



THE BUSINESS ETHICS FIELD GUIDE

Challenge 6: Playing Dirty

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This series features 13 articles from Brad Agle, Aaron Miller and Bill O'Rourke, co-authors of The Business Ethics Field Guide. Each article focuses on a common work dilemma, while providing real life examples and insightful solutions. For more information, please refer to the cover story in the November/December 2018 issue.

This ethics challenge is admittedly difficult to address. After all, isn't playing dirty unethical no matter what? But a past business experience illustrates the need to talk about this. In the oil boom of the 1980s, I borrowed money to purchase equipment being leased to oilfield operators. Monthly distribution of my share of the rental revenue was timely and provided a fantastic return on my investment. Soon, my

friends were borrowing and investing too. But the revenue checks started to become irregular and after a year of payments, ceased altogether. Phone calls to the owner went unreturned. The bank's explanation made little sense while it continued to demand the loans repayment. I went to the office of the company and found it partially vacated with no one there, but the door was unlocked. I decided to go in and look around even if it was trespassing. Inside, I found boxes full of documents. Nervous, I began exploring and was appalled to find evidence of a Ponzi scheme. My revenue had been paid from new investor money that was supposedly buying more equipment. After involving the FBI, the owner was charged, convicted and imprisoned. He would no longer victimize others. Were my actions unethical or even illegal? I'm glad this dilemma rarely occurs, but when it does, we need the help provided in this article.

A Difficult Decision

Under normal circumstances, behaviors such as lying, cheating and stealing are considered to be highly unethical. But under certain circumstances, these behaviors might be morally justified. All ethical dilemmas are difficult to navigate, but "playing dirty" is the most difficult. The trick is to assure that the ends clearly justify the means.

When you make a decision to play dirty, you must realize that you are intentionally planning to act unethically. Such an extreme action needs to be justified and limited because it will put your personal reputation in jeopardy.

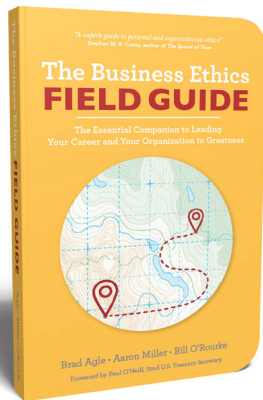
Questions to Ask

1. **Will your action really bring about justice?** When you are being treated unfairly the natural reaction is to strike back. What makes people virtuous is the ability to rise above that impulse. Usually acting out of anger only escalates the harm. Therefore, ask yourself if your action will create more harm or actually create some good.

13 ETHICAL DILEMMAS

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

- 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.



2. Does your plan minimize the harm?

Unethical actions may be justified in certain circumstances, but such a justification should not be viewed as *carte blanche* to retaliate in any way. For example, if public disclosure of confidential information is likely to right a wrong, that doesn't mean that all the confidential information must be revealed. Restraint is prudent.

3. Does your plan help others, not just yourself?

Self-interest is not a bad motivation, but you will more likely be seen as being morally justified when you are doing something for the benefit of others.

4. Will the action harm your reputation?

While acting unethically might bring about a greater good, it might also invoke other consequences and change the way others perceive you. For instance, playing dirty might damage your reputation with an opposing party while strengthening your reputation with parties of high character. Try to assure that the parties who matter, including your family and friends, understand the merit of your motivation.

5. How will the other party react?

Inherent in this dilemma is the fact that the opposing party acted unethically. Ideally, your action will cause them to see their mistake and avoid doing it in the future. Perhaps they will even commend you for righting a wrong that they perpetrated. Alternatively, they could respond by escalating the situation even further and creating more harm. Be aware of that possibility.

Risks of Playing Dirty

There are a number of pitfalls in this dilemma, such as getting the facts wrong. Before doing something unethical, be absolutely sure you have all the facts. Try to get a complete understanding of the situation, including intent and steps that may have been taken to minimize the damage. Unethical behavior, even when justified, will put future trust in jeopardy. Make sure you are on sound footing.

Additionally, be careful not to be vengeful. Revenge for its own sake is wrong. Instead, the focus needs to be on righting a wrong. A lot of people have gotten themselves in trouble by seeking to punish others rather than seeking justice. Society is much more likely to accept unethical behavior for a noble purpose.

What Goes Around Comes Around

The boundary between clever, ethical business practices and unethical practices can be a very fine line. In my experience, this is especially true when those with whom you do business are seeking to take advantage of you or deceive you. In those instances, playing dirty might help protect yourself and your company.

For example, our company produced huge electrical connectors (plugs) that allowed ships to connect to on-shore power when docked. We negotiated a contract to sell five plugs over 24 months for \$25,000 each. We delivered the fourth plug and anticipated an order for the fifth plug in the next month or so. To our surprise the customer called in a panic. Evidently, a ship pulled out of the port in Norfolk without disconnecting the plug. They needed a replacement when the ship arrived in Charleston in two days. I explained that we didn't have a plug in inventory but we could expedite the parts, rearrange the factory schedule work some overtime and drive the plug

to Charleston. I explained that our actions will result in \$7,000 of added expense. The customer refused to pay the additional cost, insisting that we had a contract and I had to honor the price. We worked through the night, made the connector and drove it to the Port of Charleston on time—all at the contract price of \$25,000. With the delivery of that fifth plug, our contract was completed.

Two days later, I received another call from the customer. When the ship pulled out of Charleston, the plug was not removed and was damaged again. I offered to deliver a new plug for \$50,000. I wanted to recover the additional \$7,000 for the fifth plug, \$7,000 for the sixth plug and a bit more. With few alternatives the customer agreed to pay.

Was that action playing dirty? On reflection, I believe that if the customer would have agreed to pay our added costs for the fifth plug, they would have received the sixth plug for the same price of \$32,000, not \$50,000. Perhaps this action will result in the customer being more "fair" in the future. The lesson is to be very careful to be fair with others; what goes around comes around.

In Summary

Playing dirty is difficult for people of character. It causes personal confusion and pain, and it should. To have a very high threshold before you would act unethically, even to right a wrong, is not a bad character trait. But remember that when you enter the arena of playing dirty, be very careful. ★



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