Ethical Leadership in Uncertain Times

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Our Focus Today

- The value of Values
- The role of Ethical Erosion and Ethical Wisdom
- The Ethical Pathway of Culture
- The Nature of Change
- Action back home
The Bond Between Value-Driven Action and Exceptional Performance
“We… will continue to succeed if we adhere to the principles of our credo – first, the serving of our customers, then to the people in the plant, and then the management, and then the community, and, finally and last, to the stockholders.”

General
Robert Wood Johnson
FDA Slams Tylenol as Recall Spreads

J&J hid adverse findings for Risperdal

J&J in deal to settle hip transplant lawsuits
The Bond Between Ethics and Performance

Intentions:
Vision, Mission, Values, Strategy, Goals

Performance:
Quality of Education, Financial Health, Satisfaction, Retention, Reputation
Reflection

1. How do you get your first job in the community college system?

2. Why did you stay?
“(J & J) is a company that was purer than Caesar’s wife, this was the gold standard, and all of a sudden it just seems like things are breaking down.”

William Trombetta
New York Times
August, 2010
Ethical Erosion
An Organization Under Pressure

This was two years of hell. And so I witnessed a slow erosion of focus on values... If you looked at them without regard to their magnitude, and you asked, was this right or wrong? The answer would be wrong and you know it. Okay. But it’s only a little bit wrong...”
“... and I think in your head, the more you let these little wrongs build up, you start setting these mental precedents that make it easier to slide into doing more and more little things or slightly bigger and then bigger and bigger things.”

Partner in a Large Consulting Firm
Duke Cunningham’s History of Tax Evasion

FY2000: $50,000
FY2001: $100,000
FY2002: $250,000
FY2003: $500,000
FY2004: $1,000,000
Common Practice ≠ Ethical Practice
Reflection

What is the importance of understanding ethical erosion to your effectiveness as a leader?
Ethical Erosion: In Short

Ethical Erosion is characterized by a series of small, even unnoticed, acts that erode ethical behavior with each act providing a foundation for the next more erosive act.

All of which can lead to significant even disastrous adverse organizational and personal consequences.
The Role of Ethical Erosion

Intentions:
Vision, Mission, Values, Strategy, Goals

Ethical Erosion

Performance:
Quality of Education, Financial Health, Satisfaction, Retention, Reputation

Ethical Wisdom
Ethical Wisdom
Ethical Wisdom: What is it?

Ethical Wisdom is the individual and collective knowledge, experience, and good sense, to make sound ethical decisions and judgments everywhere, every day.

Ethical Wisdom is already resident in the organization and in those who work in it.

Ethical Wisdom doesn’t have to be taught but it does have to be accessed and harnessed.
Ethical Wisdom

Do you buy the idea of collective wisdom?
“I finally got it! Four thousand people are smarter than six.”

Larry Haab
ex-CEO, Illinova
Reflection

What is one specific action you could take to better harness your own ethical wisdom?
Ethical Erosion and Ethical Wisdom Will Impact The Health of Ethical Pathways

Intentions:
Vision, Mission, Values, Strategy, Goals

Ethical Erosion

Ethical Pathways

Ethical Wisdom

Performance:
Quality of Education, Financial Health, Satisfaction, Retention, Reputation
There Are Four Ethical Pathways

Intentions:
Vision, Mission, Values, Strategy, Goals

Ethical Erosion

Culture
Leadership
Infrastructure
Personal Integrity

Performance:
Quality of Education, Financial Health, Satisfaction, Retention, Reputation

Ethical Wisdom
The Pathway of Ethical Culture
An Ethical Culture Has Five Disciplines

- Mindfulness
- Respect
- Tenacity
- Voice
- Legacy

Intentions
Vision, Mission, Values, Strategy, Goals

Ethical Erosion
Ethical Wisdom

Performance:
Quality of Education, Financial Health, Satisfaction, Retention, Reputation

Culture
Leadership
Infrastructure
Personal Integrity
An Ethical Culture Has Five Disciplines

**Mindfulness**
- Early awareness through faint signals
- The private voice of ethical wisdom

**Voice**
- Bringing mindfulness into the public conversation
- Shared mindfulness and shared ethical wisdom

**Respect**
- Working on ethical issues as colleagues, not critics
- Respecting and valuing different points of view

**Tenacity**
- The shared commitment to see difficult conversations through to their best resolution

**Legacy**
- Being mindful of our values and legacy
- Creating a positive legacy for those who will follow
Strengthening Ethics:
A Partnership of Goodwill

The organization taking action to strengthen ethical behavior

Employees taking action to strengthen ethical behavior

Anyone and everyone taking action to strengthen ethical behavior
The Nature of Change
1915
“One half of the children born die before their eighth year. This is nature’s law; why try to contradict it”

Jean-Jacques Rousseau
Annual infant deaths have declined from 8.9 million in 1990 to 4.8 million in 2012.

WHO, 2012

Jean-Jacques Rousseau
“Everything can be taken from a man but one thing: the last of the human freedoms – to choose one’s attitude in any given set of circumstances, to choose one’s own way.”

Viktor Frankl
“I have had dreams and I have had nightmares but I have conquered my nightmares because of my dreams”

Jonas Salk
“Even in the grimmest times in prison... I would see a glimmer of humanity in one of the guards, perhaps for just a second...”

Nelson Mandela
“... but it was enough to reassure me and keep me going. Man’s goodness is a flame that can be hidden but never extinguished.”

Nelson Mandela
TWO HUNDRED MILES FROM LONDON
The Lesson of Notre Dame Cathedral
“I long to accomplish a great and noble task, but it is my chief duty to accomplish humble tasks as though they were great and noble…”

Helen Keller
“... The world is moved along not only by the mighty shoves of its heroes, but also by the aggregate of the tiny pushes of each honest worker.”

Helen Keller
An Invitation

What one or two actions will you take this week as a result of your insights from today?
“It is important to know that we were a bunch of people together. This is not a handicap but a help. If you have to fight it alone, it is more difficult... None of us thought we were heroes. We were just people trying to do our best.”

Magda Trocme
“In the end, I would like to say to people, “Remember that in your life there will be lots of circumstances that will need a kind of courage, a kind of decision of your own, not about other people but about yourself.”

Magda Trocme
If there is one thing I will take away from today that will make me a better leader in uncertain times it is...
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