Field Visit to Maurices’ Ethics Officer
**Introduction**

In trying to decide who to interview for this project, it was important to me to interview an ethics officer at a company that is headquartered in Duluth, MN. I also wanted a company that was known for being a great place to work, wasn’t pretentious and had a good reputation in the community. I took this project as an opportunity to not only learn about how corporate ethics are implemented at a company but also as a way to “test the water” for future employment. With these goals in mind, I chose to interview Jeanne Kucera, the Human Resources Director at Maurices.

**Background Information**

Maurices offers trendy women’s clothing to women ages 20-30 and focuses on serving small towns throughout the United States. According to the Maurices recruitment booklet (attached), the company started “in 1931 with a single store and a handful of associates in Duluth, Minnesota” and now has “more than 600 stores in 43 states and over 5000 associates”. Maurices was started by E. Maurice and Ella Labovitz. The Labovitz family operated the company for many years and has been very generous to UMD with their donation to help build the Labovitz School of Business and Economics.

**Responsibilities and Qualifications of Maurices’ Ethics Officer**

When I first called the Maurices corporate headquarters, I talked to a few people who were a bit confused as to what I meant by a corporate ethics officer. Maurices doesn’t have a single person whose sole responsibility is to create and enforce corporate ethics policies. However, they do
have someone who wears multiple hats and is responsible for creating and enforcing the corporate ethics policies and her name is Jeanne Kucera, Human Resource Director. I met with Jeanne on October 29th, 2009 for about 45 minutes to discuss Maurices’ ethics policies. Jeanne’s job responsibilities as Human Resources (HR) Director include staffing, recruiting and associate relations. Jeanne’s responsibilities with regard to corporate ethics include setting the direction of the policies and making sure employees are adhering to the policies. Jeanne has worked for Maurices for 30 years of which 12 have been in the role of the HR Director. When asked about what qualifications are needed to do the job of creating and enforcing ethics policies at Maurices, Jeanne noted three qualifications:

- Have a strong understanding of the company’s policies
- Demonstrate strong belief in the company’s values by living them personally
- Strong awareness amongst employees of what is going happening on a day-to-day basis

I thought it was interesting that Jeanne used the word “strong” in each of her qualifications. It seems as though the qualification of being a strong leader (mentally and emotionally) is a key qualification!

**Company Ethics**

As I was interviewing Jeanne, it became clear to me that the company is a lot like the small town market it serves. Maurices does not have a formal Code of Ethics however, but they have a professional conduct statement. The professional conduct statement is included in every employee handbook and every employee is required to sign their name saying they will abide by the statement. When I asked Jeanne for a copy of the statement, she told me that it was for
internal use only and she wasn’t allowed to give it out. So, I asked her what areas of ethics the policies addressed. She mentioned that Maurices has a system in place for anonymous whistleblowers. There is a post office box set up for employees to submit a complaint or concern directly to the CEO. Maurices also has a third party compliance hotline that employees can contact to voice their concerns. From what Jeanne mentioned, there seemed to be some good systems in place to be reactive to ethical dilemmas but she didn’t mention much about proactive statements regarding expectations of ethical behavior. My guess is that in the employee handbook, there are probably statements about ethical behavior but without a copy of the professional conduct statement, I can’t say for sure that it exists. I did notice in the recruitment booklet (attached) that there are statements about valuing diversity and inclusion. I liked Jeanne’s response when I asked her how Maurices defines strong ethics and she answered “doing what we say we are going to do”.

**Violation on Company Ethics**

Maurices relies on its human resource department to handle an ethical violation of its conduct statement. There are systems in place to deal with ethical violations depending on the severity of the violation. The most common ethical problem is dealing with internal theft at the various stores. Jeanne usually follows a system of warnings- verbal, written and then dismissal. If the violation is severe, there will be immediate dismissal. In the 12 years that Jeanne has been the HR Director, she has never had to deal with a serious breach of ethics. When I asked her why she thinks that is the case, she said it was because “strong values are known”. Jeanne mentioned that the previous owners were a family and the company was privately held. There is a culture of privacy and honesty- even though the company is now publicly traded and owned by
Dressbarn- that the previous owners instilled in everyone. Jeanne talked about the previous owners being pretty straight laced and there was an unwritten policy that nobody talks about the owner’s private lives. A culture of respect and honesty prevails today.

I prodded further to find out if there are ethical dilemmas that the company deals with at a top level. There is not a board of directors for Maurices but there is a board of directors for Dressbarn. The Dressbarn board of directors does not get involved in solving Maurices’ ethical dilemmas. Maurices deals with ethical dilemmas “in house” primarily with a human resources department team. The HR department is brought in to facilitate disagreements. Most of the problems are taken care of over the phone with managers and associates.

**Strategies to Solve Ethical Dilemmas**

Next I asked Jeanne about strategies she uses to solve ethical dilemmas when the HR team is split on a decision. I used the example from class about whether or not is ethical or not to market risqué clothing to the Tween market. Jeanne laughed because she knew exactly what I was talking about since Dressbarn purchased that brand (Justice). In the case of the Tween ethical dilemma, Jeanne said the dilemma would be taken care of between the marketing department and the merchants. Maurices depends on their customers to be their compass and they will vote with their pocketbooks. I was hoping to hear some examples of strategies Maurices uses to solve the dilemma. Instead, Jeanne said that since Maurices is marketed and located in small towns, they tend to be risk averse. If a store manager had a moral obligation to a risqué shirt, the buyer and management team wouldn’t hesitate to pull that item of clothing from the line. Maurices would rather play it safe and be more conservative than go after higher profits. A conservative culture
permeates Maurices as evidenced by Jeanne’s comment that the buyers know the company and its customers and they wouldn’t ruffle feathers.

**Special Interest Groups**

When I asked Jeanne what extent Maurices lets special interest groups impact their decision making, Jeanne said they haven’t had any ethical dilemma issues with special interest groups. I prodded a little more and asked whether or not they carry fur products. Maurices does not carry fur products but it’s not because they are morally against it or afraid of animal rights groups boycotting the company. Rather, they don’t carry fur because their customer doesn’t demand it.

To continue our talk about special interest groups, Jeanne and I also talked about whether or not the Maurices workforce was unionized. Maurices’ workforce is not unionized and Maurices believes that they provide a superior work environment with livable wages and benefits and therefore there is not a need to unionize. Furthermore, the fact that Maurices stores are in small towns, they are often viewed as an employer who is a community partner. In a small town, many of the sales associates have their friends as their customers.

**Major Business Ethic Issues**

In wrapping up our interview, I asked Jeanne what she thought were the major business ethics issues today and what issues seem to be waning in importance. The two major business ethics issues Jeanne mentioned were ethical accounting practices and conflict of interest issues especially during hard economic times. In attempt to sustain ethical operations, Maurices does two internal audits every year to look at accounting and human resource practices.
The primary ethical issue that is waning in importance according to Jeanne is workplace violence. Maurices isn’t seeing an increase in workplace violence amongst employees but the number of robberies and thus violence against employees at the stores has increased. Jeanne feels the company has an obligation to train employees on how to handle robberies in order to keep them safe. In the training, she emphasizes to the employees that it is not unethical to let the thieves take everything. Too often employees want to do the right thing and protect the store, so Maurices is training employees that it is acceptable and expected to give the thieves whatever cash or clothing they want.

**Lessons Learned**

If I were to do this assignment again in the future, I would ask up front whether or not the company was willing to provide a copy of their Code of Ethics. I would have really liked to delve in to the policy statements to glean more insights after our interview.

The thing that surprised me the most of Maurices was their small town mentality at the corporate level. It amazes me that a large company like Maurices could be in business for 78 years with no major ethical dilemmas for at least the past 12 years. I can’t decide if it’s naïve or admirable that this is the case. On the surface it seems naïve, unaware or out of touch with reality that there have been no major ethical dilemmas in 12 years. Maurices may also be so conservative that they make decisions to avoid any conflict and therefore discussions about the ethical dilemmas do not occur. On the flip side, if Maurices has such a prominent culture of respect and always takes the moral high ground in lieu of lucrative profits, then maybe that is admirable. I asked Jeanne how Maurices has been able to profit and grow when they make decisions that they can
morally live with at the expense of profits. Jeanne’s response was that Maurices really knows their customer well and so they have a loyal and regular customer base.

As I mentioned in the beginning, part of the reason I chose to interview Maurices was to test the waters and see what the company culture is like for future employment. I was impressed that in the corporate office, there is less than a 10% turnover for the 250 employees of which 80% are female. Jeanne mentioned that during exit interviews, the thing that people always loved most about their job with Maurices was how good the people were to work for. So, while I wished I had learned more about Maurices’ Code of Ethics, I came away from this interview feeling pretty impressed with the company and it’s potential to be a future employer of mine.