

GOT ETHICS?

TONE AT THE TOP: Monkey See....Monkey Do

Tone at the Top refers to the atmosphere set by the management of the company. With respect to establishing an ethical culture, the ethical behavior by the company's leadership will create respectful business relationships and solidify employee loyalty. In contrast, unethical behavior will weaken the company's integrity. If there is a difference between what a leader says and what a leader does, everyone will see it, and employees and business partners and associates will emulate the bad behavior – monkey see, monkey do.

"A person's individual moral framework is only the third-most important factor in deciding what they'll do. The most important is what does their boss do ... second, they look at their peers..." ~Marshall Schminke, Managerial Ethics: Moral Management of People and Processes

"Try not to become a man of success, but rather to become a man of value." ~Albert Einstein, Theoretical physicist, philosopher and author

"The misery caused by immoral leaders drives home an important point: Ethics is at the heart of leadership." ~Craig E. Johnson, Author

"A poor ethical culture breeds ethical breaches. Ethical breaches then often lead to legal violations. Too often accompanying both is financial collapse." ~Marianne M. Jennings, J.D.

"No man can soon be dishonest without soon being found out and when his lack of principle is discovered, nearly every avenue of success is closed against him forever." ~P.T. Barnum, Showman, businessman and entertainer

"Three people can keep a secret if two are dead." ~Hell's Angels

"I would never suggest Ethics is simple. Not only does one have to know the right things to do—one must have the moral fortitude to do it." ~Norm Augustine—former Chairman Lockheed Martin

"Nothing concentrates the mind like the prospect of a hanging" ~Samuel Johnson, Author

"What you are thunders so loudly that I cannot hear what you say to the contrary." ~Ralph Waldo Emerson, Poet

"If you build that foundation, both the moral and the ethical foundation, as well as the business foundation, and the experience foundation, then the building won't crumble." ~Henry Kravis, an American business financier and investor

"If ethics are poor at the top, that behavior is copied down through the organization." ~ Robert Noyce, Inventor of the Silicon Chip

Grey Matters Ethics Challenge:

You have just been hired by XYZ Corp. as a project manager ("PM"). XYZ Corp. is a small family owned construction company that has been in business for more than 50 years. The company recently created an ethics & compliance program, in part because it engages in federally funded and federal government contracting work. When you were hired you received the company's Code of Conduct ("Code") from one of the owner's sons, John, who tells you that he created the compliance program. You get the feeling during your meeting with John that his father, Dave, is not 100% on board with the program and would prefer to "do things the old way." After the meeting you attend an exciting and informative Code of Conduct Training where John effectively communicates that he "walks" the "talk". Dave attended the training but says nothing.

You are assigned to a major government project and as PM are responsible for signing certifications submitted to the government agency. You rely on subordinates to compile the supporting documentation. A subordinate comes to you and says that Dave told him that this month's payment requisition had to be submitted today or millions of dollars would be delayed and the company would suffer dire financial consequences. Dave also comes to you and asks you to sign the certification so the payment request can be submitted. Dave admits that his request violates the Code, but promises to review the supporting documentation tomorrow and asks you not to call John. Despite Dave's request, you try to contact John but cannot reach him. Near day's end, the subordinate comes to you and again requests you sign the certification. You respond, "I don't have the expertise to review this stuff, so I am depending on you to have it right. On that basis I will sign it."

Was the PM's response appropriate? Submit your comments. We will compile the responses (anonymously) and provide a sampling of the comments, along with an analysis in a future communication.

Got an ethics & compliance question or topic? Send your e-mail to Lorraine D'Angelo at ldangelo@dragados-usa.com or hotline@dragados-usa.com or call the Hotline at 866-280-6816.