

The Ethical Organization: *Values in Action*

WHAT: Framework for organizational integrity

The ethical character of an organization is formed by key decisions at all levels from senior executives to small groups and teams. Each key decision is a 'crossroads' and the leader, manager, or employee demonstrates ethical commitment (integrity) in the way the decision is made and communicated.

Integrity is not an accident, and it is not a given because "we are good people." It results from decisions that are:

1. Complete... because there is comprehensive understanding of stakeholders and what matters.
2. Sound... because there is clear ethical reasoning that connects the guiding values with the decision.
3. Authentic... because the decision is transparently communicated to those affected.

HOW: 1

Leaders must model the way

HOW: 2

Remove organization obstacles

HOW: 3

Provide an accountability structure



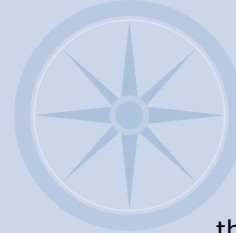
WHY: Core beliefs about ethics and decision making...

- ▶ What is ethical? The answer goes beyond what is legal to determine what is right to do.
- ▶ In order to determine what is right, it is necessary to understand the operative values in the situation.
- ▶ Decisions are more durable and likely to produce positive results when they clearly reflect important values.
- ▶ Dialogue enables decision-makers to consider other perspectives and avoid blind spots.
- ▶ The toughest decisions are not "right vs. wrong", but "right vs. right," requiring that one important value or principle receive priority over others.
- ▶ Every tough decision has a downside.



WHY: Values are the focus of meaning...

- ♥ All key decisions are guided by values.
- ♥ Values are "things that matter" to the organization, its employees, and to stakeholders affected by the decision.
- ♥ An organization's core values are a promise to employees, customers, partners, and the community



WHAT: Core practices of leaders...

- ★ Seek multiple perspectives that eliminate blind spots and increase transparency
- ★ Engage moral imagination to increase ethical reflection
- ★ Focus on guiding values to send a clear signal about the commitment to ethics.
- ★ Apply precautionary foresight by considering the potential downside impact to stakeholders.
- ★ Use straight talk to explain decisions, increasing transparency, accountability, and credibility



HOW: Create a culture of dialogue

- Create a culture of dialogue with respectful, meaningful conversations that enable ethical capacity and decision-making transparency.
- Engage people's participation with open questions to learn from diverse perspectives.
- Go beyond values 'jargon' and explain what big words mean in this situation.
- Deepen understanding by reflecting back to the speaker your understanding of their words.



WHY: A vision worth the effort...

- 👁️ Maintain a well-deserved reputation for integrity.
- 👁️ Live the mission and core values with good leadership and management decisions that are credible to internal and external stakeholders.
- 👁️ Practice ethical discipline in key decisions to produce positive results and long-term success.