CERTIFIED PUBLIC ACCOUNTANT
Question 1:

How many of you would voluntarily make an unethical choice?
Question 2: How many of you think voluntarily breaking the law is unethical?

Question 3: How many of you have driven on an Interstate Highway over the past two weeks?
Question 4:

How many of you have exceeded the speed limit when driving on the Interstate by at least 5-10 mph?

It’s Easy to make **Unethical Choices** when they seem socially acceptable.
Tackling pictures from the In
Underreporting Income
Social Media - SnapChat
Embellishing capabilities
Ignoring Controls
Failing to report issues
Does Your Ethics Properly Address Issue of Social Acceptability

**INTENTIONS:**
- Values
- Attitudes
- Commitment
- Responsibility
- Experience
- Mood

**CULTURE:**
- Shared Values
- Ethics
- Morals
- Myths & Legends
- Justice
- Fairness
- Covenants

**BEHAVIOR:**
- Plans
- Actions
- Observations
- Facts
- Performance

**SYSTEMS:**
- Organizational Structures
- Work Processes
- Policies & Procedures
- Economics
- Contracts
What Do These People Have in Common?
What Do These People Have in Common?
Does Your Ethics Training Properly Address Blind Spots
Three Primary Reasons People have Ethical Lapses
Three primary reasons people have ethical lapses

HEALTH ISSUES
Does Your Ethics Properly Address What Motivates ETHICAL LAPSES

Ethical Lapses Don’t Start
WHAT DID YOU KNOW?
WHEN DID YOU KNOW IT?

WHAT DID YOU DO ABOUT IT?
QUESTIONS

Do You have a Written Policy?
How is the Policy Communicated to Employees?
If You polled Employees would they say that the Policy is enforced?
Has there been any enforcement of the Policy?

What causes an otherwise “honest” person to do dishonest things?
The three components of ethical lapses:

- Need
- Opportunity
- Rationalization
Relationships

Financial

Health

RATIONALE

NEED

OPPORTUNITY
Does Your Ethics Properly Address 3 Components of Ethical Lapses
Training Rationalizations

People cheat when they have a chance to (lesson: remove opportunity), but when the issue of honesty and rationalization is openly discussed people dramatically reduce or stop cheating (lesson: Expand Ethics training beyond just the HR and Compliance requirements)

When Life gets out of balance... we search for a quick solution.
Attention Areas

• Social Acceptability
• Blind Spots
• Emotional Trigger Points
• Slippery Slope
• Three Components of Ethics Lapse
Why is ethical training important?
Or find yourself facing the

JUDGE

US sentencing guidelines state:

You cannot be held criminally liable for an unethical/illegal action of an employee if you have provided employees comprehensive ethical training.
EVERY CHOICE HAS A CONSEQUENCE

Questions?

CHUCK GALLAGHER
“EVERY CHOICE HAS A CONSEQUENCE!”

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TRUE SUCCESS
Is making a positive impact on the lives of others.

EVERY CHOICE HAS A CONSEQUENCE!