Becoming an Ethics Expert: Exploring How to Handle the Most Common Ethical Issues in Business

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Chair of the Ethics Initiative
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**Dating in the Workplace**

- You conduct an investigation and learn that a Director has stepped over the line by dating a direct report.
- The Director has had an inappropriate relationships with a direct report, resulting in quid pro quo.
- You recommend that the company terminates based upon quid pro quo.
- The Director admits the relationship was inappropriate but promises not to see the employee again.
- An Executive, who golfs regularly with the Executive asks you to give the Director another chance. He says the Director has learned from his experience and that both employees are valuable to the company.

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**Receiving Omaha Steaks**

- You receive a large package of Omaha steaks packed in dried ice via UPS from Dow Jones just before Christmas
- You are the Katz School Liaison with Dow Jones for the Wall Street Journal (WSJ)
- You are the person who makes the decision to have the school buy the WSJ for all the students and faculty in the school
- You find out that the University has no policy on gifts, and learn that your senior colleague has also received the steaks and plans a barbeque for his friends this weekend
Tyler Shultz

- You’re a 23 year-old recent graduate of Stanford
- You work for a company that is “revolutionizing” blood testing
- You figure out that the technology is highly unreliable and the firm is giving patients highly unreliable medical information

The research in this presentation is documented in the book *The Business Ethics Field Guide*

Ethicsfieldguide.com

“The Business Ethics Field is, hands down, the best book on ethics I have encountered.”

*Kim Cameron, William Russell Professor, U. of Michigan*
The research results reported here are based on EMBA dilemmas gathered in these countries.

The Business Ethics Field Guide

Brad Agle, PhD
Professor
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Aaron Miller, JD
Assistant Professor
BYU

Bill O’Rourke, JD
Former President
Alcoa Russia
Ethics is a Skill Set

- Proper Intentions are Critical
- Proper Intentions are Not Enough
- If you Want to Become Great at Any Endeavor, You Must Put Time and Effort into that Endeavor
- If You Want to be a Great Ethical Leader, Time and Effort are Required

Examples of Ethics Skills

- Recognizing Types of Ethical Issues
- Understanding How to Think Through Different Ethical Issues
- Being Persuasive In Making Ethical Arguments Based on Logic and History
- Recognizing Ways in Which we Rationalize
- Understanding Best Practices in Creating an Ethical Organizational Culture
Field Guide to Beautiful Vistas
Three Takeaways from Today’s Session

- Ethical Issues in Organizational/Business Life are Highly Predictable
- One Can Prepare Him or Herself to Effectively Deal with Ethical Issues
- One Can Differentiate Him or Herself as an Effective Leader through Development of Ethics Skills
The Thirteen Categories of Business Ethics Issues

- Standing-up to Power
- Make a Promise – and the World Changes
- Intervention
- Conflicts of Interest
- Suspicions Without Enough Evidence
- Playing Dirty
- Skirting the Rules
- Dissemblance
- Loyalty
- Sacrificing Personal Values
- Unfair Advantage
- Repair
- Showing Mercy

Standing Up To Power
Intervention

Tyler Shultz

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Tyler Shultz and Theranos

- **Intervention**
  - Are you the right person to intervene?
  - Can you recruit help?
  - Do the urgency and potential impact require you to act now?
  - Does your intervention plan require you to act unethically?
  - Does your intervention create a permanent solution or a temporary fix?
  - What are your own motives?
  - Is the problem the result of one person’s behavior or a systematic failure?
  - Does your intervention require one act of intervention or sustained, regular effort?
  - How can you create the least harm to everyone involved?

Conflicts of Interest

*Farcus* by David Wages

“What conflict of interest?!
I work here in my spare time.”
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A conflict of interest

- Are there any clear rules (organizational or otherwise) you should be following?
- Who has a right to know the details, and have you let them know?
- Would your actions cause others to question your motives?
- Is there a way to remove yourself in particular ways to avoid the conflict of loyalties?
- Have they done, or could they do, anything to free you from your obligation to them?
- What should I do now to avoid conflicts in the future?
Suspicions Without Enough Evidence

Personal Values
Unfair Advantage

Repair
Skirting the Rules

Make A Promise and the World Changes
Playing Dirty

Dissemblance
Loyalty

Showing Mercy
Dating in the Workplace

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Dating in the Workplace

- **Showing Mercy**
  - Is Mercy Yours to Give?
  - Does Showing Mercy in this Case hurt others or Put them at Risk?
  - Who Bears the Immediate Cost of Showing Mercy?
  - Is this a Precedent you want to set?
  - Does Granting Mercy violate Organizational Policy?