

Ten Thoughts on Ethics and Corporate Behavior

1. **We can't do the same things and expect different results.**

We will continue the cycle of irresponsible business behavior followed by economic downturns and excessive regulation unless we fundamentally change behavior.

2. **Irresponsible behavior is contagious.**

Sir Isaac Newton, arguable the smartest person who ever lived, lost a fortune in the tulip bulb craze.

3. **Ethics are personal and individual.**

An individual raised in a devout Catholic home may have a different view of the ethical implications of medical decisions from someone raised in a liberal agnostic family. These different views can cause ethical dilemmas in variety of enterprises including hospitals, pharmaceutical companies and educational institutions.

4. **Not every tough problem is an ethical choice.**

Many times we avoid making difficult decisions by calling them questions of ethics.

5. **Legal is not the same as ethical.**

Making loans to individuals you know will be unable to repay may be legal, but it is not ethical.

6. **Employees know it is not "do as I say" but "do as I do".**

Enron famously had a corporate code of conduct, to which every employee was required to adhere. What message did the Enron Board send to all Enron employees when they specifically exempted CFO, Andy Fastow, from complying with the Enron code of ethics?

7. **"You who are on the road must have a code that you can live by..."**

In those times when we had to make an ethical decision, we knew what we believed to be right and wrong. We tested the decision internally against some core values, developed through our religious, family, work, educational and other life experiences.

8. **The Golden Rule**

One of the simplest, yet most powerful ethics code is the Golden Rule. In one or two brief sentences, it manages to embody directly one of the fundamental precepts of an ethical code, that ethics is about how our decisions and actions affect others.

9. **Spreadsheets won't solve ethical problems.**

Analytical tests or hard numeric data won't resolve ethical questions but there are ethics tests, which can aid in identifying and resolving ethical issues. If you are honest and truly search your feelings, these tests can help lead to good ethical decisions

10. **Ethics is good business.**

We build our business lives on trust. In most business relationships, we have choices. We have options among vendors, customers and advisors. The choice between dealing with those we trust and those we do not is easy. Unethical behavior violates our trust.