



# Professional Ethics

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immoral many social term  
study understand single based right morality  
ethical benefit approach wrong lessons minds applied decide seperation human rights  
moral contemporary behaviour human terms  
philosophy political example philosophical involves place  
concepts time dimension mean may independent philosophical  
philosophical behaviour involves place

# ethics



# Agenda

- Define Ethics
- How We Need to Act as Leaders
- Five Key Steps in Ethical Decision Making
- What Gets in the Way of Being Ethical?
- Summary



# A Definition of Ethics

Webster. . . *“The discipline dealing with what is good and bad, or right and wrong -- with moral duty and obligation.”*



# What Ethics IS About:

- How we *behave*, about the standards we to which we hold ourselves
- How we *treat each other* (relationships), even those we don't know
- How a moral person *should* behave
- Decision making



# Ethics is not...

- Ethics vs. Morals
  - Ethics and morals are NOT always the same
  - Morals = personal view of values
    - i.e. beliefs related to moral issues such as drinking, sex, gambling,
    - Can reflect influence of religion, culture, family and friends

# For Business Professionals -- Ethics is...

- How we act as individuals
- How we structure our organizations
- How we structure our society, our laws, our systems

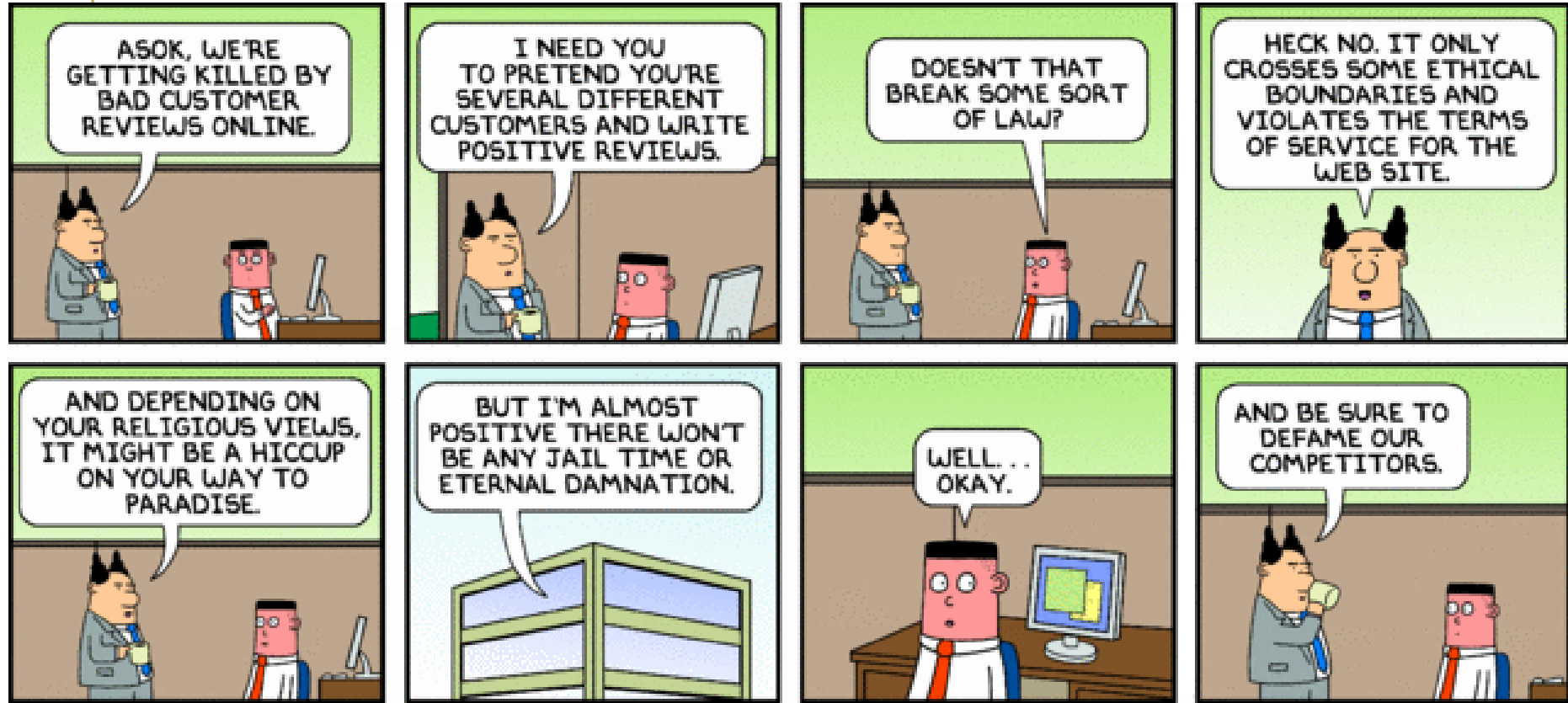
*“It takes many good deeds to build a good reputation and only one bad one to lose it.”*

*Benjamin Franklin*



**So.....What drives *our* ethical decision making?**

# An Ethical Dilemma ? . . .



Dilbert, By Scott Adams



# Five Key Steps to Making an Ethical Decision

- 1) Recognize an Ethical Issue**
- 2) Get the Facts**
- 3) Evaluate Alternative Actions**
- 4) Make a Decision and Test It**
- 5) Act and Reflect on the Outcome**

# 1) Recognize an Ethical Issue

- Could this decision or situation be damaging to someone or some group?
- Does this decision involve a choice between a good and bad alternative?
- Is this issue about more than what is legal or what is most efficient? And if so, how?

## 2) Get the Facts

- What are the relevant facts of the case? What facts are not known? Can I learn more about the situation?
- What individuals and groups have an important stake in the outcome? Are some concerns more important? Why?
- What are the options for acting? Have all the relevant persons and groups been consulted? Have I identified options?

### 3) Evaluate Alternative Actions

- Which Option....
  - will produce the most good and do the least harm?
  - best respects the rights of all who have a stake?
  - treats people equally or proportionately?
  - best serves the community as a whole?
  - leads me to act as the sort of person I want to be?

MARTIN, I DISCOVERED  
A DEADLY SAFETY FLAW  
IN OUR PRODUCT. WHO  
SHOULD I INFORM?



NO ONE. THE STOCK  
WOULD PLUNGE AND  
WE'D HAVE MASSIVE  
LAYOFFS. YOUR  
CAREER WOULD BE  
RUINED.



BUT MY NEGLIGENCE  
COULD CAUSE THE  
DEATHS OF A DOZEN  
CUSTOMERS.



THE FIRST  
DOZEN IS  
ALWAYS THE  
HARDEST.



## 4) Make a Decision and Test It

- Considering all these approaches, which option best addresses the situation?
- If I told someone I respect .....or told a television audience..... Which option I have chosen, what would they say?

## 5) Act and Reflect on the Outcome

- How can my decision be implemented with the greatest care and attention to the concerns of all stakeholders?
- How did my decision turn out and what have I learned from this situation?

# What prevents us from making the right ethical decisions?

- **Fear, guilt,** and our own **self-interests** can prevent us from doing the “ethical thing”
  - Fear can mean we’re afraid of jeopardizing a relationship or believe that harm will come to us
  - Guilt can be caused by psychological or spiritual conflicts
  - **Self-interests can blind us to the negative ramifications our actions can cause**



# Academic Cheating Fact Sheet

- Cheating among high school students has risen dramatically during the past 50 years
- Use to be more likely that the struggling student would be more likely to cheat
- Today it is also the above-average college bound students who are cheating
- 73% of all test takers, including prospective graduate students and teachers agree that most students do cheat at some point--86% of high school students agreed

# Questionable State of Our Integrity

- Did you cheat to get into graduate school?

Yes

- 43% Liberal Arts
- 52% Education
- 63% Law and Medicine
- 75% Business

# Questionable State of Our Integrity

- 76% of employees observed a high level of illegal or unethical conduct at work in the past 12 months
- 49% of employees observed misconduct that, if revealed, would cause their firms to “significantly lose public trust”

Carol  
Simpson  
©2004



*"A 34% cut in our corporate ethics should return us to profitability."*

# Survey of Employees

- 65% don't report ethical problems they observe
- 96% feared being accused of not being a team player
- 81% feared corrective action would not be taken away
- 68% feared retribution from their supervisors

# In Summary, If We Agree, That...

- **Ethical issues include:**

- Privacy
- Confidentiality
- Honesty
- Fairness

- **AND...that our actions should encompass taking :**

- Responsibility
- Meeting Obligations
- Telling the truth
- Keeping Promises
- Avoid Harming People

**...then WE can improve citizen confidence in the Financial and Grants Management Professions**

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