ETHICS, CREDIBILITY & TRUST

Sooner or later you’ll be faced with making an ethical decision. That decision will impact your relationship with followers, customers and other organizational stakeholders. It may involve choices about your product, services and image or your competition, direction and mission. These concerns call for ethics in action and building credibility, reputation and trust in yourself and your organization.

When faced with an ethical dilemma we’re challenged to figure out what is right and wrong and good and bad in regard to our motives, actions and outcomes. What does it mean to be ethical? What gives you credibility? How long does it take to build or destroy a reputation? These are questions to consider as you read on.

ETHICS DEFINED

Ethics is a branch of philosophy dealing with values relating to human conduct, with respect to the rightness and wrongness of certain actions and to the goodness and badness of the motives and ends of such actions (Random House, 1984).
ETHICAL THEORIES

There are several types of ethical theories. I will comment on just four: Utilitarianism, Kantianism, Ethical Intuitionism and Virtue Ethics.

Utilitarianism, or The Principle of Utility, identifies the right action as that which produces the greatest balance of overall happiness. Although this principle has evolved over time, today's definitions identifies the right action as that which produces the best consequences overall or that which produces a greater ratio of good over evil than the alternatives. When using the Principle of Utility one weighs good and bad in light of consequences. One difficulty with this theory is discovering all the variables and their “weights” when it comes to determining good and bad.

Kantianism is named after Immanuel Kant, a German philosopher who is perhaps the most recognized name in ethics. His approach considers the idea of what is good in itself and what sorts of actions are morally acceptable. He believed the only thing good in itself is what he called a good will or choice. For Kant, making a good moral choice involved doing not only what is right, but doing it with the correct motive. He identifies the only correct motive for moral action as duty -- over desire. In Kant's view, an ethical person chooses duty over desire and makes that choice with the correct motive.

Ethical Intuitionism is a situational approach to moral challenges. In terms of ethics, this means the right action in a given situation is determined by carefully weighing various moral principles which apply to that situation. This creates debate between those who believe in ethical relativism vs. absolutism, or those who believe there is no one correct set of morals and those who do.

The last principle, Virtue Ethics, can be traced to Plato and Aristotle. Instead of right action, Virtue Ethics focuses on virtuous character. More specifically, the virtuous person is someone able to perceive what the situation requires and acts accordingly.

In Thinking Critically About Moral Problems, Thomas F. Wall states three main questions to be asked when it comes to “Judging the Adequacy of Theories,” (2008, p. 16-18).

- Universality: Does a theory explain all the facts? Does it explain more facts than its competitors?
- Consistency: Are the statements that constitute the theory consistent with one another?
- Simplicity: Does the theory uses fewer items in its statements than other theories?

Some choices or decisions also have legal implications. Sometimes things are legal but may not seem moral or ethical. Some choices may seem justified ethically or morally but are not lawful. Consider the case of a journalist who follows the ethics of “off the record” and “protecting one's source.” In some cases the journalist may go to jail since those principles contrast with laws about providing information for court cases. There are many cases in today’s courts, or on the horizon for our justice system, which are a matter of ethics, morality and lawfulness.

THE ELEMENTS OF ETHICS

Ethical concepts are usually composed of principles, rules and actions. The principle is the universal view of what is right or wrong, good or bad in regard to our motives, actions and outcomes. The rules are the measures, agreements or procedures guiding action in light of the principle. Actions are what we do to follow the rules and fulfill the principle. Ethics flow from principle to rules to actions, although we sometimes examine situations from action to rule to principle as we navigate ethical dilemmas.

Some examples of ethical principles would be The Golden Rule, Do No Harm, and Win/Win, or as Stephen Covey termed it in his bestselling book, The Seven Habits of Highly Effective People, “Think Win/Win” (1989). When looking through a Win/Win lens, a very practical one for those leading organizations, rules would include contractual agreements, both written and unwritten, that upholds the commitment to a mutual benefit. We could say that any actions leading to a win/lose or lose/win scenario, in which someone gets taken advantage of, would break the rules associated with this principle. So would any action that leads to a lose/lose outcome. By applying Win/Win thinking, we make decisions based on agreements that are devised with the best interest of all parties in mind. Our actions maintain the Win/Win relationship by assuring our choices do not violate the principle, agreements or relationships.

There may be times when one party's situation prevents them from fulfilling the Win/Win agreement. In this case the stronger party might choose to apply The Golden Rule by extending grace, mercy or leniency during a time of crisis to the struggling partner. Decision making often involves looking at a choice through more than one ethical lens and determining which principle is most fitting for a particular situation.

There are many difficulties when it comes to making ethical decisions in a family, organization or community. Those include differing world views or principles, interpretation of the rules and exceptions people grant or take by their actions. You may want to throw up your hands and ask, “What's the use?” But remember, there are also many elements that tie us together as humans and provide plenty of reason for seeking ethical decisions. Those elements include a common interest for civilization and survival. We would have a hard time finding a society that doesn't esteem good over evil. For a society to survive, it's essential to promote good and avoid evils.
MAKING ETHICAL DECISIONS & CHOICES

Drawing from the work of Terry Cooper in “Understanding Ethical Decision Making” and from The Responsible Administrator, (2006, p. 19-27), as well as from problem solving and decision making models identified elsewhere in this leadership series from Dale Carnegie, J. Edward Russo and Paul J.H. Schoemaker, I propose the following steps and questions for making ethical decisions.

- **Problem Identification:** Ask yourself or your team, “What exactly is the problem?”
- **Expression:** What are your feelings, individually and as a group about the problem, topic, situation or issues in question?
- **Examination:** What competing ethical principles, values, rules and actions are at work?
- **Systems Analysis:** Who are the parties involved and how are they impacted? What values do they hold? What principles do they follow? What rules and actions do they expect?
- **Frame:** Of the various principles considered which principle is the top priority?
- **Identify Alternatives:** What are some possible courses of action we can take and what are the probable consequences?
- **Projection:** Describe possible scenarios.
- **Find a Fit:** How does our decision fulfill our duty to a principle and fit our organizational self image?

Cooper states, “Resolution is reached when we discover an alternative that provides an acceptable balance of our duty to principle and the likely consequences and satisfies our need to have sound reasons for our conduct and our need to feel satisfied with the decision” (2006).

One of my favorite tools for examining choices is “The Ethical Litmus Test” from the online Global Ethics University author Paul Putnam. When examining ethical decisions Putnam suggests using the five point test of Honesty, Legality, Conscience, Consequences, and Publicity. When using Putnam’s test, I ask the following about any given situation:

- **Is my action honest?**
- **Is it legal?**
- **Can I do this in good conscience?**
- **What are the consequences for all parties?**
- **What if my action was publicized?**

You might want to pin this page to the refrigerator in your company’s break room.

BUILDING CREDIBILITY & TRUST

Credibility is a leader’s greatest asset. According to authors James Kouzes and Barry Posner in Credibility: How Leaders Gain And Lose It, Why People Demand It, “Credit and credibility share the same root origin, credo, meaning ‘I trust or believe’” (2003, p. 23). Your credo is what you believe, credibility is what you possess and credit is what you get from those who choose to follow you because they find you credible and like your credo!

Kouzes and Posner write “Credibility is about how leaders earn the trust and confidence of their constituents. It’s about what people demand of their leaders as a prerequisite to willingly contributing their hearts, minds, bodies, and souls. It’s about the actions leaders must take in order to intensify their constituent’s commitment to a common cause” (2003, p. xiii).

And just what do followers expect of their leaders? If you answered with words such as honest, forward-looking, inspiring, competent, fair minded and supportive, your response is in line with what Kouzes and Posner have discovered over their many years of researching leadership. The authors identify the three top things demanded of today’s leaders as integrity, competence and leadership. Credibility flows from past performance, reputation and trust.

In his New York Times Bestseller, The Speed of Trust, Stephen M.R. Covey explains “The Economics of Trust” (2006, p. 13). He gives a formula for trust in relation to speed and cost in stating, “Trust always affects two outcomes – speed and cost. When trust goes down, speed will also go down and cost will go up. When trust goes up, speed will also go up and cost will go down” (p. 13). If you’ve ever experienced hesitation, resistance, avoidance or lost time between yourself and another due to mistrust, and realized the associated costs, you understand Covey’s formula. When we have trusted relationships with others, things get accomplished more quickly and more cost effectively.

It can take years to build credibility and trust, but only a few moments to tear it all down. Leaders today are always under scrutiny and have to consider the reality AND perception of their image. One’s family has certain expectations and their opinion of the leader is a credibility factor. Co-workers, colleagues and constituents also have expectations and opinions. One’s leadership role may position them in the eyes of the public where they have another perception to manage. Maintaining a good image, character, integrity, trust and credibility is a full time job in itself!

Can reputation be rebuilt or credibility restored after a fall? Yes! Generally speaking, Americans esteem leaders who fall from hero to zero, but pay their dues and return to the forefront. We like it when people are on the ropes but not knocked out – or on the rocks but not destroyed. Many politicians, entertainers,
business people and other professionals have made mistakes that scarred their credibility. Some of these have comebacks by taking actions that put them back in the good graces of their public, peers, family and self.

RESOURCES


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