



# THE BUSINESS ETHICS FIELD GUIDE

An interview with the experts

**BY BRAD YARBROUGH**

Business has often been compared to a jungle and for the most part, I have to agree. After all, many of us have experienced the fear of being lost amid towering career threats and feeling trapped by the overgrowth of unsolvable situations. We want to make the right decision and do the right thing, but we need help doing it.

And if my 40 years of business and leadership experience has proven anything, it is that the journey does not get easier. So instead of hoping for less problems, it seems wiser to gain additional skills in order to overcome them. As Socrates once said, "The only true wisdom is in knowing you know nothing."

You may be wondering who exactly can help you become better prepared to face these dilemmas in business. Who are the experts? Well, it is my privilege to introduce three individuals that have majored in the study of ethics. Brad Agle, Aaron Miller and Bill O'Rourke have co-authored the highly acclaimed book, *The Business Ethics Field Guide*. I met Brad and Bill in Oklahoma City a few months ago while



attending a meeting of the Oklahoma Ethics Business Consortium. Their presentation was marvelous and showed a mastery of the subject. Not only did they autograph my book, they inscribed an increased passion for ethics in my life. *These are experts.*

*The Business Ethics Field Guide* is the best I've read on the subject and serves as a superb guide for making ethical decisions in "the wilderness." It distills our everyday ethical challenges into 13 common dilemmas with real life examples and insightful solutions. It teaches the vital skills we need to make ethical decisions and find choices that are not only right for each of us, but for those around us as well.

Each of these 13 ethical dilemmas will be featured in upcoming articles written by Brad, Aaron and Bill. I'm launching this series with an interview to introduce you to these outstanding individuals and whet your appetite to read the articles that will follow in the months to come.

## 1. What led you to become experts on the subject of ethics?

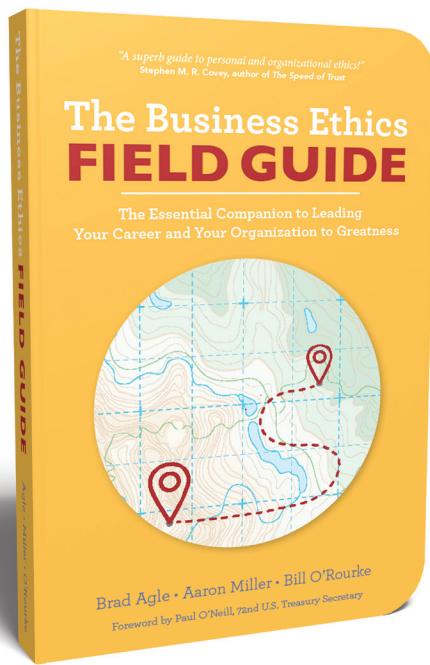
**BILL O'ROURKE** – When Brad Agle invited me to come to his Business Ethics class at the University of Pittsburgh to discuss ethical situations, I had been with Alcoa, Inc. for over 30 years and I had come across quite a number of ethical dilemmas. I soon realized that students could benefit from learning about my experiences, so I have documented hundreds of real ethical situations that I have faced and I routinely speak about them with university students, corporations and other organizations. My exposure with Brad Agle and Aaron Miller has helped me to appreciate the rationale for making decisions, the importance of integrity as an organizational value, the importance of fact gathering and the need to act fast when faced with an ethical dilemma.

**AARON MILLER** – I started out as a practicing attorney, but I found my way into academia as an adjunct professor teaching business ethics and nonprofit law & finance. Teaching was so enjoyable that when I had the chance to teach full-time, I jumped at it. So, I would say that my expertise comes from 12 years of teaching ethics, coupled with my prior background as a lawyer. Though I'm primarily a teaching professor, I've been lucky enough to be involved in research as well—the most important being the five years of research and writing that went into *The Business Ethics Field Guide*. (Reading hundreds of real ethical dilemmas and their outcomes would help anyone develop greater expertise.) This is a subject that fills me with curiosity, passion and excitement for all that's yet to be discovered.

**BRAD AGLE** – I began a PhD program in Business, Government and Society at the University of Washington in 1988, and one of the primary emphases of this program was business ethics. After completing my PhD and two years of working on CEO leadership at a CEO Institute, I began my professorial career at the University of Pittsburgh in 1992, where I taught business ethics and was the inaugural director of the David Berg Center for Ethics and Leadership. I've been involved in research, teaching, writing, speaking and consulting on business ethics for 30 years, the last nine of which have been at Brigham Young University. I'm a big believer in an individual's ability make a difference in the world, and I'm trying my best to lift the institution of business to become an even greater positive force in society.



**Aaron Miller** (left) is a professor in the Marriott School of Management where he teaches business ethics. Prior to his current role, he practiced law in areas including small business, nonprofit, taxation and corporate governance. **Brad Agle** (center) is the George W. Romney Endowed Professor and Professor of Ethics and Leadership in the Marriott School of Management at Brigham Young University. He has provided leadership training to dozens of organizations including Alcoa, US Steel and the Marine Corps. **Bill O'Rourke** (right) retired from Alcoa where he held a number of leadership positions including President of Alcoa-Russia from 2005-2008. He taught MBA students Strategy, Leading Change and Ethics in the School of Business at Duquesne University.



## 2. Your pursuit of the subject led to co-authoring *The Business Ethics Field Guide* in 2016. Can you explain the title?

**BILL** – Life can be tough. Sometimes we need help to traverse the challenges we face. There are guidebooks that tell us how to survive the various categories of challenges we might encounter in the wilderness, such as getting lost, having an encounter with a dangerous animal and how to treat injuries. Sometimes, the challenges we face in life are similar to those wilderness challenges. Research conducted by Brad Agle and Aaron Miller over the years allowed them to identify 13 categories of business ethics issues. Each category is addressed in the book in a manner that the reader will understand when they face that issue. It then provides advice on how best to deal with that situation. In this way, the book serves as a helpful “field guide” and reference for individuals when they encounter an ethical dilemma in their life.

## 3. The foreword was written by Paul O'Neill, former U.S. Treasury Secretary and Alcoa CEO. He said, “...ethical behavior, for leaders, is more than avoiding clear wrongs.” Can you elaborate on that statement?

**BILL** – I reported to Paul O'Neill when he was the CEO of Alcoa and he was the most enlightened leader I have ever known. When Paul came to Alcoa in 1987, he established a vision: Alcoa aspires to be the best company in the world. He wanted every function, every individual and every product to be the best. He complimented that vision with a set of articulated values, which began with integrity. By practicing integrity, you challenge others to do more than expected, to perform far beyond the legal compliance requirements and make the world a better place. I believe that's what Paul meant by saying that ethical behavior is more than avoiding clear wrongs.

**AARON** – Very compelling research points to the idea that leadership and ethics are inseparable. Put another way, there's no aspect of leadership without ethical importance. Joanne Ciulla, a top academic in the study of leadership as well as ethics, has incredible insights in the connection. She says, “Leadership is not a person or a position. It is a complex moral relationship between people based on trust, obligation, commitment, emotion, and a shared vision of the good.” In the end, no one can be a good leader without also making ethical choices.

## 4. In the book, you identify 13 Ethical Challenges we each face in business. How did you define these?

**BRAD** – I've taught executive MBA students for the past 18 years in Pittsburgh, Sao Paulo, Prague and Salt Lake City. My students' first assignment is to write up an ethical dilemma they've faced in their career. I've now read close to 2,000 of these dilemmas. In doing so, I began to notice patterns—certain “types” of ethical issues would come up again and again. While the specifics would be different, the fundamental challenge being faced fit a common pattern. There is a type of research designed to detect different “types” called textual or qualitative analysis. We conducted research using my students' dilemmas until we had identified the fundamental dilemmas they faced. This was a collaborative process among Aaron, myself and other researchers at BYU.

## 5. Why should I be ethical?

**AARON** – There's a multitude of reasons to be ethical (trustworthy relationships, peace of mind, leadership opportunities, etc.). Even biological evidence points to fairness and honesty being important to human beings. In the end, every argument in favor of bad ethics usually has to rely on us abandoning the very things that make us people, namely love, purpose and connection. There is an idea that bad ethics can give us a competitive edge, but that takes a short-sighted view about what winning really means and about what matters in the end. For example, a massive, multi-decade Harvard

# 13

## ETHICAL DILEMMAS

Upcoming articles in this series will take a closer look at each dilemma.

study identified meaningful, reliable relationships as the single strongest predictor of human happiness. It's impossible to get those through unethical behavior, no matter what edge you think it gives your career.

**BRAD** – Part of being ethical is realizing that it will not always be to your personal benefit. Because ethics is about how we treat others, most of our greatest ethical heroes are those who have sacrificed for others. Meanwhile, my experience is that those who are dedicated to living ethically in their professions are universally happy and oftentimes highly successful.

**BILL** – There is also the undeniable cost of wrongdoing. Unethical behavior will have a cost to you and your business. In the long run, those who make the wrong choices end up paying for them in terms of fines, imprisonment, loss of sales and profits and damage to their reputation.

### 6. Do you find that most people want to do the right thing?

**BILL** – Beyond avoiding costs of wrongdoing, there is a desire by most people to act properly and to be ethical. In fact, most people who have made poor ethical choices wish they could have the opportunity to do it again and choose differently. It's hard to put a value on personal harmony but it is clear that losing your personal integrity matters significantly.

**AARON** – I believe most people want to do the right thing. I also believe most of us have gaps in our skills and abilities that help us accomplish the right thing. Good ethics is more than just having good intentions. That's

### 1 **STANDING UP TO POWER**

Someone in power is asking you to do something unethical.

### 2 **MADE A PROMISE**

Conflicting commitments force you to choose.

### 3 **INTERVENTION**

You see something wrong. How do you proceed?

### 4 **CONFLICTS OF INTEREST**

Multiple roles put you at cross purposes.

### 5 **SUSPICIONS WITHOUT ENOUGH EVIDENCE**

You believe something is going on, but you're not sure.

### 6 **PLAYING DIRTY**

Achieving justice but by doing something unethical.

### 7 **SKIRTING THE RULES**

Bending a rule for a better outcome.

### 8 **DISSEMBLANCE**

Misrepresenting the truth for better outcome.

### 9 **LOYALTY**

Giving up ethical stance to protect valued relationship.

### 10 **SACRIFICING PERSONAL VALUES**

Living ethically might put burden on others.

### 11 **UNFAIR ADVANTAGE**


When opportunity exists to wield an unfair upper hand.

### 12 **REPAIR**

When you are responsible for a mistake.

### 13 **SHOWING MERCY**

You could grant forgiveness, but you don't know if you should.



# WHAT WE ALSO HOPE TO DRIVE IS A DESIRE FOR INDIVIDUALS TO CHOOSE MORE RIGHT OVER RIGHT.



why we wrote our book! Our hope is to give people the tools they need to do the right thing.

**BRAD** – The vast majority of the people I’ve met want to do the right thing. However, there are a lot of forces pushing us toward less than ethical behavior. Ethical decision-making is a very complex process involving our values, intellect and emotions, as well as our group, organizational and cultural influences. Unfortunately, just *wanting* to do the right thing isn’t enough.

**7. Can you expand on the dilemma between doing what’s right versus doing what’s easy?**

**BILL** – Our book addresses moments when values conflict. These situations are particularly difficult because they don’t lend themselves to the typical framework of right versus wrong. Note that our book does not provide insights on theft, assault, or other crimes that are clearly wrong; there’s no dilemma involved. Instead we deal with situations where an individual must choose between two highly prized values. For example, is it better to honor a promise to keep information confidential or to reveal that information in order to protect a supplier or your employees? We recognize that these “right vs. right” decisions are common in life and we attempt to provide the reader with a framework for addressing those situations.

What we also hope to drive is a desire for individuals to choose

*more* right over right. If something is found that does not belong to them, a good leader knows that they cannot take it. Excellent leaders take steps necessary to get the item into the hands of the rightful owner. A good leader of a manufacturing plant that has a toxic spill reports the spill to the government authorities as required. An excellent leader takes the steps necessary to clean the spill, notify affected persons, get them necessary medical attention and take steps to assure that the spill never occurs again. When crafting an organizational culture, the leader has an obligation to set the tone. Push your organization to strive to achieve the best outcome possible, often far beyond compliance. Then, support those who choose to do “more right” and recognize their efforts.

**8. Many media-covered, corporate scandals can be traced to unethical behavior. In addition to a damaged reputation, what are other costs of doing unethical business?**

**BILL** – It seems that we hear about these scandals regularly. A recent example of corporate misbehavior is the Wells Fargo situation. The company devised an incentive in which employees were rewarded for opening more accounts. As a result, bank employees began opening accounts for customers, often without even telling the customers they were doing so.

However, I believe that it is the reaction to these events that will determine future success or failure. Once a company has lost the trust



of its customers, it is difficult to get back. Wells Fargo took their situation seriously. The CEO was fired and about 700 employees who intentionally deceived their customers were fired. Four directors on their Board were released for not exercising appropriate oversight of the situation. Ethics training was expanded. The values were reinforced and Wells Fargo publicly admitted their mistake. Their new advertising campaign notes that although Wells Fargo is an old company, they have been re-founded in 2018. It seems that most customers believe that Wells Fargo has seriously addressed the situation.

Another point to be made is that although we read about these corporate ethical failures, we don't read about the tens of thousands of companies and millions of business leaders who are working hard every day to make the right ethical decisions. I believe that the vast majority of businesses and their leaders are driven to do what's right. So, keep that in mind whenever you read about those caught doing wrong—there are a lot more doing right.

**AARON** – To add to Bill's insights, I would also emphasize that we live in an age where it's harder than ever to get away with bad behavior. Smartphones with cameras are everywhere. Social media can spread news of a scandal in seconds. When you consider how hard it is to build a reputation for ethics and how quickly it can be destroyed, ethical leadership has never involved higher stakes!

### 9. Can a person learn ethical decision-making skills and master them?

**BILL** – Definitely. Ethics is not merely a matter of good intentions. Ethical behavior can be a result of thoughtful application of ethical skills. These ethical skills are especially necessary for effective leadership. You need more than a love of nature to lead people on a journey through the wilderness. You need the experience and skills of a wilderness guide. In the same sense, wanting to be ethical falls short of actual ability to guide others through ethically precarious terrain.

**AARON** – Years of experience in teaching ethics proves to me that these are skills and they can be mastered. I have so many stories about students who come back years later to tell me about how they used skills they learned to navigate some devilishly tricky ethical territory. These are not the kind of problems you resolve with good intentions alone.

**BRAD** – No question. In fact, one of the most enjoyable aspects of my job is meeting individuals who are truly ethical experts. When I meet them, they jump out at me like great athletes to a talented sports scout. Bill O'Rourke was one of the first ones I got to know well. It was immediately apparent to me that he was a highly skilled ethical leader. Learning from him has been one of my greatest professional advantages and personal blessings.

### 10. The IRWA has placed an emphasis on the subject of ethics throughout its history. What is your opinion on the role a professional association can have in ethically-shaping its industry?

**BILL** – Professional associations can play a very important role. The association is often the face of the profession. Their communications, conferences and membership activities allow the profession to define itself, to portray the qualities of its members and to shape the culture of the profession. The association can play a role in reinforcing the values of its members through reward and recognition programs, touting the positive actions and values of its members. The association can also serve to police itself by communicating when the values and mission of the association are not being followed. The association and their leaders help to build pride in its members that is typically based on strong values beginning with integrity.

**AARON** – The truth is that people just don't talk enough about ethics and values at work. This is where professional associations can fill an otherwise dangerous vacuum. When people develop camaraderie and mutual respect in a profession, they can also set high ethical standards for each other. It means something to be a member of IRWA, and that has a lot to do with the ethics consistently reinforced and expected of each other.



# WHAT OUR READERS ARE SAYING:

"Most leaders think they've already mastered ethics; great leaders know that ethical leadership is a skill set that needs to be developed. This book is a useful resource for developing that skill set. It's an engaging practical guide to organizational ethics—for professionals and for students."

**-Adam Grant, Professor of Management at the University of Pennsylvania and a New York Times bestselling author**

"The Field Guide is a must read for executives and anybody who understands that enduring business success and reputation is based on values and sound ethics. It offers a treasure chest of hands on guidance, essential to navigate every day's business life. The authors not only succeed in showing how to deal with dilemmas. They also show how solving dilemmas builds personal and organisational strength."

**-Georg Kell, Founder, United Nations Global Compact; Vice Chair, Arabesque Partners**

"No one wants to be caught off guard, especially when split-second decisions could lead to a potential career mishap, or worse. This book takes the smart, persuasive, and influential approach that not only gives the reader immediate solutions to real world dilemmas, but could lead to significant organizational shifts in policies to avoid being in those difficult situations in the first place."

**-Sharlene Wells-Hawkes, Chief Marketing Officer, StoryRock; Award-winning ESPN Sportscaster; Miss America**

**BRAD –** The actions of leaders can have profound effects on those in the organization. Aaron is absolutely correct that people don't talk about ethics at work nearly enough. In fact, one of the recommendations of the U.S. Sentencing Commission (which developed some best ethics practices for organizations) is to spend time identifying the types of ethical issues prevalent for the organization, and then do training on those ethical issues. Professional associations are in the best position to understand the types of ethical issues most prevalent for their practitioners and to provide training on those issues.

**11. Right of Way Magazine will feature one of the 13 challenges in each of its upcoming issues. How excited are you to be a part of this effort?**

**BILL –** We are very excited to be a part of this initiative. Our desire is to help others be better able to navigate through the ethical perils in life. Having the opportunity to reach so many of your readers on a regular basis gives us a unique opportunity to achieve our goal. We appreciate the opportunity.

**AARON –** This is such an honor! We want nothing more than to empower good people, and this opportunity is exactly that.

**BRAD –** We're thrilled that your professional association is interested in our work and in helping your members develop into the type of ethical leaders we all hope to be. We know that we are all beneficiaries of the work of your members. We anticipate that you will all find the journey to be interesting, exciting and ultimately useful. Thanks for joining us on this mission to make the world a better place for all of us. ✪



Brad Yarbrough is the Owner and CEO of Pilgrim Land Services, a right of way services company in Oklahoma City. With over 35 years experience in oil and gas, he has clients nationwide and an extensive network of landmen and agents.