



HOW I SEE IT.

“We Don’t Need No Stinkin’ Ethics Training!”

*No one thinks they’re headed for trouble until they arrive.
Vince Crew*

Do you think “the smartest guys in the room” aka ENRON thought they were fine?

How about the storeowner whose long-time bookkeeper embezzled funds? Do you think the board of a charitable institution thought they were safe before they discovered their CFO was stealing donations or their president was engaged in questionable conduct or relationships?

When was the last time you talked about ethical conduct to your management team or employees? What about your vendors or customers? Do others know what your enterprise stands for? Do you walk the talk? Heck, do you even talk?

So many company leaders find the topic of ethics uncomfortable. Either they think it’s unnecessary or it’ll come off too “preachy.”

Whenever you’ve got two or more people involved in a concern, shared values is paramount to success and a little sermon may not be the worst thing in your enterprise, given the “go ahead, nobody’ll find out” mentality of so many.

There are ultimately **five obstacles to truly cultivating and sustaining a firm’s ethical culture:**

- 1. No compelling reason to focus** – this is always mitigated when a crisis occurs
- 2. Inability to link everyday ethics to business results** – this is always realized when the loss of customers, employees, and supporters occur following misconduct in the enterprise
- 3. A lack of strategic growth insight** – reputation, integrity, and conduct are always critical in ensuring the capacity and sustainability of an enterprise.
- 4. Not knowing how to develop a comprehensive initiative** – every firm is slightly different and the effectiveness of an ethics initiative must be aligned to reflect and respond to that distinction and the capabilities and constraints of the team.
- 5. How to connect employee success with ethical focus** – following a crisis, there always seems to be money, time, and easy acceptance of everyone’s role in addressing ethical mishaps.

Most organizations prefer the ‘post and pray’ method before considering ethics training important – they *post* an ethics code, mission statement, or list of values somewhere and *pray* nothing goes wrong. Then something *does* go wrong and they wish they had done more.

The **four keys of an ethical culture** surround the ability to **articulate** the revered values, **educate** everyone of what those values look like in action, **demonstrate** those values at every level, and **evaluate** everyone’s performance of those values.

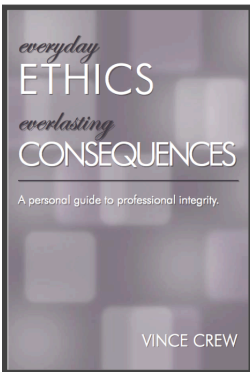
Today’s difficult economy, stressful relationships, and desperation tempts us all. I can think of no better time to invest in reminding your people of the *value in values*. An ethics initiative begins with an audit, assessment, and alignment review that culminates in a plan that includes on-going conversations and mechanisms for governance, risk management, and compliance (GRC) efforts that can be monitored, managed, and measured.

An ethics initiative, that includes training, is a serious investment of money, time, and effort. The only thing more expensive is the destruction of your firm’s reputation.

At least that’s how I see it.

Vince Crew
• Speaker • Author
• Adviser

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on
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A TIP OR TWO

On Laws and Corruption

The erosion of trust in business is a serious and worrying development, and there’s no guarantee the problem will automatically get resolved.

While SEC can enact bright, red-line rules about what is and is not permissible behavior, we know from the course of history that human nature will push aggressive managers and organizations to continue to test new laws.

Some managers will pursue questionable activity right up to technical conformity with the letter of the law, and some will step over the red line either directly or with crafty schemes and modern financial technology that facilitates deception.

The SEC and others like us can set the rules and define independence - but legal definitions can only go so far. And our free-market, democratic system will gradually erode, and inevitably suffer grievous harm, if remedial efforts are not undertaken and endorsed by a broad cross-section of our business and financial communities.

Source: SEC Chairman William H. Donaldson in remarks on 10/14/04 in NY to the Conference Board

THOUGHTS FROM HERE AND THERE

It takes 20 years to build a reputation and 5 minutes to ruin it. If you think about that, you’ll do things differently. Warren Buffett

To sin is a human business, to justify sins is a devilish business Leo Tolstoy

Virtue is not left to stand alone. He who practices it will have neighbors. Confucius

Without accountability, there is no ethics - without consequences, there is no accountability. Vince Crew

Divorced from ethics, leadership is reduced to management and politics to mere technique. James MacGregor Burns

As iron sharpens iron, so one man sharpens another. Proverbs 27:17

Show yourself in all respects a model of good deeds, and in your teaching show integrity, gravity, and sound speech that cannot be censured, so that your opponent may be put to shame, having nothing evil to say of us. Titus 1:7-8

Live a life worthy of the calling you have received Ephesians 4:1

He will not let your foot slip -- He who watches over you will not slumber; indeed Psalm 121:3

VINNIE’S COMMERCIAL

Everyday Ethics, Everlasting Consequences (Insight, 2008 – 112 pp., \$12.95)

A reputation stems from the little decisions we’re faced with making every day and those decisions having lasting results. This book provides the power to stand tall in today’s climate of chaos, corruption, and compromise. It deals with everyday situations that can undermine a professional’s reputation and career.

This is the book that earned Vince the designation of Ethics Expert by the FOX Radio News Network on July 29th.

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