

Empowering Leaders to Craft Organizational Cultures of Character: Conceptual Framework and Examples

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Countering the ethical crisis in business by creating organizations with cultures of character is the challenge faced by business leaders desiring to regain the respect and confidence of the public. This article describes organizations with cultures of character and outlines steps leaders can take to craft them. How business educators can help organizational leaders take these steps by providing professional development workshops is then explored. Finally, two example workshops the author has developed and taught are presented to stimulate discussion of lessons learned plus suggestions to other business educators who wish to create and offer similar programs.

INTRODUCTION

Stories of business corruption and of greed and wrongdoing in high places have always fascinated the popular press, and media interest in business ethics has never been higher. But one should not be misled by the headlines and news reports. Not all moral issues in business involve giant corporations and their well-heeled executives, and few cases of business ethics are widely publicized. The vast majority of them involve the mundane, uncelebrated moral challenges that working men and women meet daily. (Shaw & Barry, 2010, p. 4)

The ethical crisis in business is very real (Quattro & Sims, 2008; Shaw & Barry, 2010; Stanwick & Stanwick, 2009). Countering this crisis by creating organizations with cultures of character is the challenge business leaders face if the respect and confidence of the public is to be regained (Sauser, 2008a). Organizations with cultures of character not only *comply* with legal and ethical standards, they also *internalize* them from top to bottom such that every member of the organization becomes a guardian of integrity. A culture of character is built through purposive action. Its leaders possess strong moral fiber and seek to appoint, develop, and reward others like them throughout the organization. They work hard every day to infuse character into the organization through their decisions and their interactions with others. They seek to mentor and develop the next generation of leaders so the integrity of the organizations they have served will continue into the future.

How can business educators assist in empowering leaders to craft cultures of character within the organizations they lead? Furthermore, how can business educators enable people to understand, appreciate, and contribute to the establishment of such cultures in the organizations which employ them? This article (a) defines organizations with cultures of character and distinguishes them from organizations with cultures of defiance, compliance, and neglect, (b) describes the steps organizational leaders can take

to craft cultures of character, (c) explores the role of business educators in empowering organizational leaders to take these steps through the provision of professional development workshops, (d) outlines the characteristics of effective business ethics education programs as revealed in the existing literature, (e) provides two examples of successful workshops that illustrate these concepts, (f) discusses lessons learned during these experiences, and (g) provides suggestions to other business educators who wish to create and offer similar programs.

CONCEPTUAL FRAMEWORK

Although it is clear that culture is not the sole determinant of what happens in organizations, it is an important influence on what they accomplish...and how. The internal culture has the potential to shape attitudes, reinforce beliefs, direct behavior, and establish performance expectations and the motivation to fulfill them. (Schermerhorn, 2005, p. 96)

Organizational Cultures and Character

According to Trevino and Nelson (2004), “‘Culture’ has become a common way of thinking about and describing an organization’s internal world—a way of differentiating one organization’s ‘personality’ from another” (p. 225). Schermerhorn (2005) defines *organizational culture* as “the system of shared beliefs and values that develops within an organization and guides the behavior of its members” (p. G-12). “Whenever someone, for example, speaks of ‘the way we do things around here,’ they are talking about the culture,” says Schermerhorn (2005, p. 96). Using such important components of culture as core values, stories, heroes, symbols, rites, and rituals, ethical leaders must influence the organization and its members to incorporate and exhibit desirable virtues and behaviors.

Sauser (2008a) has distinguished among four types of organizational culture with respect to their stance toward ethical behavior in business. This classification scheme, modeled in part on Schermerhorn’s (2005, pp. 75-76) typology of strategies for corporate responsibility, holds that there are four basic types of organizational culture with respect to moral thought and action in business. They are *defiance*, *compliance*, *neglect*, and *character*.

An organization displaying a *culture of defiance* would be expected to exhibit behaviors aligned with Schermerhorn’s (2005, pp. 75-76) *obstructionist* strategy of corporate social responsibility. More bluntly, this organization would be likely to scorn the law and other ethical standards and seek to resist or defy them wherever possible. ‘Bending’ the law, cutting ethical corners, breaking the law when the likelihood of detection is perceived to be low (or reward for breaking the law is gauged to be high enough to risk the consequences), and other such tactics would be rewarded and encouraged in this type of culture. Top management would model the way with questionable behaviors and messages indicating that defiance of the law is acceptable when necessary to meet or exceed economic goals. ‘Achieve economic success at any cost; just don’t get caught’ would be the theme of an organization embracing a culture of defiance. Denial of guilt would be expected if illegal or unethical behaviors of members of such an organization were detected and made public.

The organization characterized by a *culture of compliance* would be expected to exhibit behaviors associated with the *defensive* and *accommodative* strategies of corporate social responsibility (Schermerhorn, 2005, pp. 75-76). Their leaders and members may not *agree* with the legal and ethical standards they are forced to operate within, but they would take actions designed to meet (at least minimally) their legal and ethical obligations. In fact, this is an important distinction between *compliant* organizations and those with *character* as defined below. In psychological terms, compliance means yielding to standards one does not necessarily accept (McGuire, 1969, p. 190). It is only when one *internalizes* (accepts and incorporates within one’s value system) the principles underlying ‘the letter of the law’ that *character* can be inferred as the underlying cause of behavior aligned with laws and ethical standards. In other words, *compliance* infers a grudging sort of acceptance of laws and ethics, not a true

incorporation of the ‘spirit’ of those standards within one’s individual personality or corporate culture (Krech, Crutchfield, & Ballachey, 1962).

The *culture of neglect* is all too often a tragic case. The leaders of the organization may be seeking to follow Schermerhorn’s (2005, pp. 75-76) strategy of *accommodation* or even *proaction*, but one or more flaws in the culture lead to a failure to achieve the goals of this strategy. Such shortcomings might include a failure to know or understand the laws and ethical codes regulating the business, a failure adequately to communicate those standards, a failure to detect and/or punish wrongdoers within the firm, or even a certain blindness within the culture that leads to unintentional moral failure. While leaders of cultures of character are constantly vigilant to detect and correct ethical shortcomings on the part of themselves or their employees, leaders of cultures of neglect fail in their responsibility of due diligence. The consequences of this failure of diligence can be as devastating as the consequences of the deliberate defiance of the law taken by organizations with cultures of the first type.

The final of the four types of organizational culture in Sauser’s (2008a) taxonomy is the *culture of character*. This is the organizational culture whose leaders and members, according to Sims (2005), ... are truly committed to ethical conduct [and] make ethical behavior a fundamental component of their every action. They put a stake in the ground, explicitly stating what the organization intends and expects. Value statements and codes of ethical conduct are used as a benchmark for judging both organizational policies and every individual’s conduct. They do not forget that trust, integrity, and fairness do matter, and they are crucial to [everyone] in the organization. (p. 396)

Here is an important statement made by Carl Skoogland, the former ethics director of Texas Instruments, in a speech he made on October 16, 2003: “Ethical managers must *know* what’s right, *value* what’s right, and *do* what’s right” (Skoogland, 2003, emphasis in original). These three key principles are essential in the practical and successful management of ethics at the organizational level. With respect to Skoogland’s three key principles, leaders and members of *cultures of defiance* may (or may not) know what’s right, but they certainly neither value what’s right nor do what’s right. Leaders of *cultures of compliance*, from this same perspective, know what’s right and even do what’s right, but do not really value what’s right. Consequently, members of these organizations may be tempted to bend or break the rules when opportunities occur, and may even be surreptitiously rewarded by their supervisors and peers for doing so. In *cultures of neglect*, there may be a conscious effort to know what’s right, value what’s right, and do what’s right, but—through some (often unconscious) flaw in the culture—this effort flags through lack of diligence, resulting in a breach of moral standards. Finally, in *cultures of character*, positive moral values are ingrained throughout the organization such that all of its members strive without fail to know what’s right, value what’s right, and do what’s right.

Elements of a Culture of Character

A ‘culture of character’ thus is the type of organizational culture in which positive ethical values are ingrained throughout the organization such that all its members strive without fail to know what’s right, value what’s right, and do what’s right. Turknnett and Turknnett (2002) provide this definition of a company with character: “Like people with character, they get results, but they do it with integrity and a respect for people. Like people with character, companies with character are able to balance *accountability* and *courage* with *humility* and *respect* (p. 2, emphasis in original).

Organizations with character not only *comply* with legal and ethical standards, they also *internalize* them from top to bottom such that every member of the firm becomes a guardian of integrity. In fact, this is the characteristic that distinguishes between the two cultures. In a culture of compliance, members of the organization seek to live by the ‘letter of the law,’ but do not take to heart the ‘spirit of the law.’ In a culture of character, what is right, what is legal, what is good, what is ethical is ingrained in the fabric of the organization. Ethicality is valued in the culture of character, and every member of the organization seeks to live by that key value.

How can its leaders establish an organizational culture of character? Many authors (e.g., Aguilar, 1994; Sauser, 2010; Sauser & Sims, 2007; Sims, 2005) have offered helpful guidance. However, Perkins and Van Valkenburg (2004) are insistent that the creation of values-based organizations must begin at the

top. Cultures of character are built by leaders of character. Leaders of organizations with cultures of character should possess wisdom and knowledge, courage, humanity, justice, temperance, and transcendence (Peterson & Seligman, 2004). Furthermore, they should devote considerable time and effort to modeling these virtues through their day-to-day interactions with the organization's employees and other stakeholders. They must seek out subordinates who also have these values, then work to shape and reinforce them throughout the organization such that these virtues come to define the organization. When organizational character becomes self-sustaining such that it transcends the leader's term at the helm, then a culture of character is well on its way to institutionalization. Cultures of character are established by persons of character who pass their values on to succeeding generations of leaders and employees. This truly is the key—and the test—of character-building within the organization.

Crafting a Culture of Character

Leaders who wish to take proactive measures to establish and maintain a corporate culture of character are advised to take the following steps:

- 1) Adopt a code of ethics—one that everyone in the organization understands.
- 2) Provide ethics training—show how the code of ethics applies in everyday situations encountered by members of the organization.
- 3) Hire and promote ethical people—let all employees know that ethical behavior and decision-making is an important criterion for advancement in the organization.
- 4) Correct unethical behavior—use progressive discipline immediately to correct any breach of the organization's code of ethics.
- 5) Take a proactive strategy—don't wait until an ethical breach occurs, instead, take preventive actions to avoid problems.
- 6) Conduct a social audit—invite external reviewers to examine the organization's policies and procedures, just like financial auditors examine the books.
- 7) Protect whistle blowers—do not allow them to be subjected to harassment or retaliation.
- 8) Empower the guardians of integrity—enable every member of the organization to take positive action to demonstrate a commitment to ethics.

The leader's chief task with respect to establishing a culture of character is to lead by example and to empower *every member* of the organization to take personal action that demonstrates the firm's commitment to ethics in its relationships with suppliers, customers, employees, and shareholders. The leader should serve as an ethical exemplar and mentor to others in the organization. The leader must take proactive steps to turn each employee of the organization, no matter what may be that individual's position in the organizational hierarchy, into a protector of the organization's integrity. When maliciousness and indifference are replaced with a culture of integrity, honesty, and ethicality, the organization will reap long-term benefits from all quarters. This is the culture of character.

Training Programs to Build a Culture of Character

As emphasized above, an important step in building a corporate culture of character is providing meaningful ethics training programs for all employees within the organization. While such programs can be led by a variety of professionals, this seems to be a natural role for business ethics professors. How should such programs be structured, and how can employees become meaningfully engaged in program development and delivery? What kinds of programs foster strong employee participation and lead to meaningful learning and implementation of ideas? This portion of the article is intended to stimulate further discussion of these important questions. Research relating to elements of an effective ethics training program is here reviewed before two case studies—intended to extend this research—are presented.

The idea that ethics training is an important component of any corporate effort to instill morality into the fabric of its being—and ethicality into its day-to-day operations—is not new, of course. In 1979, Purcell and Weber presented the concept of 'institutionalizing ethics' straightforwardly as "getting ethics

formally and explicitly into daily life” (p. 6). Sims (1991) counseled those who seek to institutionalize business ethics into corporate culture to consider a number of actions, including: “Develop a systematic training program (with input from employees at *all* levels of the organization) for all employees explicitly concerned with ethical principles and with relevant cases” (p. 504). Research results on a national sample of 313 business professionals employed in the United States, summarized by Valentine and Fleischman (2004), “provide significant statistical support for the notion that businesspersons employed in organizations that have formalized ethics programs have more positive perceptions of their companies’ ethical context than do individuals employed in organizations that do not” (p. 381). In terms of economic incentive, LeClair and Ferrell (2000) credit—at least in part—the ‘due diligence’ standard of the 1991 United States Sentencing Guidelines for Organizations for turning the ethics training and consulting business into a billion dollar industry.

Providing ethics training is widely touted nowadays by experts as a key component in any effective corporate ethics program (Ferrell, Fraedrich, & Ferrell, 2011, pp. 228-230; Knapp, 2011; Trevino & Nelson, 2004, pp. 296-299). Sauser (2008b) found that conducting ongoing training and education programs with respect to business ethics is a ‘best practice’ recommended (or mandated) by key legal standards for businesses across the world, and Weber (2007) commented, “Formal business ethics training, often mandatory, is now common in companies around the globe” (p. 61).

While the number of ethics training programs offered by industry has increased exponentially over the past 20 years, research on the effectiveness of these programs is still in its infancy (Delaney & Sockell, 1992). The effectiveness of corporate ethics training has largely been inferred from studies of similar programs offered to business students in the classroom. Early reviews (e.g., Murphy & Boatwright, 1994; Weber, 1990) of the effectiveness of undergraduate and graduate classroom experiences in business ethics have been mixed, yet evidence is accruing that such educational experiences can raise students’ ethical awareness and sensitivity (Balotsky & Steingard, 2006; Murphy & Boatwright, 1994) and level of ethical reasoning (Singer, Arora, & Roselli, 2004), if not their ethical attitudes (Jewe, 2008).

In an effort to determine if company ethics training programs make a positive difference, Delaney and Sockell (1992) conducted a survey of over 1000 Columbia University Graduate School of Business alumni from the classes of 1953 through 1987. Their conclusion: “The results suggest that ethics training in firms has a positive effect. At a minimum, respondents exposed to ethics programs perceive that their firm treats moral dilemmas in a more sensitive way, and this may aid them in choosing what to do when they are faced with ethical dilemmas” (p. 719).

The results of a recent meta-analytic investigation of 25 business ethics instructional programs conducted by business schools and corporations are not as sanguine. “Overall, results indicate that business ethics instructional programs have a minimal impact on increasing outcomes related to ethical perceptions, behavior, or awareness” (Waples, Antes, Murphy, Connelly, & Mumford, 2009, p. 133). “However,” Waples et al. continue, “specific criteria, content, and methodological moderators of effectiveness shed light on potential recommendations for improving business ethics instruction” (2009, p. 133). Based on the results of their meta-analysis, Waples et al. provide the following suggestions for enhancing the effectiveness of corporate ethics training programs: “Standardized programs are best—potentially workshops and seminars. Organizational support and a developmental focus may also enhance learning outcomes. Shorter instructional periods appear to produce the best results. Case-based learning is most effective, along with a variety of additional learning activities” (p. 146). The two examples of ethics workshops described in Section III of this article embrace the suggestions of Waples et al. (2009). They also build on ideas drawn from the remaining sections of this literature review.

Structural Components of Effective Business Ethics Training Programs

Purposes

Knapp (2011, pp. 235-236) provides a comprehensive list of reasons often cited by employers as the primary purposes of ethics educational programs in business settings. He says the programs typically offered in industry are designed to:

- Comply with United States Sentencing Commission Guidelines and other compliance requirements
- Prevent illegal or undesirable conduct, thereby reducing risk
- Establish values and expectations of right conduct
- Familiarize employees with sources of guidance and relevant policies, such as a code of conduct
- Demonstrate the employer's commitment to its values and policies
- Sensitize employees to potential pitfalls before they encounter them in practice
- Heighten awareness of wrongdoing when it occurs in the workplace, thus making it more likely misconduct will be reported
- Develop critical thinking and moral reasoning skills
- Provide language and build competency for sustaining a workplace dialogue on conduct
- Establish clear performance standards for employee evaluation, rewards and disciplinary action
- Strengthen workplace trust and morale, as the best training is shown to reinforce shared values and equitable expectations
- Improve relationships with customers, suppliers, communities and other constituencies by ensuring that employees understand what contributes to, or detracts from, company reputation.

Goals

What should be the goals of an ethics training program for employees? LeClair and Ferrell (2000) provide a straightforward answer to this important question: "An effective program is organization-specific and takes advantage of self-regulatory incentives by developing ethical standards and appropriate communications, controls, and training to ensure employees and other agents understand and abide by these expectations" (p. 313). Kirrane (1990) argues that ethics training should (a) identify situations where ethical decision making is involved, (b) lead to a greater understanding of the culture and values of the organization, and (c) evaluate the impact of ethical decisions on the organization's well-being. Valentine and Fleischman (2004) suggest, "Such training should ideally teach individuals the ethical requirements of the organization, as well as how to recognize and react to common ethical problems experienced in the workplace" (p. 382).

Contents

What should an ethics program for employees contain? Contents should flow directly from the goals of the program, of course. Ferrell et al. (2011) provide a comprehensive menu from which to select relevant content: "Training can educate employees about the firm's policies and expectations, relevant laws and regulations, and general social standards. Training programs can make employees aware of available resources, support systems, and designated personnel who can assist them with ethical and legal advice. They can also empower employees to ask tough questions and make ethical decisions (p. 228). Weber (2007) conducted a thorough review of learning theory to glean some insights to guide designers of ethics training programs. His summary suggestions include: (1) Combine pedagogical approaches and use flexible physical settings to take into consideration various learning styles. (2) Leverage organizational influences, such as a statement of values and acceptable patterns of behavior within the organization. (3) Use group discussions, particularly among individuals at different levels of cognitive moral development. (4) Discuss real life situations, including business cases. (5) Integrate stakeholder analysis by considering viewpoints of stockholders, managers, peers, other employees, suppliers, customers, family, friends, industry groups, host communities, and other parties. (9) Assign participants an active role in designing the program. (10) Use inductive learning (learning by example).

Methods

With respect to training methods, LeClaire and Ferrell (2000) provide a strong case for the perspective that experiential training—including behavioral simulation—is a highly effective approach to ethics training. Knapp (2011) comments favorably about the benefits of experiential training: "Interactive training need not be dull conversation about law and regulation. After all, ethics encompasses some of the

liveliest issues that live and breathe within organizations. The best approaches encourage spirited dialog and use creative methods, such as role-play, that can even be entertaining” (pp. 239-240). From a pragmatic standpoint, Aguilar (1994) offers two important suggestions: (1) make certain any training materials and cases are clearly relevant to the audience, and (2) be sure all participants “are given ample opportunity to ask questions, challenge assertions, and generally to engage actively in the learning process” (p. 104).

Providers

Who is best suited to provide training in business ethics? Answers to this question vary widely, and are dependent on the purposes of the program, its content, and the skills of the personnel available to provide the training. Possible trainers include moral philosophers, religious leaders, prominent citizens who have a stellar reputation for ethics, members of the organization’s training staff, ethics officers, senior consultants, and company officers and senior executives. Lattal and Clark (2005) endorse the idea of using company managers as trainers, with the following caveat: “Depending on your role in the organization, it may be appropriate for you to conduct such workshops yourself after receiving training that would contribute to your own moral sensitivity and professional development” (p. 341).

No matter who is selected to lead the training, Weber (2007) believes—based on his review of relevant research in learning theory—there are some desirable traits that characterize effective trainers. He states, “Better facilitators” are effective at:

- (1) Encouraging participants to analyze and modify their views as a result of insights gained from others in group discussions;
- (2) Encouraging participant critical thinking and inquiry skills...;
- (3) Supporting development of participant self-confidence by encouraging small participant groups to be independent in managing their discussions and in arriving at conclusions, while simultaneously encouraging individual creativity;
- and (4) Establishing a timetable and stages along the inductive learning process, including a planned close and logical wrap-up, where participants are encouraged to help evaluate their own progress toward learning goals. (p. 66)

Business Ethics Faculty as Providers of Ethics Training

While meaningful ethics training programs for all employees within the organization can be led by a variety of professionals, this seems to be a natural role for business ethics professors, who typically possess the various skills described above by Weber (2007). Through the use of experiential and reflective learning (Sims & Sauser, 2011), business ethics professors can likely provide considerable value to employees and business leaders alike as those audiences seek to learn more about ethical behavior in business organizations. The present author has been involved in the process of providing ethics training to organizations in the public, private, and voluntary sectors for more than two decades. The next section of this article describes two specific examples of training programs the author has offered over the years and discusses each in terms of purpose, approach, and methodology. These two examples illustrate the conceptual framework described above being put into action.

EXAMPLES

While it is inarguable that an ethical workforce depends largely on good hiring, research and our own experience tell us that adults can continue to develop ethical competencies throughout their lifetimes. They can learn from their own mistakes and successes, from the examples and advice of others, and from training where they practice recognizing, analyzing and resolving ethical problems. (Knapp, 2011, p. 232)

A Professional Ethics Program for Municipal Employees

This first example describes an ethics training program developed about a decade ago for the City of Auburn, a thriving community of approximately 54,000 residents located in east central Alabama, USA. The City employs over 800 persons working in 13 departments. The City conducts a Citizen Survey every year to gauge citizen satisfaction with City services; the satisfaction figures remain uniformly high every year (thanks to the good work of the City's employees).

This ethics training program grew from a conversation between the author and the City's Human Resources (HR) Director. The HR director wanted to establish a short (two-hour) workshop on professional ethics that would be suitable for all City employees. The City has a good reputation for ethics and professionalism; the workshop was designed to maintain this reputation and build on it, *not* because there were any ethical problems the City was facing. The HR director was aware of the author's workshop facilitation skills and interest in professional ethics, and invited him to partner with the City to develop and lead a series of workshops that would enable as many as possible of the City's employees to participate.

A steering committee for the workshop was appointed representing senior employees from throughout the City. The author presented to this steering committee some introductory materials and sought their advice regarding relevant issues, examples, and methods that would appeal to the City's employees. Significantly, the members of the steering committee were asked to provide written examples of ethics issues they had faced, heard about, or observed during their career; these examples were then turned into a series of anonymous mini-case materials used in the workshop. (All of the copyrighted training materials for this and the second example may be found in Sauser, 2011). A 25-item City of Auburn Ethics Quiz was also prepared using items drawn directly from the City's personnel policy manual. To date over 600 City of Auburn employees have participated in this workshop, including the City Manager and all City department heads. It was most recently offered on 23 August 2011.

Each workshop session includes approximately 30 participants widely representative of the City's workforce in terms of age, gender, racial-ethnic identity, and departmental assignment. The participants are seated at small tables in a City training room designed to maximize participant interaction. The HR director or a member of his staff introduces each workshop, explaining to the participants that the workshop was designed with input from a representative committee of City employees. The author begins the workshop by soliciting discussion using a series of questions regarding the nature of professional ethics. Is 'ethics in public service' an oxymoron? Does 'professional ethics' represent an (impossible?) ideal, or perhaps a manifestation of a person's value system, or even a way of life? Is ethics something one can learn? How does each person's life experience influence his or her approach to professional ethics? These questions are explored in a manner that encourages participant expression of multiple perspectives, thus setting a tone of openness for later discussion.

Attention then shifts to an examination of various guidelines for professional behavior, including moral codes; professional association standards; the law; City policy, rules and regulations; societal norms; and personal values and beliefs. Three key ideas are then presented; they are described as the major 'takeaways' from the workshop: (1) Never use your public position for private gain. (2) Remember—the citizens are your employers, and they are always watching. (3) The perception of wrongdoing can be as damaging as actual wrongdoing. At this point the concept of 'an ethical challenge' is presented: An *ethical challenge* is defined as 'a situation with a potential course of action that, although offering potential personal benefit or gain, is also unethical in that it violates one or more of the standards for behavior we have just discussed.' A list of examples of typical ethical challenges is then presented, and specific actions relevant to the jobs represented among the participants are discussed. (For example, mixing 'dark water' with 'clear water' would be an example of the provision of an unsafe service by employees in Water Resource Management, as they readily recognize and point out.)

Attention then focuses on a brief discussion of unethical requests bosses sometimes make of subordinates—and how to handle them—followed by examples of rationalizations for unethical behavior—and how to identify and avoid them. After a short break the larger group is broken into small groups of five or six persons, and each group is assigned one of the mini-case scenarios mentioned above,

with instructions to read and discuss the scenario, identify the ethical issues involved, and decide what action would be appropriate to take. The results of the small group discussions are then shared with the larger group, and all participants are encouraged to join into the discussion. Alternative solutions are examined and the group typically reaches a clear consensus on how to handle the situation. (This allows group norms to be solidified.) During the discussion the author might change a fact or two about the scenario, and the participants are invited to describe how a change in facts might change the group-accepted normative response. Free discussion is encouraged during this portion of the workshop, and ideas flow readily from the group members.

When this discussion is concluded (and it typically takes a deliberate effort to close this lively discussion), a checklist for making ethical decisions, a list of double-check considerations, and suggestions for establishing a strong ethical culture are presented and discussed. The purpose of this discussion is to provide some tools to the workshop participants they can use when making their own ethical decisions. At this point in the workshop the City of Auburn Ethics Quiz is discussed as a group. While the answers to many of the questions on this quiz are obvious (thus reinforcing City policy), several of them—different items among different groups—engender considerable discussion. Alternative responses are presented and defended, and City policies are read and interpreted for the group. This helps participants realize that not all cases are ‘black and white,’ and that standards of reasonable judgment must prevail. The workshop ends with a restatement of the ‘three key ideas’ mentioned above, plus an admonition to ‘walk the talk’ by exhibiting professionalism no matter what one’s role within the City.

A Professional Ethics Program for University Administrative/Professional Employees

This second example shares some characteristics with the municipal program described above (on which it was based), but also has some unique features of its own. It grew from a conversation between the author and the Director of Human Resource Development (HRD) at Auburn University (located in Auburn, Alabama, USA). Auburn University offers a catalog of no-cost HRD programs to its employees every year so they may continue to grow professionally. The HRD director was aware of the author’s work with the City of Auburn and asked if a workshop on professional ethics suitable for University employees might also be developed. The resulting three-hour workshop is now offered almost every semester; it was most recently offered on 10 November 2011. The workshop is offered in a well-appointed training room near the University campus. The classes are typically smaller than those for the municipal workshop; the University workshop draws about eight to a dozen participants per offering, which allows more individual attention to each participant’s concerns and also promotes more interactive discussion among the group. While an occasional faculty member or staff member (hourly employee) participates in this course, it was designed primarily for the University’s Administrative/Professional employees.

This workshop is opened by exhibiting a list of private sector firms that have made news headlines by taking part in unethical activities; participants are then asked to create a list of similar examples from the field of higher education—and they are readily able to do so! The ‘three key ideas’ are then broached for discussion (note that Auburn University is a public institution): (1) Never use your university position for private gain. (2) Remember—the citizens are your employers, and they are always watching. (3) The perception of wrongdoing can be as damaging as actual wrongdoing. The guided discussion then shifts to the nature of ethical behavior and the standards that define ethical behavior for University administrators and professionals. The concept of an ‘ethical challenge’ is then defined, and a list of examples is displayed and discussed in the context of higher education; participants are invited to provide specific examples of each type of challenge (e.g., ‘playing favorites,’ ‘violating confidentiality,’ ‘participating in a cover-up’).

The workshop participants are then asked to form small groups (of five or six persons) and given the following assignment: “Share with your group members some ethical concerns/dilemmas you have faced. As a group, write a brief description of one or two ethical dilemmas your group would like discussed.” Participants are counseled not to ‘name names’ or violate any confidences; the purpose of this exercise is not to accuse members of the University community of wrong-doing, but rather to provide some ‘real life’

examples for the (same) groups to consider during a later exercise in the workshop. The author has learned from experience over the years that many of the participants who sign up for this workshop have ethical concerns they are eager to discuss with peers, and this portion of the workshop gives them the opportunity to address their concerns directly. Follow-up discussion with participants indicates these small group discussions are vigorous and stimulating to all involved, and every group has succeeded in identifying some meaningful issues for later discussion.

Following a short break the workshop reconvenes with an exposition on individual and organizational factors that affect the incidence of unethical behavior in any organization. Also presented is a list of ‘questionable things bosses say to subordinates’; these double-messages at best create doubt and at worst appear to endorse unethical actions on the part of employees. Supervisors are urged not to make such statements; employees are cautioned to seek clarity from any supervisor giving them such instructions. They are advised to make *certain* the supervisor is not asking for unethical action to be undertaken.

At this point in the workshop the participants are exhorted to show ethical leadership at the University by ‘walking the talk.’ Next an AU Ethics Quiz based on the University’s *Administrative & Professional Handbook* is administered individually, then discussed as a group. As with the municipal employee workshop described above, this portion of the University workshop typically engenders lively discussion, particularly when ‘what if?’ questions are posed by the author and other workshop participants. Again, this exercise reinforces group norms and University policies in a fun, engaging manner.

Attention then turns to a unique exercise particular to this group: a line-by-line discussion of *The Auburn Creed* (which may be accessed on the web at www.auburn.edu/main/auburn_creed.html). This creed, written by Dr. George Petrie—eminent historian, beloved professor, dean of the academic faculty...and Auburn’s first football coach (Jernigan, 2007)—is not an official policy statement of the University, but rather an aspirational guide intended to raise the level of moral behavior exhibited by all ‘Auburn men and women.’ *The Auburn Creed* is found in many offices and public gathering places around the University and is known far and wide by ‘Auburn people.’ What follows next is an invitation for workshop participants to consider—in their original small groups—the following question: “How would Auburn men and women, using *The Auburn Creed* as their ethical guide, respond to the ethical issues we identified in our small group discussions?” This sobering assignment typically prompts much discussion on the part of the small group members, and leads to some innovative applications of *The Auburn Creed* to issues relevant in the life and work of the workshop participants. As a ‘wrap up’ comment, the author reminds the workshop participants of the ‘three key ideas,’ then concludes the three-hour session with an admonition to ‘Go walk the talk!’

LESSONS LEARNED

“All experience is an arch to build upon.”—Henry Brooks Adams (Knowles, 2004, p. 2)

Having offered versions of these ethics training programs for professionals for most of the past decade, the author has learned some lessons along the way that are willingly shared with others who desire to rise to the challenge of empowering leaders to craft organizational cultures of character. These lessons are proffered as an effort to extend the suggestions made above on the basis of the literature review. Professors of business ethics are urged to consider the following ideas and to test them in their own programs of instruction, research, and practice:

- While face-to-face programs (like the two examples described above) may appear easy to deliver, it is very important to provide them in a highly professional manner. Mastering and using the facilitation skills described by Weber (2007) are essential when one is working with discerning professionals. Know how to manage time, foster meaningful group discussion that leads to shared insights, encourage critical thinking, and summarize important points gained through inductive learning. Be certain to explore multiple points of view, and allow positive group norms to become evident. Reinforce important organizational values (like those expressed in *The Auburn Creed*) whenever possible.

- To ensure relevance, use examples and materials that participants would encounter during the regular course of their work. Making use of an advisory committee of representative employees (as in the first example) is an excellent way to gather pertinent information and to test out ideas before they are brought up in the training environment.
- Mini-cases like those used in the first example typically engender lively discussion and are often remembered by program participants and shared with their peers. It is important to select case examples carefully, edit them for anonymity, and make certain they are discussed thoroughly from multiple perspectives. When there is disagreement within the group on how best to handle a case example, discover the reasons for this disagreement, explore them for insights, and see if a group consensus emerges over time. This is when many seasoned group participants with high levels of moral reasoning have (and take!) the opportunity to provide leadership to the group, thus setting a good example for others to follow.
- The ‘ethics quizzes’ used in the first and second examples have proven over time to be excellent tools for stimulating discussion and maintaining participant engagement. It takes time to review policies and create meaningful ‘ethics quizzes,’ but the resulting inductive learning makes the effort worthwhile. Employees are able to ‘refresh their memory’ about organizational policies (and, for some, to encounter them for the first time!) and see how the ‘black and white’ language of many policies needs to be tempered by interpretation and judgment.
- Having a cross-section of employees from the various functional divisions of the organization has proven very effective in the professional training programs the author has offered. Employees get to see things from others’ points of view, and to gain a better understanding of the ethical issues encountered across the organization. Having top and middle managers participating in these programs alongside the ‘rank and file’ sets a good example, demonstrating that this material is important enough to be considered by persons at all levels of the organization. It has been the author’s experience that the presence of members of the organization’s leadership team rarely stifles discussion; in fact, it often leads to a higher quality discussion of important ethical issues and provides an opportunity for leaders to set a high ethical tone for the organization.

A major underlying purpose of this article has been to stimulate discussion among business ethics professors, business leaders, and other interested persons about moral issues in business and ways to improve ethicality in business operations. What are the ‘best practices’ for teaching business ethics to professionals? To what extent does past experience and research provide useful guidance in designing effective training programs and courses? Are mini-cases and ‘ethics quizzes’ like those described herein truly useful devices for business ethics training? Who is best qualified to lead training programs in business ethics, and what skills are essential for effective workshop leadership? Is there an important role for business ethics professors beyond the classroom? Are programs like these truly effective in establishing *cultures of character*? Case studies like the two presented herein, in combination with the evidence accruing from empirical studies of corporate ethics training programs, has provided a solid base upon which to build. *Let the discussion begin!*

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