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Business Ethics: Johnson Controls Case

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Introduction of the Facts

Johnson Controls Inc. is a company that manufactures automobile batteries in which one of the main components is lead. Medical studies have shown that exposure to lead can have detrimental effects on the reproductive abilities of both men and women, as well as raise the risk of serious health issues in adults, children, and unborn fetuses. Of these health risks, the most significant are presented to unborn fetuses, such as potential damage to the brain and central nervous system. Prior to the Civil Rights Act of 1964 which outlawed discrimination based on race, color, religion, sex, national origin, and sexual orientation in the workplace, Johnson Controls Inc. strongly discouraged women from taking a position that would expose them to lead in order to protect the unborn. After 1982, Johnson Controls Inc. took this a step further and began refusing to employ women in any job across its fourteen factories that involved exposure to lead. In order for any woman to obtain one of these positions, she would need to prove her infertility with a medical document of some kind. In addition, this policy made no exceptions for celibate women or for those who chose to use contraceptives. The U.S. Court of Appeals ruled Johnson Controls' policy to be "reasonably necessary to the industrial safety-based concern of protecting the unborn child from lead exposure." However, many argued that this policy raised a plethora of ethical issues. Years later in 1991, the U.S. Supreme Court ruled unanimously against Johnson Controls' fetal protection policy, stating that the policy is in direct violation of the Civil Rights Act of 1964.

The Ethical Issues Involved

There are many ethical issues involved with Johnson Controls' fetal protection policy. The main ethical issue that many women's advocates argue is that this policy directly discriminates against women in the workplace. These women's advocates not only argue that this policy challenges a woman's rights to control her own fetus, but that it also challenges her rights to control her unfertilized eggs as well. By Johnson Controls enforcing this policy, it's essentially like they're telling women, "We know better than you. We cannot allow you to make this decision. We have to make it for you." This brings up a fundamental question in the case, which is, who knows what is best for a woman? Along with these issues, many also argue that the policy is a serious infringement of a woman's privacy, claiming that a woman is basically forced to share with the world that she is sterile by taking a position in any Johnson Controls factory. And after all, is it ethical to force a woman to choose between having a child and having a job? Many would argue that it's not.

To take these ethical issues even further, medical research has proven that lead exposure not only can have detrimental impact on a woman's reproductive system and her unborn child, but that it can also negatively affect sperm and could potentially harm the offspring of men

exposed to it at the time of conception. So in this case, why is it that only women need to prove their infertility through medical documentation in order to work in a Johnson Controls factory? If it's proven that exposure to lead could negatively affect a man's sperm and potentially harm his offspring as well, shouldn't men need to prove that they are unable to reproduce just as women are required to? Along with all of these ethical issues come many more. Many would argue that Johnson Controls should be held responsible for reducing hazards as much as possible in its work environment to make it a safe place for all employees to work, no matter their sex. Along the same lines, many would also argue that Johnson Controls should be held liable for the health risks that its work environment poses to any unborn children and its employees if they are unable to mitigate those risks. But for many companies like Johnson Controls, it is undoubtedly a cheaper financial decision to just get rid of any employees who may be at risk, rather than to invest in more PPE and/or new technologies that would make the work environment safer for all.

The Main Stakeholders

There are a few main stakeholders that are affected by Johnson Controls' fetal protection policy- I would list women, the unborn fetuses, Johnson Controls, and the stockholders as the four main stakeholders in this case. First, I would prioritize women. I believe that women are at the top of this list of stakeholders because it is their employment and bodies that are at stake. With this fetal protection policy in place, women must choose between having a child and having a job at Johnson Controls. If they are unable to provide medical documentation of their infertility, then they will be denied a position at any Johnson Control's factory.

The second stakeholders on my list would be the unborn fetuses. I choose them next because it is their health that is at stake if their mothers are exposed to lead. Under the fetal protection policy, no unborn fetus is at risk of lead exposure unless the health risk is caused by the male's sperm. If the fetal protection policy is lifted and women are allowed to make their own choice if they'd like to take this risk or not, then it is possible that more unborn fetuses could be put at risk for serious health concerns.

The third stakeholder on my list is Johnson Controls. I prioritized the company under both women and unborn fetuses because the company is not a body being discriminated against or being put at risk for health concerns. With their fetal protection policy in place, Johnson Controls is relatively safe from any lawsuits against them due to an unborn fetus being born with significant health defects. Also under this policy, there is not much pressure for the company to mitigate the risk of lead exposure in its factories any further. The company seems to believe that as long as they can keep women who are capable of reproducing out of the workspace, then they have dodged this responsibility to improve the conditions and lessen possible lead exposure. Without the fetal protection policy in place, Johnson Controls may bear the brunt of a surge in legal cases regarding work conditions and risks imposed on unborn babies.

The last stakeholders I would mention here are the stockholders. I prioritize them last because I believe that they are the least involved in this situation compared to the others mentioned. If Johnson Controls lets go of its fetal protection policy, then stockholders could

very well be affected negatively by the financial burdens of legal cases involving babies being born with health defects. As long as the protection policy is still in place, they are relatively protected from that.

Alternative Policies

In order to design a new work assignment policy that does not violate the Civil Rights Act of 1964, we have a few options. The first alternative policy I would propose is that women capable of reproducing would not be denied the right to work inside of a Johnson Controls factory, however they would be required to sign a legally-binding contract stating that they understand the dangers of lead exposure and that Johnson Controls is not liable for any harm imposed on an adult, child, or unborn fetus due to exposure to lead. The second alternative policy I would propose would still deny any woman capable of reproducing the right to work inside of a Johnson Controls factory, however it would also deny this right to any man capable of reproducing as well. The third alternative policy I would propose would allow any man or woman the right to work inside of a Johnson Controls factory, however Johnson Controls would be responsible for reducing hazards in the workplace as much as possible by doing things such as providing lead shields to all of its workers and possibly investing in non-lead batteries as an alternative.

Comparing and Weighing Alternatives

As in any ethical dilemma, each alternative solution has its pros and cons. In the first alternative policy of allowing any woman who is capable of reproducing to work in a factory as long as she signs a waiver that she understands the risks and cannot bring Johnson Controls to court for any health complications, the ethical issue of forcing a woman to choose between having a job and having a child is taken out of the picture. With this alternative policy, a woman's rights to control her own fetus and unfertilized eggs are given back to her, and any violation of the Civil Rights Act of 1964 is taken care of. However, this policy would undoubtedly put more unborn fetuses at risk. According to Jennifer Lincoln, MD, IBCLC, "Lead easily crosses the placenta, which means if a mother is exposed to levels that are too high her baby is as well. Lead's main target is the nervous system, and in a baby whose brain, spinal cord, and nerves are rapidly growing, these can be easy targets." In addition, Lincoln also states that babies exposed to high lead levels many times also go on to have neurodevelopmental issues as children. She states, "One study showed that the higher the lead levels found in a baby's umbilical cord, the worse they performed on certain developmental scales as children." So clearly, this alternative policy would be a substantial risk to the health of both unborn and born children.

In the second alternative policy of prohibiting both men and women capable of reproducing from working in any Johnson Controls factory, all unborn and born children would be protected from potentially serious health risks. In addition, this policy would no longer be in violation of the Civil Rights Act of 1964 because it would now require both men and women to

prove that they are unable to reproduce. The reason why it's important for men to limit their exposure to lead as well when they are capable of reproducing is because studies have shown evidence that lead affects sperm too and can thus harm the offspring of men at the time of the child's conception. A CDC article on men's reproductive health in the workplace claims that lead exposure can negatively affect a variety of male reproductive functions such as producing irregularly-shaped sperm, chemicals in semen, and irregular sperm genetics that could be potentially harmful to their offspring. For this reason, it is wrong for Johnson Controls to only have women prove their inability to reproduce if protecting the unborn child is their sole motive with their fetal protection policy. However, a downside is that this alternative policy would likely displace many men in the workplace.

In the third alternative policy of allowing both men and women to work in the factories while leaving Johnson Controls responsible for reducing the hazards in its workplace as much as possible, Johnson Controls would be taking the brunt of this ethical dilemma. The company could do this by providing lead shields to all of its workers and possibly investing in non-lead batteries as an alternative. According to an OSHA article on protecting workers from lead hazards, the OSHA sets standards recommending that employers use engineering controls and work practices to reduce worker exposure, provide employees protective clothing and respiratory protection, and enroll employees exposed to high levels in a medical surveillance program. While this idea sounds good on paper, it may not be that feasible in real life because each year many new chemicals are introduced into the workplace and not many of them have been evaluated for their potentially harmful effects. In addition, new PPE and alternative non-lead batteries may be costly for Johnson Controls. Stockholders may take a hit with this alternative for this reason.

Final Recommendation

Due to the health risks of letting women decide for themselves if they are willing to be exposed to lead in the first alternative and the costliness and unrealisticness of Johnson Controls regulating the workplace for its many hazards in the third alternative, I would recommend the second alternative to present to the board. If both men and women need to prove their inability to reproduce in order to work in a Johnson Controls factory, no unborn or born child will ever be put at risk of lead exposure, the company will never have to worry about any lawsuits in regards to any child facing health issues due to exposure, and there will be no debate on whether or not the fetal protection policy discriminates against women or takes away a woman's rights to control her own fetus and unfertilized eggs.

Monitoring and Learning

To monitor and learn from case outcomes, I would recommend that Johnson Controls continues to collect data on lead exposure in its workplace, interviews its workers to get their thoughts on how things are going regularly, and does a quarterly review of its workplace conditions as well as on the health of its employees. If the company is able to completely

eliminate the risks of its workplace health hazards someday in the future, then they could reevaluate this policy at that time and allow anyone to work in their factories again.

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