

Management Ethics: Dilemmas, Risks and the Boiling Frog

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In *The Complete Guide to Ethics Management: An Ethics Toolkit for Managers*, Carter McNamara uses the analogy of a “boiling frog” to explain why management ethics are at a point of critical risk. If you put a frog in a pot of hot water, it will immediately jump out. But if you put a frog in a pot of cool water and very gradually increase the heat of the burner, you can boil the frog. The point here is that most ethical problems are created not by “management mischief” but by poor decisions made by managers who are under stress. Change is a major source of stress for all of us, and public broadcasting is certainly not immune to change. Moreover, current fundraising trends, the overall performance of the financial markets and the digital transition of both media have significantly “turned up the heat.” “Change” is now linked to survival. We are assessing new business plans, evaluating current practices and trying our best to “think out of the box.” You can almost feel the water getting warmer. Good people can make ethically poor decisions if they are “boiling frogs”. When the survival of the station is in question, the spectrum of what are considered to be acceptable alternatives can widen frighteningly. The key to avoid making “frog soup” is to invest significant attention to ethics in times of stress.

“Management mischief” has been the focus of stories about Enron, Tyco, WorldCom and others. And while malfeasance is not unheard of in public broadcasting, the vast majority of ethics problems in the industry arise from complex ethical issues with wide grey areas. McNamara points out the differences between management mischief and these “moral mazes”. “Moral mazes” include issues of potential conflicts of interest, wrongful use of resources, and mismanagement of contracts, agreements and grants. These are problems managers must deal with on a daily basis. Once again, good people can take bad actions, particularly in times of crisis, and confusion around issues perceived to affect our very survival. By having values that guide how we ought to behave we can create a moral compass for ourselves and for our managers.

Core values and statements about how the values are applied are ethical principles that can function as a moral compass and are powerful preventive medicine. Freedom to Care is a British whistle-blower’s support group. In conjunction with the work of Geoff Hunt, they have created what they refer to as the “OPAL” Principles. These principles are core values of the organization and describe behaviors that are aligned with these core values. They include:

- ❑ Openness - Open management facilitates honesty, transparency, timely and effective communication and sharing in decision-making as well as the avoidance of unnecessary secrecy, defensiveness and exclusion.
- ❑ Performance with Integrity – The ability to perform the duties required of one’s role without sacrificing personal, professional or corporate integrity; but rather allowing that integrity to inform and mold the means and objectives of performance.

- ❑ Accountability – The preparedness to explain and justify individual and organizational acts and omissions to relevant stakeholders at appropriate times, and mechanisms by which this preparedness may be effected.
- ❑ Leadership – Providing direction and guidance to others through the force of personal example, sound judgment and courage – which in themselves command moral, ethical and professional respect.

These core values directly support the work of Freedom to Care and provide guidance to its managers and members that is invaluable. Development of a set of core values like these is a critical element in managing ethics in the workplace. Because the best way to manage ethical dilemmas is by avoiding them in the first place, it is important to invest energy into the development of both your organization’s core values statements, but also in discussion of potential ethics issues and techniques for solving complex ethical issues. Further, these values statements must be brought to life by leaders and managers who will model them and teach them inside their organizations.

Core value statements are like organizational DNA. They may be similar or share components with other organization’s core values, but the statement in whole should be unique to your organization. Likewise, the process for development of your core values statement should take place within your organization and involve your entire staff. Core values are empty rhetoric unless they are developed through solicitation and discussion of your individual employee’s own values. For example, if we asked a group of 100 individuals, “Do you behave respectfully to all the employees in your workplace?” 99 out of the 100 would say they certainly do. But if we asked the same group if all they are treated with respect by all of the employees in their workplace, 99 of them would say absolutely not. The difference is in our individual definitions of “respectful” behavior. Core values discussions are critical for having an active exchange of these definitions of behavior and their alignment to the organization’s values and ethics.

The following is an excerpt from Transformations’ own core values statement. It was developed through a facilitated discussion process where each member of the team participated and provided input and specific language describing behaviors consistent with and in support of our values:

“Transformations Consulting Group is based on a foundation of trust. Our values of
 Teamwork,
 Communication skills, and
 Growth and development of business
 Grow from that trust in one another.

Trust is our foundation. Trust can be described behaviorally:

- ❑ Acts with integrity; adhering to the highest standards of conduct and code of values on both a personal and professional level
- ❑ Demonstrates a long and consistent track record of acting with honesty, principle, and integrity

- ❑ Is honest; fair and straight-forward, both explicitly and implicitly, in principles, intentions, and actions
- ❑ Respects the rights of others, and the company's principles and code of ethics"

Once you have developed your station's own statement of core values and ethics, it is important to have group discussions of specific situations where management of ethics may become problematic. Doug Wallace, a Twin-Cities based consultant, describes a significant ethical conflict as a situation where 1) there is a significant value conflict among interested parties, 2) there are real alternatives that may be equally argued for or against, and 3) there will be significant consequences for all the interested parties. Here are some examples:

My GM tells me that one of my employees is among a group to be laid off soon, but we are not at liberty to disclose the layoff for several weeks. Meanwhile, I know that my employee is planning to make arrangements to remodel his house. What do I do?

My station is selling underwriting for a special event we hold annually. Last year an insurance company participated at a significant level. This year we are discussing their participation once again, but the senior managers at the insurance company have changed. We know the insurance company has "deep pockets" and we could probably charge them more than other underwriters and they would agree to pay more than the "going rate". What should we do?

Encourage your senior staff to discuss these and other potentially difficult ethical situations. Use your core values statement as a litmus test against the potential alternatives, and clearly describe the potential consequences and their pros and cons. Develop consensus about a pathway or potential solution that would optimize the outcome for all interested parties, and would be a solution you could explain and defend for its consistency with your stated values. Arm your staff with not only the values statements, but also the experience of working through potential grey areas before these situations arise.

McNamara identifies a number of potential benefits of managing ethics in the workplace. They include:

- ❑ Ethics programs help maintain a moral course in turbulent times – Managers and leaders need a moral compass to help determine what is right and appropriate to the situation. Emphasis on ethics in the station will sensitize staff and managers to how they want to act on a consistent basis.
- ❑ Ethics management cultivates teamwork and productivity – Discussion of core values and ethics in the workplace builds openness and community. When employees feel strong alignment between their personal values and the values of the organization they act with strong performance, increased motivation and professional pride.

- ❑ Ethics management supports employee growth and meaning – Employees feel they can face difficult issues with confidence. Research has documented a linkage between stress and unethical behavior.
- ❑ Ethics programs promote a strong public image – When an organization openly and regularly focuses on ethics, the public sees an entity worthy of trust and support.
- ❑ Most importantly, it's the right thing to do.

Public radio and public television have long been regarded with trust locally and nationally. Our stations deliver high quality content with meaningful impact for millions of audience members and supporters and with an honored commitment to editorial integrity, balance, and the value of informed discussion. Ethics management is completely consistent with this mission and this image, and should be an organizational rudder in every station and a moral compass for every public broadcasting employee. Don't allow circumstances and stress to "boil the frog". Take an active and preventative stance through ethics management, and your station will weather the challenges, grow in stature and confidence, and lead by example in your non-profit communities, while serving your broadcast audiences with pride and quality.