touched on in 3M's Code of Conduct (2018) which effectively communicates the role ethics play in employee conduct. For instance, the Code reminds employees that "if you see or know of any misconduct, you have an obligation to report the issue, unless prohibited to do so by local law" (3M, 2018, p. 13). Moreover, 3M will "not tolerate retaliation for asking a question, making a report in good faith, or participating in an investigation" (2018, p. 14). Overall, the Code emphasizes the importance of reporting unethical behavior and outlines numerous ways to report misconduct (e.g. to HR department, Compliance/Audit departments/committees, etc.)

Finally, 3M demonstrates other informal elements of ethical organizations pertaining to its organizational culture—for instance its language and stories. According to Johnson (2019), narratives provide meaning, impart values, and promote desired behavior, and their effectiveness increases the more people hear about it. Perhaps there is no better example of this element than in 3M's book, *A Century of Innovation: The 3M Story* (2002). While this book recounts the story of 3M's perseverance and pioneering success (re: the mistake that led to the creation of Post-Its), there are also accounts of how 3M culture has been shaped by its dedication to *doing the right*

thing (2002). For example, the character displayed by 3M after their mine exploded in 1951 was embodied by prioritizing victims and their families.

Overall, the ethical nature of 3M has been noted by experts (e.g. Ethisphere) and remains an important part of how it operates in a complex, globalized world. Despite its far reach, 3M is dedicated to instilling strong ethics and culture in all of its employees regardless of their locality or position in the organization. Its commitment to these principles is a major component of its competitiveness, effectiveness, and innovative qualities. 3M recognizes that applying science to improve daily life is more than just research and discovery—it is an ethical mission to make the world a better place.

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