



Ethics – Who Needs Them??

IMA

October 20, 2009

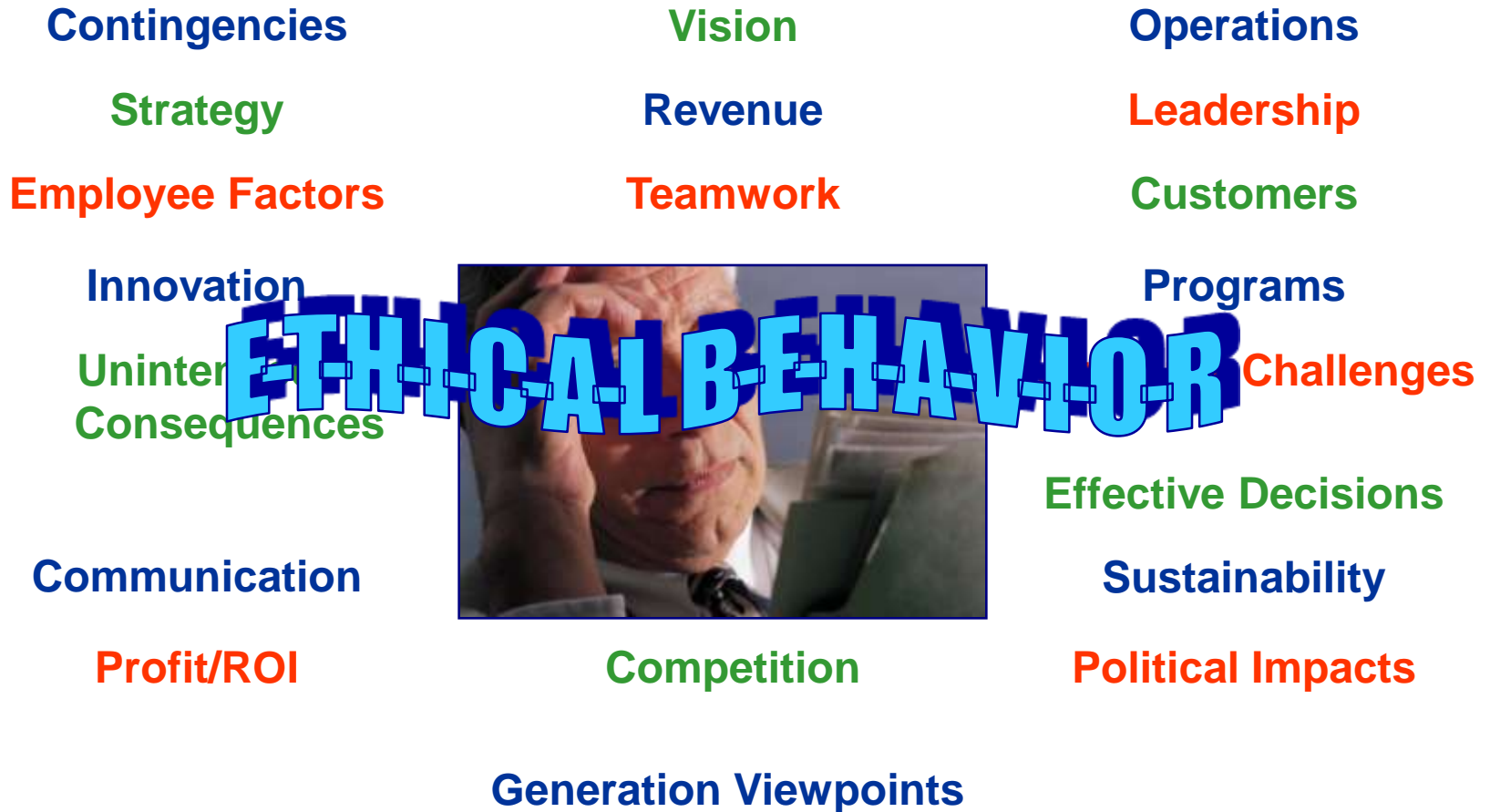
Empowerment Unlimited Coaching, LLC

Agenda



1. Examine why ethics is so tough to understand
2. Explore today's ethical landscape and its challenges to business
3. Experience new simulation for solving business and ethical dilemmas
4. Identify what actions we can take today in our workplace to enhance culture

Leadership Concerns



Ethics - Definition



- *Ethics*: “The code of moral principles and values that governs the behaviors of a person or group with respect to what is right or wrong.”
- *Ethics*: What’s Your Definition?
- Is “Honesty, Integrity and Accountability” the same as “Trust, Fairness, and Responsibility”?

Main Entry:

eth·ic

Pronunciation:

\e-thik\

Function:

noun

Etymology:

Middle English *ethik*, from Middle French *ethique*, from Latin *ethice*, from Greek *ēthikē*, from *ēthikos*

Date:

14th century

1 plural but sing or plural in constr : the discipline dealing with what is good and bad and with moral duty and obligation **2 a**: a set of moral principles : a theory or system of moral values <the present-day materialistic *ethic*> <an old-fashioned work *ethic*> —often used in plural but singular or plural in construction <an elaborate *ethics*><Christian *ethics*> **b** plural but sing or plural in constr : the principles of conduct governing an individual or a group <professional *ethics*> **c**: a guiding philosophy **d**: a consciousness of moral importance <forge a conservation *ethic*> **3 plural** : a set of moral issues or aspects (as rightness) <debated the *ethics* of human cloning>

What's the Problem with Ethics?

- Lack of common definition
- No boundaries of acceptable behavior
- Many other concerns taking priority
- Training methods do not engage people to take action



No Wonder We Feel So Vulnerable!

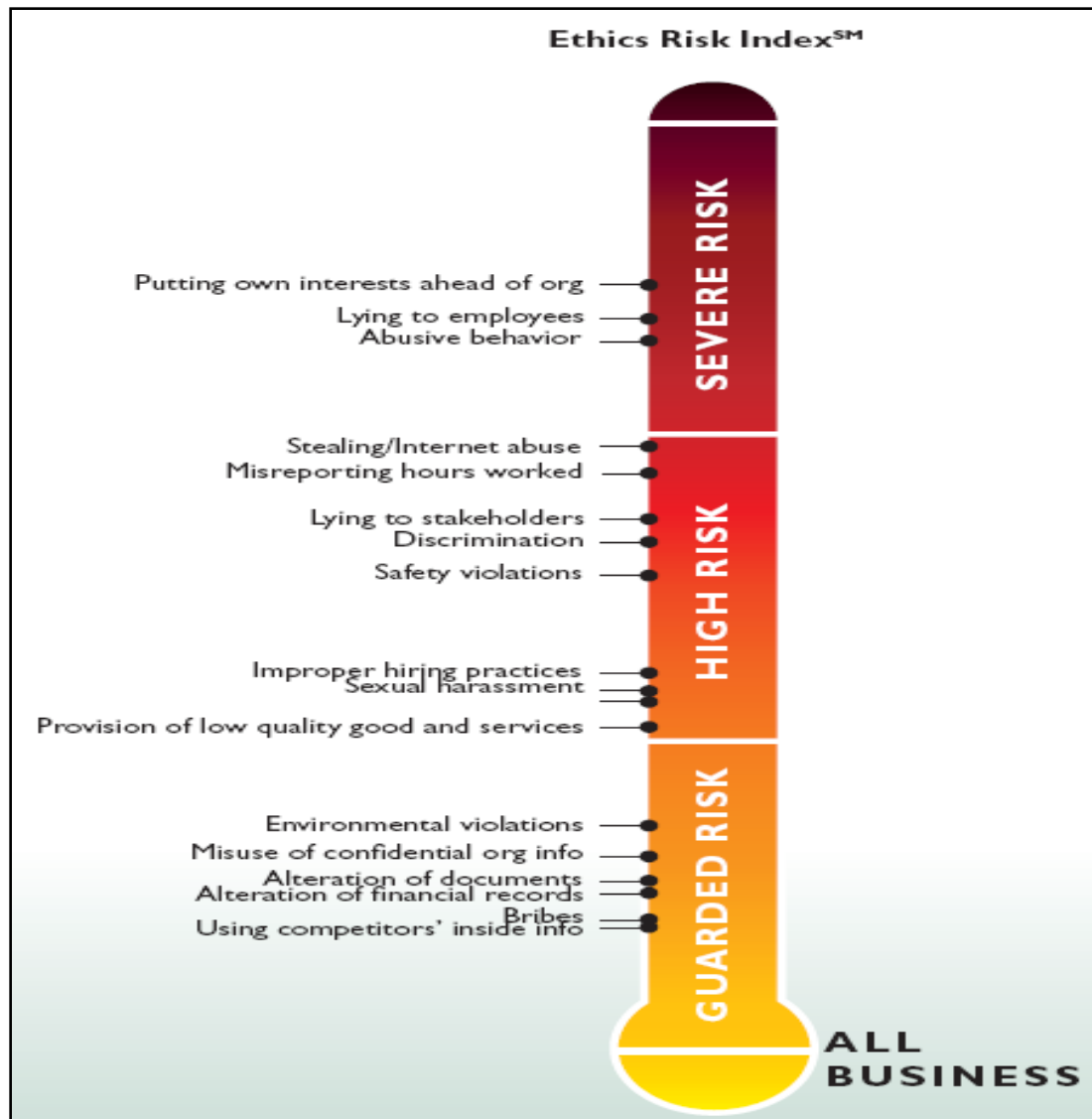


The Ethical Landscape

“Despite new regulation and significant resources dedicated to decreasing misconduct and increasing report of misconduct, the ethics risk landscape in business is as treacherous as it was before implementation of the Sarbanes-Oxley Act of 2002.”

*- Ethics Resource Center's
2007 National Business Ethics Survey
(www.ethics.org)*

Ethics Risk IndexSM



- With permission from the Ethics Resource Center's 2007 National Business Ethics Survey

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Does It Really Matter?

“80% of people say they decide to buy a firm’s goods or services partly on their perception of its ethics.”

- 2003 Survey, Wirthlin Worldwide



Cost of Unethical Behavior

- ACFE estimates up to 7% of annual revenue is lost
- Small business cost is \$200K annually for businesses <100 employees
- Loss of productivity
- Loss of business entity

Another View...

“It takes years to build a good business reputation, but one false move can destroy it overnight.”

*- Edson W. Spenser
former Chairman, Honeywell*



Existing Training Tools

- On-line or CD based materials
 - Scenarios to read and then answer questions
 - Exams or questions usually not graded or recorded
 - Focuses on one area rather than integrated
- Consulting and off-the-shelf programs
- Highly-paid speakers like attorneys and ethicists
- Code of Conduct as substitute for training in some cases



Role Play in Practice

- Uses image, perception and stereotypes
- Acts out labels, boundaries, limits
- Separates action from professional image
- Encourages participation by all more freely



Role Play Exercise

- You have an open auditor position. Which character would you hire and why?
 - Evaluate strengths, weaknesses and hidden talents
 - Identify criteria for making decision
- Identify one key ethical attribute that you think is important to the character.
- ? Does choice change based on character labels?
- ? Do your people show and use all talents or do labels control our opinions of their capabilities?

Simulation in Action

- Evolved from personal to business use
- Used at executive level
- Works well for specific situations, experiences or behaviors
- Often has specific response, outcome or action.
- Accelerates learning

Simulation Example

- Nintendo® Wii™ – Guitar Hero™ III game that simulates playing a guitar player rock star
 - In the game we learn which moves interest the audience and move us to next round
 - Similar to business – we sell product or service and identify what keeps customers coming back



Game in Practice

- Accelerates and retains up to 90% of the learning
- Empowers critical thinking
- Facilitates teambuilding
- Creates intentional results
- Shows consequences immediately
- Creates lasting learning outside game environment



Game Exercise

- Choose a scenario card
- Decide who will start
- Read your scenario and respond to the card's instruction as the character
- You may ask for help from your team, lead a discussion, choose to act as one of the characters, or respond with your own opinion

-Factor!™ Debrief



Share your key “aha” moments



How did this experience make you feel?



What did you learn?

What We Can Do

- Definitions
- Education
 - People don't always know what they're doing is wrong!
 - Code of conduct not enough
- Consulting opportunities
 - Policies and procedures
 - Simulations and client events
 - Business Planning

Summary

- Definition of ethics depends on personal experience, background and culture
- We're back to pre-Enron levels of risk and misconduct
- Experiential learning exercises create safe space to start the dialog on ethics
- Simpler actions include creating definition of ethics, asking your team to help create the definition and accepted actions.



Thank You

for your participation
and interest

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For information on simulation workshops and programs or to sign up for the Free monthly newsletter, please contact:

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