

## Introduction

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Someone once said: "Sure it works in practice—but will it work in theory?" With ethics, of course, we have the opposite problem. In theory, ethics is merely the difference between right and wrong. The difficulty comes in applying the principles to everyday life.

In the last two to three years a great deal of concern has been expressed about what appears to be a general breakdown of ethical standards in America. Disclosures of hypocrisy and moral laxity have brought down leaders from Washington to Wall Street, and scored the ranks of religious evangelism and the U.S. Marine Corps. Even sports—once a model for American-style wholesomeness—has been infected. In the workplace and the family, we see a leeching out of traditional loyalties, a "take care of yourself first" mentality coming to the fore.

Who's to blame? How do we fix it?

Arguably, most people want to do the right thing. But in today's culture it's not always easy to know what the right thing is. Ethics is so intertwined with other realities—such as profit, human relations, time and industry mores—that it often stares us in the face when we don't even realize it.

I spoke recently with the senior officer of another company about the possibility of his company doing business with ours. One of the matter-of-fact reasons he gave for not wishing to change over from a competitor was that he personally owned common stock in the competitor. From the tone of his voice, I was convinced he didn't even realize that he'd created for himself a serious conflict of interest, one which the vast majority of companies would find totally unacceptable.

There has to be ethical leadership in the companies where our people go to work. Concurrently, we must reinforce examples of highly ethical behavior and demonstrate that unethical behavior won't be tolerated.

In our companies, we can begin the effort with a comprehensive ethics policy. Such a policy requires not only a written code of conduct but, more importantly, a corporate support system that guarantees the code will be communicated to all employees and will be subject to oversight, enforcement, adjudication and review.

This is not to say we can, or should, attempt to police every aspect of employee activity in the multitude of daily exchanges within our bustling companies. But we must stay ever-vigilant against abuse and continually communicate a high level of expectations.

If we wish to strike a truer ethical balance, we will have to reexamine the values that society so seductively parades before us. We need to redefine wants, so they serve society as well as self; define ethics so they guide the means, while they also help achieve rightful wants.

The concept of having to choose, between being ethical or winning, is a myth. The challenge is to be ethical and get what you want at the same time.

The effort starts with each of us. When was the last time you spoke up when faced with a situation involving questionable ethical behavior?

I congratulate the Journal for addressing this important issue.