

Ethics and Integrity

How to Increase The Odds of Successfully Meeting Ethical Challenges

Kevin C. Duggan | West Coast Regional Director, ICMA

Introduction:

- “Gauging the Audience”
- My Background
- Why This Topic Resonates for Me

Goals for the Presentation:

- Decrease the Odds that You or Your Organization Will Suffer an Ethical Crises
- Help You Take the Topic of Ethics and Integrity Out of the Realm of Cliché—Dig Deeper in Regard to What These Concepts Actually Mean and What They Actually Require

How Big a Problem?

- “Unethical”:
 - 13,500,000
- “Corruption”:
 - 185,000,000

Ethics:

**“In Accordance With the Accepted
Principles of Right and Wrong
Governing a Group’s Conduct”**

“Accepted Principles”:

- Laws
- Regulations
- Policies
- Codes of Conduct/Ethics
- Accepted Practices
- Expectations:
 - Organizational
 - Public

Law vs. Ethics:

- Law: What You Are Required To Do
- Ethics: What You Should Do

Adjectives to Describe Ethical Conduct:

- Honest
- Transparent
- Fair/Equitable
- Forthright
- Trustworthy
- Consistent

Why Are Ethical Lapses So Common:

- Ego?
- Power?
- Greed?
- Avoidance of Pain?
- Fear?
- Compulsion?
- Embarrassment?
- Basic Lack of A Moral Compass?
- “The End Justifies the Means”?

Your Greatest Risk—Personally and
Organizationaly:

COMPLACENCY

A Higher Standard?:

- Are You Held to a Higher Standard as a Public Employee?
- If So, Why?
- Is It Fair?

Case Study:

Bob: The “Go To” Employee

Top 10 Suggestions to Avoid an Ethical Crises:

#1: Prevention First

- Never Take Ethics and Integrity for Granted
- Talk About It
- Train
- Don't Assume It Will Just Happen
- Make It Part of the Organization's Culture and Value System
- Hiring for Ethics

#2: “Just Because It is Legal Doesn’t Mean It is Ethical”:

- Don’t Confuse “Legal” With “Ethical”
- Not Breaking the Law Will Keep You Out of Jail, But.....
- Our Obligation is to Maintain the Public’s Confidence

#3: The Greatest Challenge to Ethical Conduct: The “R” Word

- **RATIONALIZATION**
- Ability to Rationalize That Inappropriate Conduct is “OK”
- “I Deserve.....”
- “In This Case.....”
- Being Seduced By The Ability to Come Up With a “Plausible Rationale”

#4: Beware of the “No One Will Find Out” Rationalization

- “A Secret if a Five Second Head Start”
- There is Always Someone Who Will (or Could) Find Out
- No One Finding Out is Not An Appropriate Criteria
- Regardless, YOU Will Know

#5: “The Google Rule”

- Previously Known as the “Newspaper Rule”
- One of the Best Defenses to the “ Seduction of Rationalization”
- Helps You Understand That You Are Not the Only Audience Who Will Judge Your Conduct

Case Study:

**“That Information Isn’t
Correct!”**

#6: “The Taxpayer Rule”

- What Would the Average Taxpayer Think?
- Public Resources Belong to the Public
- We Must Use Resources Consistent With the Public’s Expectations
- Public Resources Include:
 - Money
 - Equipment
 - Time
 - Facilities
 - People

#7: You Are Only Tested When the Choices are Tough

- When You Have Something to Lose or Gain
- When You Can Suffer Personally or Professionally for Taking a Stand
- When it is Difficult and Uncomfortable

#8: A Leader's Three Levels of Ethical Responsibility

- What YOU Did: YOUR Decisions and Actions
- What OTHERS Did—That You Knew About (How Did You Respond?)
- What Others Did That You Didn't Know About:
 - Should You Have Known?
 - Are You Open to Bad News?
 - Can You Demonstrate “Due Diligence”

#9: Responding to an Ethical Lapse

- Critical to the Final Outcome
- Avoiding the “C” Word at All Costs
- Early and Full Disclosure
- Taking Corrective Actions
- A Delayed Response Can Be Deadly
- “Not Deciding” Can Be a Critical Error
- Don’t Turn an Honest Mistake Into an Ethical Crises

#10: The 3 Questions You Must Be Prepared to Answer

- What Did You Know?
- When Did You Know About It?
- What Did You Do About It?

Case Study:

“I Just Won a New Car!”

Key Points:

- Understand the Risk of COMPLACENCY
- Manage RATIONALIZATION
- Effective Leadership Requires Ethical Conduct
- The “Google Rule”
- The “Taxpayer Rule”
- Your 3 Levels of Ethical Responsibility
- The 3 Questions You Must Be Prepared to Answer

Integrity: Stephen Carter

- Discerning Right vs. Wrong and Taking Consistent Action
- 3 Required Steps for of Integrity:
 - Discerning What is Right and What is Wrong
 - Acting on What You Believe, Even at Personal Cost
 - Saying Openly That You Are Acting on Your Understanding of Right vs. Wrong

Blind Spots: Max Bazerman & Ann Tunbrunsel

- The Struggle Between What You Want to Do and What You Should Do
- Many Ethical Challenges Are Not Identified Early Enough
- You Can Fool Yourself When Facing an Ethical Challenge
- Informal Values Often Overwhelm Formal Values
- Most People Think They Are More Ethical Than Most Other People!

The (Honest) Truth About Dishonesty:

Dan Ariely

- “They Cheat, You Cheat and I Cheat (From Time to Time)”
- We Want the Benefits of Cheating While Also Wanting to Retain Our Self Perception as Reasonably Honest People
- When Our Ability to Rationalize Our Actions Is Reduced Our “Fudge Factor” Shrinks
- Impulse vs. Reason—More At Risk If Tired or Overwhelmed (or “Medicated”??)

Warren Buffett:

“It Takes 20 Years to Build a Reputation and Five Minutes to Ruin It”

“If You Lose Money For the Firm I Will Be Understanding. If You Lose Reputation, I Will Be Ruthless”

A Final Thought:

“All That is Necessary For the Triumph of Evil is That Good Women and Men Do Nothing”

Resources:

International City/County Management Association (ICMA):

www.icma.org

Institute for Local Government (ILG):

www.ca-ilg.org

ICMA

INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION