Business
Ethics
A FIELD GUIDE

Winning at work without losing your honor

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For BYU Management Society Members

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CHAPTER 1

An Introduction

Business Ethics: A Field Guide

This book is a field guide to business ethics. Similar to a wilderness field guide, this book contains tools to help you identify, manage, and try to prevent certain ethically problematic situations. It isn’t designed to tell you what to do in certain situations, rather it provides tools for thinking through complex ethical dilemmas in a way that should help you discover ethically sound solutions.

Below we’ll get into the details of how the book works, but first let us say generally what you can find in this book. In the beginning chapters, we lay an ethics foundation that you should be aware of, general survival skills, so to speak. Then we dive in and give dilemma-specific “field helps.” Each dilemma chapter gives you an example dilemma, then questions to help you consider the nuances of the situation, warnings to help you see and avoid pitfalls, and advice for how to avoid that dilemma in the future. Each dilemma chapter also has advice from Bill O’Rourke, whose career is full of pivotal ethical choices leading to a wealth of wisdom.

With the help of these chapters, you should be able to meet ethical dilemmas in the workplace with more confidence, and avoid the major pitfalls that have blindsided other businesspeople. Used as a reference or a constant guide, this book will likely prove valuable
as you take on the ethical challenges that inevitably arise in the workplace. Consider this introduction a bird’s-eye view of the course you’re about to take in business ethics.

Structure of the Field Guide

Section 1
This book is structured in three major sections. Section 1, comprising chapters 1 – 3, provides general knowledge about business ethics. To continue our analogy, this is the material you should read before heading into the wilderness, and has information that lays the groundwork for understanding the specifics in each dilemma chapter. It is the same type of material you would find in a traditional business ethics textbook, but simplified and condensed so they are quickly serviceable without intensive study.

Chapter 2 discusses the great classical ethical theories and how they can be used to help you think through ethical issues. These theories have been referred to by one author as the “Grand Principles.” This chapter also includes a table that translates these theories into more useful “business speak.”

Chapter 3 discusses the common pitfalls we face as human beings in trying to be ethical. It provides insights from the fields of psychology, sociology, economics, anthropology, and history, into how we behave and why. By examining our human tendencies toward certain kinds of mistakes in each of these situations, we can be guard against them and be prepared to act in a way that agrees with our nobler intentions.

Chapter 4 provides suggestions for preparations for the journey into the wilderness. Just as an experienced hiker prepares before the trip by packing the right equipment, making sure she has the correct maps, being in adequate physical condition, and preparing for emergencies, we too can prepare ourselves beforehand to tackle ethical issues professionally and competently. This chapter outlines some strategies to do just that.
Section 2
Section 2 of the Field Guide provides the core material of the book. Here the reader will find each of the 13 common ethical dilemmas, along with real world examples of the dilemma, questions you can ask that help you think through the dilemma, Bill’s examples and insights, and other guidance concerning this type of dilemma. These can be read at any time. They are the most useful when you have a specific dilemma in mind that you are trying to work out. Chapters 5 – 17 focus on one of the thirteen dilemmas, corresponding to their elaboration below.

- Conflict of Interests
- Suspicions Without Enough Evidence
- Made a Promise and World Has Changed
- Skirting the Rules and Breaking the Law
- Intervention
- Sacrificing Personal Values
- Unfair Advantage
- Repair
- Showing Mercy
- Questionable Means
- Dissemblance
- Loyalty

Section 3
Section three includes chapters 18 - 20. These chapters provide additional resources to the interested reader to help them be even more prepared to deal with difficult issues ethically.

The Thirteen Dilemmas

Standing Up to Power. Your boss or someone else with power in relationship to you is asking you to do something unethical. For example, in a famous case, a young engineer was asked by his boss to fudge the data on the brakes for the new A-7 jet. The boss told his underling that the brakes had a lot of safety margin built in and that it was very important that their company win the government contract.
Conflict of Interests. You occupy multiple positions or interests that may be at cross purposes with each other. For example, you are a purchasing manager for your company. When you go to purchase a certain product, you realize that your brother may be the best provider of that product. People might question whether your purchase was showing loyalty to your company or loyalty to your brother.

Suspicion Without Enough Evidence. You suspect something wrong is going on, but aren’t sure how to move forward. For example, one of your employees has come to you and expressed concern that his co-worker is involved with drugs. The worker will be driving a group of your clients around today.

Made a Promise and World Has Changed. You made a promise, but unexpected events have made you question whether you should keep it. For example, you have recently accepted a job. However, the employer you have long dreamed of working for has just called and offered you a job.

Skirting the Rules and Breaking the Law. You are forced to choose between accomplishing a worthy goal and abiding by the rules or the law. For example, your client needs a critical part from your company immediately. Your company rules say that you need to get approval from a certain manager in the company before shipping that part. That manager is on vacation and can’t be reached.

Intervention. You see something that’s wrong but aren’t sure whether or how you should get involved. For example, you don’t work in sales but happen to see someone in sales making a presentation to a client that you feel is somewhat deceptive.

Sacrificing Personal Values. Your work requires you to sacrifice values that you hold dear but that you can’t reasonably expect others to abide by or value. For example, your religious faith requires that you not work on Saturday, but your company has instituted a rule requiring you to do so. Or, you are a strong environmentalist and your work requires you to dispose of waste in a lawful, but environmentally unfriendly, way.
Unfair Advantage. You or another party has the opportunity to wield an unfair upper hand. For example, you are a university administrator about to send in data for the latest round of rankings by U.S. News and World Report. You know that other universities are excluding certain classes of students, such as affirmative action admits, to make their numbers look better, but are unsure whether you should do the same.

Repair. You made a mistake and you’re not sure how to handle it. For example, you are a stockbroker in a company with a three strikes you’re out policy. You’ve already made two mistakes in trades, fortunately without any serious consequences. You just made your third mistake. The mistake is easy to hide and the client actually benefited from it.

Showing Mercy. Someone has come asking for mercy, but you’re not sure if granting mercy is the right thing to do. For example, your company has a no tolerance policy when it comes to alcohol and drug use. The policy requires all managers to report violations of the policy. You smell alcohol on one of your best employee’s breath. Fortunately the employee doesn’t work in an area where she can do much damage. When you confront the employee she tells you that she had a couple of drinks before coming to work today because her husband just left her and she is now the sole source of income for her children.

Questionable Means. You feel that, to create justice, you must act in a way that is normally considered to be unethical. For example, when starting a new job, your boss promises you that you can take one day off each month to take your daughter to visit a specialist in another city. She reneges on that promise, and you feel that calling in sick one day per month so you can take your daughter to the specialist would be justified.

Dissemblance. You are placed in a situation where it would be in someone’s best interest to misrepresent, or allow someone to continue with a false understanding of, facts, intentions, motives, or opinions. For example, your company has made an exception for you to a company policy, but told you to tell no one. One day one of
your co-workers asks you about that policy. The only way you can maintain the confidentiality of your situation is to lie about it.

**Loyalty.** You are confronted by a situation that makes you wonder how much the loyalty you feel toward others should affect your decisions. For example, you’ve worked for a company for many years and have recently accepted a promotion to a critical role in the company for which you are uniquely qualified. Your company has been very generous with you by giving you lots of training, paying for your executive MBA program, and allowing you great flexibility to work from home when your daughter was severely ill for several months last year. You’ve just been offered a more lucrative and exciting offer of employment from another company. You know leaving your current company will make things difficult for them.

**Notes**
Chapter 5

Standing Up to Power

Dilemma

Nathan left Frank’s office unsure of what to do. Frank, Nathan’s boss, had just asked him to file a return for a major client improperly showing zero fines or underpayment penalties. The client was important to the firm, and especially to Frank, who had a longstanding relationship with him.

Nathan had recently started his new job working in the tax practice at a prominent regional CPA firm in the Midwest. The office Nathan was working in was fairly small. One of the tax partners was planning on retiring within the next three years, and Nathan had been told he was being groomed to take over his client load and replace him when he left—one of the most compelling reasons Nathan took this job in the first place.

The office managing partner, Frank, had interviewed Nathan and liked him a lot. He saw a lot of potential in him and that was why he had chosen to hire him now rather than wait a few years when Milford, the retiring partner, left. He wasn’t sure he’d get another chance to bring in someone with so much potential.

One morning, a few months after starting the job, Nathan saw Frank, who asked him to drop by for a conversation when he had a chance.
When Nathan arrived, Frank looked up from a stack of returns he was reviewing and said,

“I’m reviewing the Bigglesworth return and have a few changes I’d like to run by you before talking it over with the client. I see you have Mr. Bigglesworth paying an underpayment penalty to the state of Michigan of $50,000. Could you explain this to me?”

“Sure,” Nathan said. “Michigan doesn’t have a safe harbor rule for estimated tax payments like the federal government. Since Mr. Bigglesworth’s company did so well this year, last year’s estimated tax payment didn’t cover the total taxes it owed, so he ended up being subject to state underpayment penalties.”

Frank furrowed his brow. “Nathan, I understand where you are coming from, but I’m good friends with Mr. Bigglesworth. I advised him what payments to make during the year. He shouldn’t have an underpayment penalty; I’m sure Michigan has a safe harbor rule similar to the federal one. What is he going to think when I hand him a return requiring him to pay an unexpected fine of $50,000, in addition to all the extra tax he’ll owe? Fix the return to show zero underpayment penalties.”

They talked a bit more about the issue, and Nathan let Frank know he was uncomfortable making the change. At the end of the day, he knew the safe harbor wasn’t the real issue—both Nathan and Frank were aware of the proper treatment. The issue was the client relationship and Frank’s pride. Frank took great pride in the high quality of his work and didn’t want clients to lose confidence in the firm. Furthermore, as the partner on the account, it was Frank’s signature that went on the return filed with the IRS. And Frank was the one who had the client relationship. If the Michigan Department of Revenue came back with additional fines, he was confident he could smooth it over, and Mr. Bigglesworth could afford it regardless. When it came down to it, Frank considered it worth the risk of audits and fines to keep Mr. Bigglesworth in the dark about the botched tax planning at the beginning of the year.
As Nathan returned to his desk, he wondered what he should do. He was a licensed CPA, as was Frank. If you were Nathan, would you “fix” the return and hope a Michigan auditor doesn’t notice?

**Explanation**

We define this dilemma as *Someone in power is asking you to do something unethical*.

This is one of the most common of all the business-world dilemmas. With the exception of the self-employed, just about everyone has a boss (or executives, or team-leaders, or supervisors, or direct reports, and so on). That reality makes the Standing Up to Power dilemma quite frequent, especially for those at the start of their careers.

This seems simple enough, but there are some important contours for you to consider.

First, simply having a boss is not all it takes for this dilemma to emerge. This dilemma almost always requires a difference between the powerful person’s needs and your needs. In fact, this is the heart of the dilemma. To act unethically puts *you* at risk to *his* benefit.

That’s the case in our dilemma here. Nathan’s boss’s decision to file an incorrect tax return puts Nathan at risk because he’s the one preparing it. Even if the partner is the one making the call, Nathan’s the one doing the dirty work. That’s a risk to Nathan and his future well-being.

So when your boss is putting you at risk with a request, realize that he wouldn’t impose the risk if there wasn’t something else he hoped to accomplish. For example, with Nathan’s dilemma, the partner’s interest is to preserve a profitable friendship with Mr. Bigglesworth. Understanding your boss’s needs will help you devise an effective response to his unethical request. (We’ll visit this concept more later in the chapter.)
Usually the requester knows he’s putting you at risk, so he may apply pressure, or even threaten you, to make you more scared of him than you are of the ethical danger or other risks. This pressure can be very subtle, like simply doubting your loyalty. In fact, it’s in his interest to make the dangers vague, allowing your imagination to fill in the blanks, since specific threats can be used as evidence against him.

The most common form of pressure is time. Always ask for more time and be sure that the matter is truly urgent before allowing a perceived time crunch to affect your decision. In the dilemma we’ve described above, the return probably doesn’t have to be filed right away. Even just a few days could be enough time to craft a better solution. Do all you can to take your time. Research repeatedly shows that quick decisions are usually less ethical.

Even though most people will know the position they’re putting you in, don’t be too quick to assume ill intent. Sometimes the requester is genuinely unaware of the ethical danger. Even in Nathan’s dilemma, the partner may not fully understand the risk of filing an incorrect return. (He didn’t know the Michigan tax law very well, after all.) If this is the case, it may affect how you approach your boss when discussing alternatives. It doesn’t necessarily make the conversation any easier, though. People, especially those in power, can take criticism poorly. It would undoubtedly be a mistake to simply tell the partner that he’s making an unethical choice. Pointing out someone’s ethical misstep will almost always make him feel like you are questioning his character. You’ll need to educate him without scolding him.

Although we’ve used the example of a supervising partner giving an unethical order, be aware that it doesn’t have to be your direct boss in order for it to be a dilemma of Standing Up to Power. It might not even be someone with actual organizational authority over you. For example, it could be a boss’s friend or relative making the request. The lack of a slot above you in the org chart doesn’t diminish their influence over you.
Questions to Ask

These questions will help you find solutions to your dilemma:

1. *Does the powerful party have the right to ask me to do what they are asking?*

As you read in Chapter 2, rights come from different sources. Let’s consider three of them here.

**Legal:** Following the law is always important, and that makes understanding the law equally important. Knowing the law means you can understand if your boss’s request puts you at any legal risk. But legal understanding won’t always matter. Sometimes, like with Nathan’s tax filing dilemma, the low risk of being caught influences his boss more than following the law for its own sake.

Keep in mind that the boss’s request may be legal, but still be immoral. The truth is that the law, by itself, is a terrible guide to ethics. US Supreme Court Justice Potter Stewart wisely noted, “Ethics is knowing the difference between what you have a right to do and what is right to do.” Be sure not to give in to your boss just because the request is legal, but still unethical.

**Contractual:** Even if there are no laws governing the boss’s command, contractual obligations, including those you have made with other parties, may come into play. But contracts are rarely exhaustive and often overlooked. For example, there’s probably no particular contract provision preventing Nathan’s managing partner from asserting his interpretation of the tax law.

One contract worth exploring is your own employment contract. Even if you didn’t sign a written contract, employee handbooks or corporate policies can define the employment agreement. It may be that the boss is violating the employment contract with you through his request. For example, Nathan’s boss may be violating his employment agreement by asking Nathan to violate the CPA code of conduct.
Moral: Could your boss have a moral right to make an immoral request? Possibly. A boss’s obligations often come in conflict with each other, forcing her to choose hurting one party to benefit another. Be sure to evaluate your boss’s competing interests to be sure that the harm done isn’t actually necessary. Nathan’s managing partner in the tax office has an obligation to Mr. Bigglesworth that he’s trying to uphold. He’ll consider that ethically important.

2. Are there others in my organization who agree with me?

Few dilemmas will make you feel more alone than this one. Most likely the boss made the request in confidence. You may feel like disclosing your dilemma will make things worse. But remember that, just like in the wilderness, the best protection is someone else to help.

In situations like these, you’ll probably need to draw on any *social capital* you’ve developed. This term describes the way you can rely on relationships for help. It’s good to have friends and mentors in the office that can stand up for you and guide you through tough dilemmas with your boss. They may have particular insights about his personality that could help. They might even go to bat for you, based on their more powerful relationship with your boss.

But such relationships take time to build up. Be social and friendly in your workplace. Offer help to others and they will be more likely to help you when a dilemma like this one arises.

3. Is what is being requested of me in accordance with the stated values, or ethics policies, of the organization?

Virtually every large company and many small companies have either written values statements, ethics policies, or both. These usually articulate what the company leadership considers important and appropriate behavior from their employees. Professional codes of conduct, like for CPAs, may also apply.

Take the time to learn your company’s policies. Knowing what behavior the company and profession expect—especially if it’s
at odds with what your boss is asking—can give you additional tools for this dilemma. For example, company policy or professional standard could give you a great line of questions for your boss to address. You might say, “I’m worried how the CPA board would view this decision. I would have a hard time this early in my career with a disciplinary action brought against me. What do you think might happen to me if they knew?”

You can even draw attention to how your behavior would reflect on the company if it became public. All organizations develop reputations based on how their employees act. An employee violating the company’s stated values makes the company look bad. In the case of the accounting firm Nathan works for, it’s worth remembering that one of the largest accounting firms in the country, Arthur Anderson, was destroyed because of the dishonesty of a relatively small number of accountants working for Enron.

Unfortunately, many companies rarely consider or discuss their written values and policies, making it hard to rely on those policies for help. A managing partner like Nathan’s may not even be familiar with them. If that’s the case where you work, look to the unwritten values in the company that can help you. (Every company culture has dominant values of some kind.) For example, if the company puts profit above everything else, try to explain how the unethical request could hinder profits.

4. Does my company have ethics resources?

In addition to a written policy, many companies also have dedicated staff for addressing and resolving ethical concerns of employees at any level in the organization. Federal law requires publicly traded companies to have anonymous reporting mechanisms for accounting matters, and most companies have extended the reporting resources to include other ethical concerns.

Similar to major companies like Coca-Cola, Chevron, and New York Life, your organization may have an ombudsman program.
If so, the ombudsman in your company serves as your advocate, particularly in matters relating to ethical concerns. They are typically empowered to hear your concerns in confidence and advise you on the best course of action. They also document your concerns, assuring that you can create an official record representing your perspective. If your company doesn’t have an ombudsman, a human resources representative usually fills this role. Also, most professional associations have an anonymous hotline to call for advice.

As you consider using company ethics resources, be sure to remember that most corporate policies, and in some cases Federal law, require the company to investigate and act on the information you provide them. This could have serious consequences for the other people involved. Be sure to weigh your decision carefully and to fairly consider what damage could be done to their careers. You don’t want to overreact and cause more harm than necessary.

5. What is this person attempting to accomplish through what he/she is asking you to do? Is there a different way of accomplishing it?

Creativity and hard work may be your two most powerful tools for resolving this kind of dilemma. But before they can help, you need to understand what your boss is asking of you. You may think the answer is obvious, but it often isn’t. Usually, the person in power knows things that you don’t. That’s why you need to ask really good questions.

The information you need will answer these questions:

- “What’s the best outcome my boss is hoping for if I do this?”
- “What options has my boss already considered and why were they dismissed?”
- “Why did my boss choose me for this request?”
- “What are the reasons my boss might want this request kept private?”
The way you ask matters immensely, so your questions shouldn’t sound like accusations. Try to get at the information in a way that shows you have an open mind and respect for your boss’s position.

6. How can I help my boss save face?

The relationship between a boss and an employee is defined by authority; the kindest, most thoughtful personality can find it hard to have their authority questioned. That is why you need to be careful to frame your response so it does not sound like you are questioning your boss’s authority. Even worse, your response may feel like a judgment of your boss’s character. No one likes to be called unethical, so you have to tread very lightly. Do all you can to help your boss save face. The following strategies will be helpful.

As much as you can, solve the problem together. Don’t come to your boss with a pre-packaged solution that is at odds with her request. To the extent that you have to do some of thinking on your own, seek feedback so your boss can be a part of the solution. Be sensitive to his or her time, however. For example, Nathan’s managing partner probably manages many accounts and isn’t going to have much room to go deep into the problem together with him.

Give credit liberally. Getting recognition for good ideas is far less important here than being able to do the right thing. It’s important for your boss to feel equal to his role. Giving him credit for solutions reaffirms his confidence.

Be careful to avoid accusing words like “unethical” or “wrong.” Even if you direct the language toward yourself, it sounds like an accusation. Saying, “I personally feel like this would be unethical,” implies that your boss *is* unethical. Use much less direct language to express your concerns. Consider something like, “I’m a little uneasy about this.”
Finally, don’t draw a line in the sand unless you absolutely have to. Always leave open the possibility that you’re wrong. This acknowledges the nature of the relationship and your boss’s ability to have the last word. If you draw a line in the sand, your boss has to choose between being unethical or being trumped by a subordinate.

The best outcome you can hope for is creating a solution where your boss can do the right thing both ethically *and* logistically. Here, creativity and hard work are your best approach. If necessary, ask for time to find another solution and put in the work to make it happen. If the two of you can come up with a better alternative on all counts, it strips away the ethical dilemma. The best choice becomes obvious, and your boss gets to retain his or her dignity.

### Pitfalls

#### Charging the Hill

Probably one of the most common mistakes when standing up to power is charging the hill, that is, vocally and stridently opposing the request. Ethically, this approach is noble, but it isn’t the only ethical approach. Strategically, this approach is a potential disaster for you. You should generally consider it a last resort.

Consider all the available indirect approaches that can lead to an ethical outcome. These include using softer language, asking sincere questions, and finding creative alternatives. Some people skip these options, cynically considering them ineffective. The truth is that indirect approaches can have a far greater influence than most people realize.

#### Acquiescing Quickly

On the other extreme, don’t acquiesce quickly, assuming the blame will fall on your boss if you’re found out. While it may, you can’t count on it, and there are other downsides to readily acquiescing to unethical requests. You might be tempted to think that just giving
in will allow you to take care of the problem quickly and move on to other things. The danger is that if you do what’s being asked, you’ll get a reputation for being reliably unethical. Odds are that the person in power will come back to you more often for similar requests. You need to resist in diplomatic, thoughtful ways so that you aren’t considered useful in carrying out unethical requests.

**Gossip**
Avoid gossiping while recruiting help from others. It’s almost certain that you don’t know all the facts. Be sure to use careful descriptions of your situation that allow the listener to reserve judgment. Instead of saying, “You’ll never believe what Frank just asked me to do,” say something like, “I could really use your advice with this situation. I’m not sure what to make of it.” Gossiping will come back to hurt you, even if it does provide some emotional satisfaction at the time.

**Assuming Too Much**
Finally, don’t assume you know all that you need to know. As mentioned above, your boss probably knows more about the situation than you do. An errant assumption will make you look incompetent, and strip away the moral authority you’ll need for persuading others to do the right thing. Try to get as much time as you can before giving your answer. Use that time to collect useful information. Just the right insight, like a company policy or a helpful experience of a friend, might be the thing you need to get the best outcome.

**Bill’s Experience**
You work for a metals company and your CEO asks you to do a Lifecycle Analysis comparing metal to glass and plastics. Your analysis shows that the lifecycle results of metal, glass and plastic are very close to each other. Lifecycle analysis results depend largely on recycle rate assumptions. Your CEO suggests that you assume a 100% recycle rate for the metal product and zero recycling for glass and plastic. The results, of course, would then favor metal by a wide
He asks you to prepare a presentation showing the differences. What do you do?

Faced with this dilemma, I decided to show both comparisons: the current actual recycle rates and the new assumptions of 100% recycling for the metal and 0% recycling for the competing materials. I made sure they were conspicuously shown in our presentation.

In this day and age of “spinning” all information, we don’t have to be a party to the distortions. I believe that full, fair, complete, open, honest transmission of information would help build an organization’s credibility with all constituents that would reap dividends for years.

Like most people, you will probably face the challenge of an immediate supervisor ordering you to do something that you both know is wrong. It might be to misclassify expenses in the accounting records, suppress factual data and information that should legally be disclosed, destroy a written record that is the subject of an ongoing litigation, overbill a customer, lie, or any number of other misdeeds.

You can’t do it. You just can’t. But how do you tactfully let your supervisor know that the action is wrong? One approach that you might find successful—but probably only once—is to look your supervisor in the eye and smile and say “Ah, this is your way of testing me. Oh no, I won’t fall for your test. You won’t catch me agreeing to do that.” That approach sometimes gets the supervisor to come to their senses and drop the matter.

In some cases where the infraction is severe, you have an obligation to let others in authority know of the circumstances. Hopefully the authorities would not condone such behavior.

But, in some cases you may be faced with what I call a “quitting decision.” I believe we get three of these in our career. A situation that is so wrong that it must be corrected or you have to “quit.” Often these decisions will be rectified and you won’t have to resign. But, if the situation is not corrected you cannot work for that organization. And, you probably don’t want to work for that organization.
Planning Ahead

Consider these preventative steps to avoid running into Standing Up to Power dilemmas in the future.

1. **Build up friendships with your boss and those around you.**

   Social capital will help you more than almost anything else in this dilemma--not to mention the many, many other ways it will benefit you. Perhaps the most obvious benefit is that if your boss does make an unethical request, you’ll have the friendship space you need to be frank in your reply.

2. **Be ethical in the little things.**

   As we’ll point out many times in this book, nobody ever got a reputation for ethics by being ethically lazy. The people we admire for their ethics tend to be assiduous about doing the right thing, even when personally costly. Think of your ethical reputation as something like armor: people don’t choose the strongest targets first. Your reputation for being ethical might keep these requests away altogether.

3. **Work on creating an ethical culture around you.**

   If no one is doing ethics trainings in your company, volunteer to do them. Unfortunately, corporate ethics trainings have a bad reputation for being boring formalities. It’s a pity, because there are so many tools available to teach ethics in engaging, fun ways. (Just ask our students!) Consider starting with some of the dilemmas in this book. Whatever you do, if everyone around you learns to value ethics, they’ll do the right thing before situations drop in your lap.

Another Example

“Just keep doing business the same way you’ve been doing it. Don’t tell them anything has changed.” Such were your direct instructions
You feel you have a responsibility to tell the supplier that you will no longer be buying from it. If you suddenly stop using this supplier,
it will certainly go out of business. If you inform the supplier about the discontinued bike line, it could probably find other business. At the very least it wouldn’t spend all that time and money building worthless inventory. You have explained this to the CEO. But your CEO says, “We have no legal contract with the company. It’s their problem, not ours.” He’s concerned that if the supplier knew that you would only be using about three more months of inventory, it would immediately stop production and look for others who could use its manufacturing capacity--thus surely tipping off the market to your impending change.

You have tried to come up with several other possible scenarios to help out this company while you make this change, all of which have been rejected by the CEO. He is adamant about his position. You also have a non-disclosure agreement with your company, preventing you from disclosing any important company information. You will continue to be the contact with this supplier until all business is completed with them.

You have always thought of yourself as a very ethical person. Now you ask yourself, “What would an ethical person do in this situation?”
Dilemma

Craig is a high school administrator at a small private school. One morning he was going about his usual tasks when a group of three sophomore girls came to his office and asked if they could speak to him. Noticing that they were visibly worked up over something, and being the kind-hearted person that he was, Craig welcomed them into his office and asked what was the matter.

“It’s Mr. Francis,” one of the girls, the apparent ringleader, said. “He is kind of giving me the creeps. I want out of his class.”

“Me too,” another one chimed in. “I hadn’t really noticed it until Ashley said something to me about it, but now I totally see how creepy he is.”

“There’s no way I’m staying in that class if my friends aren’t there,” chimed in the third.

Knowing that high school students are sometimes prone to exaggeration—and these three in particular—Craig asked for clarification about what exactly Mr. Francis had done.
“It’s the way he looks at me. And the other day, while I was working on a math assignment in class, he came up to me and asked if I needed help. Well, I’m totally lost in his class, but I don’t even like talking to him. I said I was okay. But then, right before he walked away to go help someone else he says, ‘Ashley, you look really good today.’ And the way he said it really just freaked me out.”

The second student piped up, “I stopped by his classroom after school to drop off a homework assignment, and he totally did the same thing to me—complimenting my appearance and giving me that weird look. And he touched me on my shoulder. I don’t feel safe around him anymore.”

“And I just don’t want to be in there with a creeper,” says the third. “There’s no way we can be in his class anymore, and I don’t know if you should have any girls in there either.”

Craig thanked the girls for coming in, and asked them to step outside his office for a moment. He thought back over his brief interactions with Mr. Francis, a recent hire filling in as a long-term substitute for a teacher on maternity leave. With math teachers in high demand and limited supply, finding a qualified and experienced person to fill the position had been extremely difficult—Mr. Francis had seemed like a godsend. Granted, the hiring had been unusually quick; teachers with his resume didn’t hang around long, especially in the middle of the school year.

On a whim, Craig pulled up the grades and attendance record for the three girls in their math class. Their attendance was spotty at best—and all three were hanging right around the pass-fail line. None of the girls had ever had any disciplinary problems, but he was aware that they were front-and-center in the usual high school drama.

Craig sat back in his chair to think about the best thing to do in this circumstance. The school had never had an allegation of impropriety like this, and the administration emphasizes student safety as a top priority. Craig also worried about the inevitable gossip that would spread around school, surely influenced by how he chose to
handle this situation. It was already past the deadline for schedule changes; if he moved these girls out of the class, he might be setting up Mr. Francis for more complaints. And worst of all: what if he really was dangerous to the kids?

**Explanation**

At first, this dilemma may seem like an intervention dilemma, which you read about in chapter 7. But it differs in a very important way: this dilemma isn’t about how you stop something, but about how you find out if there is something to stop.

Suspicion Without Enough Evidence is a dilemma because the way you investigate matters. Investigating any wrongdoing usually appears like an outright accusation. “After all,” people will ask, “if everything was fine, why is there a need to investigate?” Depending on how you look into the matter, people may fill in the blanks before you’ve found any answers.

You may not be the best person to investigate the problem. If not, make sure the investigator is appropriately chosen, especially if the investigation needs to be public. Make sure the person is evenhanded and has a strong reputation for fairness. But don’t think you wash your hands of it just giving it to someone else. You will be responsible for the investigator’s conclusions. Be ready to shoulder the results.

Whether you are investigating, or asking someone else to do it in your place, it’s essential that you avoid undue bias and even the appearance of bias. Others will scrutinize whatever conclusion you reach, even if they do it without all the information you have. You have an obligation not just to follow a fair process, but to make sure the process is clear for all involved.

These dilemmas can be time sensitive, since negative consequences may follow if you act too slowly. For example, Craig’s dilemma here cannot wait if it means kids in the school are at risk.
Circumstances in this dilemma often require confidentiality. Be sure to consider what is appropriately confidential and what others have a right to know. Even an entirely ethical investigation can have unethical consequences if (1) people don’t get the information to which they’re entitled, or (2) private information is shared with the wrong people. Be assiduous about knowing the difference.

Questions to Ask

1. **Who is accountable for the solving the problem and how do you best inform them?**

   Before you start to investigate, be sure to consider if you are even the person that should. In the example dilemma, Craig jumped right in and started looking into the grades of the girls making the accusation. But something as serious as this probably needs to be escalated to the principal or school board.

   Being the wrong person and investigating anyway puts the involved parties at risk, but it also puts you at risk. You could be missing the knowledge or power needed to find the truth. Be sure that you are the right person to act.

   If you decide that someone else needs to investigate, you next need to consider how to inform the right people. If you frame the problem in the wrong way, you might be reaching a conclusion for them. Provide all the information you have. Measure your words carefully to avoid undue influence. For example, if you were Craig, how would you best tell the principal about the situation with your new math teacher and these girls? You’d need to find a way to not dismiss the girls’ claim as baseless while also avoiding describing Mr. Francis as a pedophile.

2. **What happens if you act on the allegations and they are false?**

   Because claims of wrongdoing can be so serious, remember that you have an obligation for the accused just as much as you have for the accuser. You have the power to ruin someone’s life by putting too much stock in a false accusation. Think through
the unrecoverable outcomes: loss of reputation, damaged relationships, and the emotional toll. These costs can burden a person for years beyond being exonerated.

3. **What happens if the suspicions are true and you did nothing?**

You probably asked this question first. Once we hear an accusation, we naturally consider all the consequences of it being true. We think of the people who might be hurt. We think of the mess that will need to be cleaned up. In fact, we usually think about worst-case scenarios.

But all that doom and gloom may not really be answering the question, because emotionally charged “what ifs” make us think in sloppy ways. It’s important to approach this question methodically. Think through what the real consequences of your inaction will be. What are the risks to you, to those in your workplace, or to those outside of work? Are there legal ramifications? How long can the accused behavior go on? Is your inaction the same as being complicit?

Whether you discover that things may not be as bad as you originally thought, or you realize that they’re actually worse, be thorough in thinking through this question to be sure you consider all the possible outcomes.

4. **Considering what might happen, does the quality of your information justify action?**

Accusations have two attributes: reliability and sufficiency.

Reliable accusations come from trustworthy sources, individuals who don’t stand to gain from their claims proving true. Their allegations survive scrutiny of the details, and will be consistent in the retelling. Don’t let the accusers put their claims above reproach. It may be unpleasant having to validate their claims, but if they seem unreliable, you need to be sure. For example, Mr. Francis’s accusers may not like having to answer hard questions, but that doesn’t excuse the girls from having to do so.
Sufficient accusations don’t leave out critical details. Even if an allegation is accurate, it may not tell the whole story. Be very uncomfortable with acting if you find yourself needing to fill in the gaps with suppositions. When accusations are insufficiently detailed, thoroughly consider all the possible explanations for what you’ve been told. For example, Mr. Francis might simply be making kind, if unwise, compliments to the students in his class.

5. Does your bias push you to believe or dismiss too quickly?

Notice that this question assumes that everyone is biased. Really, it’s naive to think that anyone isn’t. We all constantly judge information based on our experience, so avoiding bias completely is essentially impossible.

That’s why we don’t advise you to be unbiased when investigating a problem. Instead, our advice is to manage your biases. Recognize them and do your best to balance them with patience and wisdom.

The most important way to balance your biases is to take time in reaching conclusions. You will invariably have assumptions about the situation, so be sure to reflect so you can consider possibilities beyond your assumptions.

This is what Craig started to do in his dilemma above. Notice how he immediately doubted the story told by the girls. His thought to check their performance in the class was a good idea to see if there was concrete evidence to back up his bias, but it is certainly not sufficient to balance his bias. If he stopped there, satisfied that their grades led the girls to accuse their teacher, then he might fail in revealing other important information.

6. Who deserves the most protection?

No matter how well you investigate, there’s a pretty good chance you won’t find out all that you need to know. When that’s the case, consider who needs to come first and be sure that you protect them from greater risk. In our case above, even
if the girls accusing Mr. Francis are doing it just to rescue their grades, you may not know with enough certainty if they’re telling the truth. Moving them to another class might simply give them what they want, but ultimately they deserve a safe learning environment. Be sure that you protect those who deserve protection.

Common Pitfalls

Acting Hastily
Acting too quickly is a common mistake. Remember that accusers aren’t just trying to involve you, but to recruit you. They may have ulterior motives for what they’re telling you. They may not have the power they need to act on their own, and so they’ve approached you. Don’t be a tool for their mischief by jumping in before you know they raise a valid concern.

Delaying Action
On the other hand, don’t act too slowly. If the situation is especially unpleasant, it can be easy to find ourselves hoping that it will simply go away. We may only be compelled to investigate after it becomes clear that we need to do something. That time may come too late.

 Appearing Biased
When you investigate a potential problem, appearances matter. Take care to avoid appearing unduly biased. If you seem to have an agenda, your apparent bias will make others question the accuracy of the information you reveal. Use careful language to both describe and investigate the problem. Always clearly acknowledge that more than one possible explanation exists. When you explain your conclusion, recognize where your conclusions have weaknesses.

Not Gathering Sufficient Information
Related to that, avoid being sloppy with information. Take careful notes. Protect the documentation you gather. Try to corroborate the truth with multiple sources. Ask good questions that invite detailed
explanations. Remember that in the end, you may be making very serious accusations. The quality of your evidence will protect you from accusations of bias or dishonesty.

Remember that the law prohibits defamation, which is a false claim about someone else. If you aren’t thoughtful and deliberate in how you approach this dilemma, you could face personal liability for slandering another person.

**Not Reporting Appropriately**

Finally, be familiar with reporting requirements. There’s always a chance that policies or laws require certain kinds of actions to be reported to higher authority. Reportable issues usually involve financial malfeasance, risk to children, or danger to the health and safety of others. You might think this is a problem you can handle on your own, where in reality better trained and more capable people are meant to address the situation. Know what disclosure rules and laws relate to the suspicions you’re investigating.

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**Bill’s Experience**

An anonymous allegation is made on the company’s compliance telephone line that the Plant Manager of a factory in Australia is instructing employees to “spin” the safety results. Our company typically received about 1,200 complaints on the company compliance line. 90% or more had little to no substance or were petty personal complaints about a boss or co-worker. Despite the low likelihood of finding actual compliance issues, we investigated every complaint fully.

This specific complaint was referred to me as I was responsible for corporate safety at the time. I chose as the investigator a safety professional from our Tennessee location who had an impeccable reputation for knowing the details about safety record keeping. She went to Australia and investigate. A week late, she called and said that she found 50 unreported safety incidents. Most were minor medical treatment cases but a few were recordable incidents, safety issues serious enough to endanger our employees. She told
me that she interviewed the victims and the safety manager and learned that the Plant Manager instructed them not to report these incidents. This Plant Manager was performing very well in other areas—quality, inventory reduction, revenue and employee engagement. He was being groomed to be promoted to a Business Unit President.

We confronted the Plant Manager about the unreported incidents. Unfortunately, he denied the allegations and was unconvincing. We invited him to offer refuting evidence, but he had none.

Safety is part of the culture at my company. Reporting of incidents is a critical part of that safety culture; it often prevents similar problems in other locations. This Plant Manager had attended Plant Manager Training where we stress the importance of safety and how to properly report incidents. We concluded that he simply chose not to follow our rules so that he could look like a better Plant Manager.

We packaged the allegation and the results of our investigation into a report that we delivered to the Business Unit President (the Plant Manager’s boss) and the Business Unit President’s boss, the Group President. They invited me to a meeting in New York where they asked, “Do we have to fire him?” My response was “No, he’s already fired himself; now 60,000 employees are watching you to see what you do.”

Of course, in the end, the Plant Manager was terminated. And, of course, all the other employees noticed. Informal communication networks in corporations work very well. In fact these two leaders now have an enhanced reputation for supporting the safety value of the company. These situations reinforce values. But mishandled, the opposite would occur—the values could be jeopardized.

Planning Ahead

Consider the following ways to be better prepared for Suspicions Without Enough Evidence:

1. Create and publicize a process for handling complaints or suspicions.
Make sure this process anticipates all of the issues covered in this chapter, like the need for documentation and avoiding undue bias. A multilayered process is best, one that involves the expertise and insight of multiple trustworthy parties.

With a process established, make sure it is widely understood in the organization. When everyone knows the right way to raise a concern, it reduces the likelihood that the wrong people get involved. It also encourages thoughtful and accurate reporting.

2. Build a culture of fairness in your organization.

On the one hand, don’t engage in whitewashing someone’s wrongdoing, hiding the truth because you think you can get away with it. As important as key employees can be, they aren’t worth more than the health of the organization itself.

On the other hand, avoid jumping to harsh, unyielding conclusions. People have a right to a just process. The culture of your organization can reflect and support that.

3. Finally, this dilemma is unavoidable for bosses, so expect it.

There will be constant occasions to question an employee’s work or decision-making. As sophisticated as employee monitoring has become, workers always have a way of hiding things from their employers. To make matters worse, rivalries or competition at work can inspire false allegations.

But misunderstandings also happen often. Some people simply don’t understand how their behavior appears. Others are just too quick to assume the worst of people. Whatever happens, since you are seen as the person with the power to act, people will report these suspicions to you, and you’ll need to know what to do.
Chapter 17

Dissemblance

Dilemma

Jeff worked as a sales rep for Greener Pastures, a large landscaping company. Lately times had been tough for the company, mostly because of some lost clients. It was getting hard to keep all of the employees currently on the payroll, but at first the company simply didn’t hire replacements as workers left. Soon enough, though, they had to lay off a handful of people.

The layoffs left employees and others with the impression that the company was on the verge of bankruptcy. The truth was that the company was on the verge of bankruptcy, but only if it couldn’t renew its largest contract with Carterville City.

That renewal with Carterville City hinged on a negotiation Jeff scheduled with Paul, the city manager. Thankfully, the terms of the contract weren’t a problem for Greener Pastures or the City. Jeff expected the renewal to go smoothly. All the details, including payments and the service schedule, were agreed to before the negotiation was even scheduled to take place. Jeff was basically expecting the City to sign the agreement without trouble.

That’s why Jeff was shocked when the City manager asked if Greener Pastures was facing bankruptcy. Paul said he’d “heard some
things” and that the City was clearly nervous about recommitting its landscaping needs to a company that might not be around for much longer.

Jeff’s mind was racing in considering how to answer. If the City renewed its contract, Greener Pastures would have enough work to stay in business. But that wasn’t the question Paul was asking. The only honest answer to his question was, “Yes, Greener Pastures is facing bankruptcy.” But if Jeff tells this to Paul, then the bankruptcy risk becomes self-fulfilling.

If Jeff denies the bankruptcy rumors, then the company probably stays in business. The City is ready to sign the contract as long as Greener Pastures will be around to service it. But denying the rumors would be a lie. In this case, a dishonest answer protects the company and keeps the City happy with its landscaping needs.

Should Jeff answer the question truthfully and lead the company toward bankruptcy or misrepresent Greener Pasture’s financial situation in order to keep it in business?

**Explanation**

Note that this dilemma isn’t named “Dishonesty.” It’s not that telling lies isn’t dishonest, but that word carries a lot of extra meaning about things like cheating, stealing, and other bad behaviors that don’t accurately describe this dilemma.

Dissemblance, on the other hand, has a very particular meaning. It means hiding or concealing something, usually an intention or belief.

We define the dilemma of Dissemblance this way: *You are faced with the choice of misrepresenting or concealing the truth to get a better outcome.*

When faced with the choice to lie for some greater good, it’s tempting to rationalize that “the end justifies the means.” The very statement itself admits, though, that there’s something wrong with
the means. We prefer that others are truthful with us. More broadly, every society on earth to some extent values telling the truth and avoiding deception. It even appears to be a neurological preference. When presented with the opportunity in a lab experiment to lie for personal gain, people generally prefer to tell the truth and suffer the loss. But that doesn’t hold true if the personal cost is high enough.

Because dissemblance is naturally disliked, the real dilemma comes when telling the truth imposes a high cost. The higher the cost, the greater the risk of dissembling. Be sensitive to that risk. The questions in this chapter are designed to help you decide about the right time and way to tell the truth.

Some other attributes of dissemblance deserve discussion:

Dissemblance especially tempts us when the other party simply asks the wrong question. Taking our opening dilemma as an example, Jeff wouldn’t even have a dilemma if Paul had simply asked a different question. Instead of, “Are you guys facing bankruptcy?” Paul could’ve asked, “Should the City be worried about you failing to keep the contract?” In fact, the second question is the better one to ask for protecting the City! But that wasn’t the question Jeff was given to answer.

Another troubling aspect of this dilemma is when silence or lack of denial confirms the truth. For example, someone might ask, “I heard they’ve already made a pick for the new manager position. Is it you?” For questions like this, any answer other than “no” is a “yes.” Even simply saying, “If I knew, I couldn’t say,” tells the questioner enough. These are especially hard questions to answer.

Sometimes we are obliged to disclose the truth, because of a position of trust that we hold. In those cases, silence is a form of dissemblance. Remember that not speaking up tells others a number of things. It implies we don’t have relevant knowledge or personal involvement. Failing to speak can be a failure to be truthful.

Finally, sometimes Dissemblance dilemmas appear because of a bad process, which makes dissemblance especially tempting to
someone. Within a company, the budgeting process may be one of the most common opportunities to dissemble. In large organizations, departments are sometimes incentivized to inflate their budget request. Unpredictable futures don’t work well with rigid budgets, so padding the budget request feels like the easiest and best approach even if it isn’t honest. You may already be thinking of other processes in your workplace that encourage dissemblance. This chapter contains some tools that should help you manage those moments when you want to dissemble because of processes out of your control.

**Questions to Ask**

These questions will help you find answers to your dilemma:

1. *Do you have the authority to reveal the truth?*

   Before you decide if you should tell the truth to the other party, be sure that you’re entitled to tell it. Very often, we are entrusted with information that isn’t ours to share with others. As you weigh the choice to be forthright, consider how you came to know what you know. Are there others to whom you owe an obligation of confidentiality? If you share what you know contrary to your obligation, you trade one ethical misstep for another.

   Just because information isn’t yours to share doesn’t mean it shouldn’t be shared. If you do owe confidentiality to someone else, you might consider asking for permission to share what you know with others. Explain the reasons behind your request so the confiding party can understand why you need to disclose what you know. If you get permission, make sure to respect the new boundaries of confidentiality the confiding party puts in place. Allowing you to share with one person, for example, doesn’t automatically give you permission to share it with everyone.

   There may be times when you need to share what you know—no matter what the confiding party wants—to keep others safe
from harm. For example, lawyers have a responsibility to keep their clients’ information confidential, unless what the lawyers know is furthering a crime or putting other people at risk of substantial harm. In those cases, they have an obligation to disclose the information. Still, even in this case, lawyers can only disclose to the right people and with sufficient detail to stop the crime or prevent the harm from occurring. Similarly, it may be right for you to share someone’s secret, but only to the extent needed to get the right outcome.

2. What are the real reasons you want to misrepresent the truth?

When trying to decide whether to misrepresent the truth, be sure to check your motives. It’s very easy to assume our own reasons are just and noble, ignoring the various ways we happen to benefit personally. Is the temptation to misrepresent motivated by a benefit to others or to yourself? Are you concerned about saving face? Are you trying to cover a mistake you made? Are you really dissembling for your own gain?

This matters for more than just moral reasons. If later the truth comes out, your motives will be the first thing called into question. Laid bare, your deception may look far worse to others than it did to you. Being thorough about your own motives has the practical value of protecting you against the accusations of others.

3. Would you tell the truth if the cost of truth-telling were lower?

As noted elsewhere in this book, threshold issues in ethics are some of the trickiest. In this case, consider your decision whether to withhold or reveal the truth. How much needs to be at risk for you to dissemble? Would you tell the truth if there was no cost? (Almost certainly.) Would you tell the truth if there was a small cost to yourself or others? (Probably.) Taking another view, would you tell the truth if the cost to you was small but very high to others?
Changing the scenario helps you figure out what really matters to you. It helps you decide if the things you’re valuing are worth the risk of withholding information from others.

4. Are you dissembling to protect others who need to be protected?

Whether your deception protects yourself or others matters immensely. Protecting yourself through dissemblance is much harder to justify. If your deception is discovered, people will be far more forgiving if they understand you did it in the interest of others who needed protection. If you deceived for your own welfare, the deception will have a far more damaging effect on your reputation.

Just because you are protecting someone else doesn’t necessarily justify what you’re doing. Would they want you to deceive someone else on their behalf? How do you know? It may be that you need to ask the people you’re protecting if they are comfortable with your deception.

Dissembling to protect others feels noble, and that makes it dangerous. Remember that you’re pitting one party’s welfare against another’s. Be sure that you’re the right person to make this decision by considering your authority and any bias on your part. If you do make this choice, be sure you’re choosing fairly the party that benefits.

5. Are you at fault for a misunderstanding and do you have an obligation to clarify?

Many questions or assumptions that create this dilemma result from misunderstandings by the other party. For example, they may give you the benefit of the doubt when you don’t really deserve it. Even worse, they might simply have misunderstood or misread something in a way that benefits you. The default expectation in business is that each party must be thorough and diligent. If one party makes a mistake, the other party is rarely to blame.
But if you contributed to the misunderstanding, you probably have an obligation to clarify. Even an accidental miscommunication on your part is tantamount to deception if you let it go unchecked. Remember that silence is just another form of communication.

You may also have an obligation to clarify even if you didn’t create the misunderstanding. This is especially true if you’re in a position of trust with the other party. If professional expectations require you to put the other party’s interests ahead of your own, then you need to correct their false understanding. Professional rules of conduct for your job may also require complete disclosure. Some roles come with fiduciary duties that impose a higher standard of behavior.

6. Is there a way to get what you need and not dissemble?

Don’t get caught in the false dichotomy of either deceiving to get what you need or telling the truth and bearing the hard outcome. Think creatively about how you could both be honest and get what you need. You might prevail by being forthright and then asking for the other party’s patience and understanding. You might also find that your honesty is valuable enough to them that it brings long-term benefits. Don’t let immediately apparent pressures blur your vision of a more prosperous future.

Pitfalls

Be sure to avoid these common dangers when faced with this dilemma:

A Ruined Reputation

One deception will label you for a long time. Few ethical errors will stay with you more tenaciously than being caught in a lie. A reputation for deception stains everything, and people will hesitate to trust you with a wide range of circumstances. In a very real way, it will cost you financial opportunities and personal relationships.
Making Assumptions
Don’t assume that your silence isn’t dissemblance. If someone else reasonably expects you to correct a misunderstanding, then your silence could be equivalent to telling a lie. This is especially true if the other party misunderstands something that you have an obligation to clarify.

Don’t assume you know what others will do with the information. Sometimes we’re afraid to be truthful because we think a person will use the information in a way that hurts us or others. We fear the worst and so our fears drive us to dissemble. It’s our experience that people are usually more kind and understanding than not. Also, they may be asking for the information for reasons you don’t know or understand. Put yourself in their shoes and consider what you would do after learning the truth. Be willing to trust their better natures.

Letting Negotiations Pressure You
Be especially careful in negotiations. These are often high-pressure situations where you have to make quick decisions. It’s easy to tell small (or big) lies when working out an agreement. This is especially true when the other party doesn’t have a chance to confirm what you’ve told them. Your best bet is to take time and be thoughtful before you let the pressure of negotiation lead to mistakes you’ll regret.

Thinking You Can Lie Just Once
Don’t think you can get away with just dissembling once. Lies breed lies. You might think that your dissemblance will be a one-time event, but that almost never happens. People usually need more information than one answer can give them. You’ll quickly find one lie necessitates many more. You may be less comfortable with dissembling if you consider that you’re likely committing to an entire series of deceptions.
Avoiding Coming Clean

If you've already deceived someone, don’t discount the value of coming clean. Knowing how costly a lie can be to your reputation, consider telling the truth before someone catches you in a lie. Everyone lies at some point, and everyone knows that. We are far more forgiving of a person confessing their dishonesty than of the person who is caught and only then comes to regret the lie. Consider coming clean now, both to do the right thing and to salvage your reputation.

Bill’s Experience

False understandings happen all the time. When two people are talking or negotiating with one another, rarely are both parties equally educated, experienced, knowledgeable, or aware. Many times one party knows more than the other on a certain subject. Sometimes one party relies on the other to be truthful. And, sometimes we are put in a position to create an advantage by not clarifying a misunderstanding, by not telling the complete truth, or by lying.

These situations will face us. How will we act? Here are just two of the many experiences that have been important to me:

My father taught me that half a truth is a whole lie. I recall being challenged one day. I was made the General Manager of a business that had 17 warehouses. As the new GM, I decided to travel to all 17 warehouses and meet the employees. I visited the largest warehouse first and met with about 75 union workers toward the end of their shift. I talked about me and our goals then asked for questions.

The first question was, “How much money do you make?” I don’t think he expected me to answer. He was clearly trying to show off in front of his coworkers. I could have easily explained that I am paid under a fair compensation system based on education, experience, accountability, problem-solving, etc. I could have easily danced around the question; instead, I decided to answer. I gave my base annual compensation to the dollar. That number was surely higher than the annual compensation of anyone else in the
room. I added, “And a year from now I want you to tell my boss that I’m worth more.”

I don’t regret my answer. I earned a lot of trust with my answer. Later in that assignment I would get straight answers from these workers when I asked them questions. And sometimes I’d get unsolicited advice from them. I reinforced my belief that honesty is the best policy.

Later, I found myself in a situation that I still don’t feel good about. I was asked to testify in court in a personal injury case. A large mining machine was activated and killed someone. Proper procedure was to lock out the machine before getting into any vulnerable position. The deceased did lock the machine.

In a trial, I was asked, “Was there a master cutoff switch on the control panel?” The answer to that question was yes. But, it was the wrong question. This machine was designed with two master cutoff switches. That’s just bad design. There should be only one master cut-off switch, so when it’s locked nobody can activate the machine. But this machine had another master cutoff switch that was not locked.

I was uncomfortable answering “yes,” so I asked for time to speak with my attorney. I explained my dilemma. My attorney explained that my job was to answer the question asked—no more, no less. He explained that the plaintiff was represented by counsel who was being paid handsomely and who had the responsibility to ask the right questions. It was not my job to clarify.

I returned to the stand and answered “yes.” The existence of the second switch was not revealed. That didn’t feel good. I didn’t lie. I didn’t even misrepresent the truth. But, the entire story was not told. Afterwards, I still felt the need to investigate to assure that the faulty design was corrected—and it was.
Planning Ahead

Consider these strategies to avoid this dilemma in the future.

Try hard to anticipate the questions you might be asked. Sometimes we lie simply because we’ve been caught off guard. It’s better to think through what someone might ask you and carefully prepare thoughtful answers that avoid dissembling. Don’t use this as an opportunity to be ticky-tacky with the meaning of words, either. Use it as a chance to get the truth across in the best way possible.

Often dissemblance occurs when we’ve misunderstood what others were expecting from us. To avoid this, set expectations right, both yours and the other party’s. Try to anticipate where there might be misunderstandings. Be clear about your interests and intentions. Don’t give others a reason to make bad assumptions.

Finally, take care to avoid putting other people into this dilemma. When you’re going to ask questions to try to get at the truth, make truth-telling as easy as possible. Parents know this is especially important with children, but it works for everyone. Show patience, express trust, and remember the importance of the relationship. You’ll find others will be more honest with you as a result.