



Study and Facilitator's Guide

Includes Program Handouts

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COMPLIANCE IS JUST THE BEGINNING

FACILITATOR'S GUIDE

FOREWORD: WORKPLACE ETHICS – A CRISIS OF LEADERSHIP

In recent years there has been a confluence of painful, widely publicized situations, all caused by people making terrible ethical decisions in the workplace. The results have been devastating.

On the business side, some of the largest corporations in the United States have fallen victim to the belief that the ethical choices we make will somehow remain invisible. At communications giant Worldcom, senior executives were convicted of fraud, conspiracy, and lying to regulators. Global conglomerate Tyco's CEO was listed by BusinessWeek as one of America's top 25 managers before he was charged with looting his own company of \$600 million. Boeing's top executive was fired after a series of scandals involving military contracts. Adelphia, AOL Time-Warner, Arthur Andersen, Global Crossing, Halliburton and many more of the most powerful corporations in America found themselves on the front pages of newspapers around the world, accused of a wide range of offenses. Meanwhile, the name Enron – once considered one of the most innovative and successful energy companies in the world - has become synonymous with fraud, greed, and ethical misconduct at the highest levels.

Corporations haven't been the only institutions impacted by ethical scandals. The Majority Leader in the US House of Representatives was censured by his own Ethics Committee three times in one year. Sports organizations, from Olympic committees to professional and college leagues, have found themselves making headlines because of drug abuse, financial misconduct or other indications of a lack of sound ethical judgment. Even charitable and civic organizations have been rocked by a wide range of scandals.

The United States has not been alone in facing a flurry of embarrassing and painful ethical lapses. Government officials and corporate officers have recently faced serious charges of ethical misconduct in Canada, the UK, Japan, Australia, Italy, France – in fact it's hard to find a country where ethics scandals aren't part of the regular course of affairs.

In response laws have been passed, committees formed, and individuals prosecuted. People shake their heads and lament the lack of values in our most valued institutions. Employees look to the leadership in their organizations to provide clear guidance on how to improve the situation.

Part of the problem has been that as we enact more laws to define appropriate or "legal" behavior we distance people from decisions about what constitutes "right" conduct. As a result, we have begun to confuse "compliance" with "ethics" - we see compliance with the law as the goal, rather than the starting point of ethical decision-making.

These are the conditions that prompted us to create *Compliance is Just the Beginning*, a training resource to help people at all levels make better ethical decisions.

Human resource and training departments have a long history of playing a critical role in tackling difficult social issues at work. As sexual harassment became a major concern in the 1990's organizations mobilized their resources to provide guidance to employees about their rights and responsibilities. Policies were crafted and enforced, and conditions in most companies and agencies improved. The same has been true of discrimination and other diversity issues. These battles are not won, but there has been significant progress.

The same energy must now be applied to improving the ethical climate in our organizations. We can and must arm employees and managers with the tools they need to help them make better ethical judgments. The goal is not just to avoid embarrassment or penalties; it's to make our organizations stronger and more effective.

To support this effort, QMR has created a 2-part series. Program #1, **3 Steps to Ethical Decisions**, presents a clear process employees at any level can apply to help them work through difficult ethical decisions. In Program #2, **Ethical Situations to Consider**, we present 8 dramatizations of common workplace ethical challenges that employees can use to practice and test the *3 Steps* process. Many talented and insightful people have contributed to the creation of this training resource, and we thank them for their creativity, guidance and support.

We don't pretend that this series is a silver bullet. A training resource won't turn around the condition of ethical decision-making in any given workplace. It will take a sustained effort that includes clarifying organizational values and policies, clear and unequivocal enforcement of the highest ethical standards and, most importantly, leadership. We have seen the cost of inaction as retirement savings have been wiped out, careers ruined, and important institutions in our society weakened. It is too high a price to pay.

Your decision to introduce or expand ethics training in your organization is an important signal that you take this issue seriously. If we are going to have organizations that we can be proud of we need employees and managers who are aware of the values that underpin our decisions, a process to help them deal with difficult ethical choices and, most of all, we need leaders who are willing to step forward and show us the way.



Robert Rosell
President
QMR – The Respectful Workplace Company

INTRODUCTION

Ethics is a very sensitive topic. Some people assume that right and wrong choices are always clear: one should not lie, one should not steal, and one should not break promises. In their view, the only difficulty is having the courage to *make* the right choice. These people may follow a form of “absolute ethics.”

Other people will argue that right and wrong choices often depend on circumstances — who is involved, what their motives are and so forth. In their view, context and motivation are of primary consideration. They may be following a form of “relativist” or “situational” ethics. Still others confuse “ethics” with “legal compliance”. For them, if it’s legal it’s okay. They see compliance as the goal of ethics training, not the beginning.

Most people, however, do not think explicitly about workplace ethics until they or their organizations are in some kind of trouble. Perhaps they have always considered themselves “good people,” and suddenly they have crossed some line they didn’t see or didn’t even know existed. Now what?

The **premises** of this training series are the following:

(a) There is a general consensus in society about the place of ethics at work:

- Good ethics is good business. Most of us want to work for, buy products from, and associate with ethical organizations.
- Bad ethics is bad business. Not only can you end up in jail, but most people don’t want to work for, buy products from, or associate with unethical organizations.
- Fairness, Honesty, Integrity, and Respect are widely held workplace values.
- Most of us think we can recognize unethical behavior when we see it, even if we may not be able to articulate what it is abstractly.

(b) Unethical behavior appears to be on the rise and with it a concern among leaders in all kinds of organizations:

- High profile cases, such as the Enron scandal, have increasingly occupied the news in the last few years.
- In response, “ethics committees” and “ethics programs” have arisen in schools, businesses, and other organizations.
- Publications on “business ethics” or “organizational ethics” have proliferated.
- Government regulations have emerged in an effort to rebuild confidence in the ethical practices of our organizations.

(c) Creating effective guidelines for ethical decision-making is difficult, but imperative.

- Ethics largely remains a gray area charged with emotions.
- We work in diverse organizations with employees of many backgrounds who may not share common values.
- The risks that unethical practices present to these organizations make ethics an area that needs clear, intentional thinking.
- **It is possible and necessary for organizations to develop clear ethical guidelines.**

We believe that in spite of differences in fundamental beliefs or core values, people can learn to make ethical decisions that will not only keep them and their organizations from violating laws and suffering the consequences, but also make their companies more successful, their workplaces more stable and satisfying, and their employees happier and more productive. QMR has developed this training program, *Compliance is Just the Beginning*, to address this need.

HOW TO USE THIS MANUAL

The Facilitator's Manual is designed to help you adapt this training program to the needs of your organization. Its modular design offers wide flexibility; here we have organized the material into two versions: a longer, 3.5 – 4 hour workshop (L) and a shorter, 1.5 to 2 hour workshop (S), but you may configure the materials to suit your needs. We have also created additional, optional (O) materials and exercises that you may choose to use.

The Programs

Program One will introduce you to the fundamental approach of this two-part series. It will present *a three-step decision-making process* and offer clear guidelines for implementing each step. Program Two consists of eight scenarios representing different kinds of ethical decisions and dilemmas.

Both programs grapple with the gray areas, the really tough decisions, applying the 3 Steps *process* to situations that participants can actively discuss.

Preparation

View the video programs to see the “big picture” of how they are structured and how the content is presented. Determine the timeframe for the training you wish to deliver. Read this guide to understand the resources available to you. Select the training approach and activities that will best meet your organization's needs.

The **discussion questions** for participants are in **handouts** in the back of the guide. They are also available as PowerPoint slides. For facilitators these questions are accompanied, in a second column, by **notes** that may be helpful in leading the discussions.

Ground Rules

1. In order to encourage participants to be candid in their small group discussions, the facilitator will ask participants to respect each other by not interrupting someone who is contributing to the dialogue and by not demeaning what other participants say.
2. The facilitator should model this approach by letting participants speak without interruption and attempting to summarize their contributions faithfully on the white board or flip chart. The facilitator should also seek to get input from as many participants as possible.

What you will need:

- VHS or DVD player (stand alone or computer) and projector or television monitor
- Your company's guidelines for ethical behavior. Perhaps these are found in a statement of “values”, “vision”, “mission” or a “code of conduct.” You may find them featured in your New Employee manual. Perhaps their short form is posted in the main lobby, or the lunchroom. Maybe they are on your website. Please prepare them as a handout for participants in this training program. If your company has nothing in writing, consult with your legal department and senior management to prepare a short list of implicit or intuitive values that you think guide your company's ethical decisions.
- White board or flip chart and appropriate pens.
- Copies of Handouts from this Manual. You may also use the PowerPoint slide versions of these handouts.

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10	1a: What's ethics, anyway?	A	x	x		
11	1b: Our Code of Conduct	B		x		
12	▶ START video Run 17.5 minutes PAUSE at "What should Elena do?"		x	x		
12	1.1 Discussion					
12	From the Mouths of Babes	C		x		
13	The Road to Rationalization	D	x	x		
14	Game Show: "You Never Know!"	E	x	x		
15	Engage the Experts				x	
16	1.2 Core Workplace Values	F		x		
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18	1.3 The PROCESS	G	x	x		
19	Compliance Test: Investigate	H	x	x		
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Page	Contents of Program	Handout	Short	Long	Optional	√
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32	▶ RESUME		x	x		
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32	PAUSE Response/Comments			x		
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Page	Contents of Program	Handout	Short	Long	Optional	√
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34	PAUSE Response/Comments			x x		
<hr/>						
35	▶ START 2.4 The Price of Principles	Q	x	x		
35	PAUSE What should Renee do?		x	x		
35	Explore the Issues		x	x		
35	Employ the PROCESS		x	x		
36	▶ RESUME		x	x		
36	Engage the Experts			x		
36	PAUSE Response/Comments			x x		
<hr/>						
37	▶ START video 2.5 Copyrights & Copy Wrongs	R	x	x		
37	PAUSE What should Jan Do?		x	x		
37	Explore the Issues		x	x		
37	Employ the PROCESS		x	x		
38	▶ RESUME		x	x		
38	Engage the Experts			x		
38	PAUSE Response/Comments			x x		
<hr/>						
39	▶ START 2.6 Blowing the Whistle	S	x	x		
39	PAUSE What should Mark do?		x	x		
39	Explore the Issues		x	x		
39	Employ the PROCESS		x	x		
40	▶ RESUME		x	x		
40	Engage the Experts			x		
40	PAUSE Response/Comments			x x		
<hr/>						
41	▶ START 2.7 Conflict of Interest	T	x	x		
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Page	Contents of Program	Handout	Short	Long	Optional	√
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43	▶ START 2.8 A Token of Our Appreciation	U	x	x		
43	PAUSE What should Lonny do?		x	x		
43	Explore the Issues		x	x		
44	Employ the PROCESS		x	x		
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45	Engage the Experts			x		
45	PAUSE Response/Comments			x x		
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D	The Road to Rationalization	x	x		
E	Game Show: YOU NEVER KNOW!	x	x		
F	Four Core Workplace Values		x		
G	THE THREE-STEP PROCESS	x	x		
H	Step 1. The Compliance Test: INVESTIGATION	x	x		
I	Step 2. The Ripple Effect: EVALUATION	x	x		
J	No one will ever know		x		
K	Step 3. The Gut Check: REFLECTION	x	x		
L	The Story of Maria, Elena, and Victor: What Should Elena Do?	x	x		
M	The Story of Maria, Elena, and Victor: Now what Should Elena Do?	x	x		
N	Program 2 Scene 1: Playing With the Numbers What Should Phil Do?	x	x		
O	Program 2 Scene 2: A Little Business On the Side What Should Lee Do?	x	x		
P	Program 2 Scene 3: Paranoid or Vigilant What Should Maria and John Do?	x	x		
Q	Program 2 Scene 4: The Price of Principles What Should Renee Do?	x	x		
R	Program 2 Scene 5: Copyrights and Copy Wrongs What Should Jan Do?	x	x		
S	Program 2 Scene 6: Blowing the Whistle What Should Mark Do?	x	x		
T	Program 2 Scene 7: Conflicts of Interest What Should Min Do?	x	x		
U	Program 2 Scene 8: A Token of Our Appreciation What Should Lonny Do?	x	x		
V	One Thing Leads to Another			x	
W	Revise Your Organization's Ethical Guidelines			x	
X	Damage Control & Mission Control			x	
Y	When is it Plagiarism?			x	

Exercises before Screening the Video

PRE-SCREENING ACTIVITY: WHAT'S ETHICS, ANYWAY?

HANDOUT A

Discussion Questions	Facilitator Notes (suggested contributions; summarize them on the board)
1. What is ethics?	Webster: 2. a system of moral principles or values; 4. the rules or standards of conduct governing the conduct of a profession. Other? Our society's shared values that guide behavior in organizations. Cultural values that affect decision-making in business, law, medicine, and other professions.
2. What's an ethical dilemma?	Formally, it's a situation when either choice has some negative consequences. "Choosing the better of two evils." More informally, however, it's a tough situation where no decision is perfect.
3. What do we mean by an ethical or unethical decision?	A decision that has a legal or moral component, usually within an organization or community. A "right" or "wrong" decision involving a difficult choice. A decision that affects a lot of people in a good or bad way.
4. What do we mean by ethical behavior?	Behavior in conformity with legal and social norms. Behavior that is consistent with personal and community standards. Could be behavior that meets some higher, more absolute standard.
5. Are social and cultural norms sufficient guidelines to ethical behavior?	Sometimes, but not always. Until the U.S. civil rights movement of the 1950s, for example, racism was institutionalized. Organizations with leaders who wished to do the right thing had to make decisions that went against social norms.
6. What role do laws play in ethical behavior?	Laws provide rules that set a minimal standard for acceptable behavior and require compliance. They are just the beginning of the process of ethical decision-making.

Pre-screening Breakout Activity: How does your organization define ethical behavior?

Break the class into small groups of 3 to 4 people. Distribute your organization's ethics guidelines or values statement and ask the groups to discuss them for 5 minutes. Use the questions in Handout B. [This document may be long, too long for discussion. Perhaps just a section could be used, or even an opening paragraph or page. If your organization does not have anything in writing, please prepare a short list of implicit or intuitive values that you think guide your organization's ethical decisions.] A representative from each group should report back to the larger group. Plan to return to this at the end of the training.

Discussion Questions	Facilitator notes
<p>1. Have you ever seen this document? If so, when and where?</p>	<p>It may be widely distributed, or not at all. It may be a few bullet points, or a lengthy manual. It may consist, rather, simply of implicit principles intuitive to the organization's leadership.</p> <p>If you have a written policy it may be part of an employee training manual, but never pointed out by the person responsible for new employee orientation. Or it may have been among the first policies addressed. It's valuable to determine how familiar participants are with your ethics policies and documents.</p>
<p>2. When, why, and by whom do you think it was written?</p>	<p>The president? The HRM officer? A committee? It may be a document signed by the president or CEO, whether or not he/she wrote it. It may be a document that has existed for as long as anyone can remember. Or it may be something more recent, reflecting current concerns.</p>
<p>3. Do you think it is a clear, realistic set of values or guidelines for ethical behavior?</p>	<p>Often these documents are detailed manuals that attempt to cover every aspect of an employee's behavior. Typically, most employees do not read them. Or they may be very brief, even perfunctory. In the latter case, they may be strong, integral parts of the organization's culture, or may be given only the proverbial nod. (In Program One an Enron executive states that her company had a public list of ethical values but did not live by them at all.)</p> <p>Participants will have varied ideas about their effectiveness.</p>
<p>4. Are these guidelines part of your organization's culture? Does everyone know them?</p>	<p>It may be a perfectly good document, but has it become part of the culture? Is it integral to the life of the organization?</p>
<p>5. Have you used these guidelines in making a difficult ethical decision?</p>	<p>Is it used? Depending on their level of responsibilities, participants may have difficulty in answering this question.</p>
<p>6. If they are unrealistic or too complicated, what would you propose instead?</p>	<p>This can be only preliminary. At the end of the longer workshop, this can be addressed again as an optional exercise.</p>

PROGRAM ONE: 3 STEPS TO ETHICAL DECISIONS

FROM THE MOUTHS OF BABES
CHILDREN ON CHEATING

HANDOUT C

▶ **START VIDEO** — Run about 17.5 minutes.

|| **PAUSE VIDEO** at: “What Should Elena Do?”

(Longer Training)

Discussion Questions	Facilitator Notes
1. What question were the children asked?	“If someone tries to cheat on a test, by asking you for the answer, would you tell them?”
2. What did the younger children have to say about this kind of cheating? Did they come to a consensus?	Most said you’d get in trouble if you told someone the answer. Or you shouldn’t cheat because your teacher would get mad. One said cheating is wrong, another that she wouldn’t do it because you aren’t supposed to cheat.
3. What do you think about these responses from young children?	They are on the one hand legalistic — the reason not to cheat is that you’ll get in trouble. They assume that someone will find out. They also are clear and absolute e.g. “Cheating is wrong”.
4. What did the older children say about it?	One said it depended on who the person was and, what the situation was; the other said if she knew she wouldn’t get caught, she’d probably tell them the answer.
5. What do you think about these responses? How do they differ from those of the younger children?	They are “relativistic” or “situational” in ethical terms: the primary consideration is context, motivation.
6. Where do you think the children get these views?	Adults? Television? School? Friends?
7. What do you think they would say when they are older? What might have changed in their lives that would lead them to different answers?	They may be more cynical or more calculating. What has changed is that they have had experiences that have taught them to respond to ethical challenges differently.
8. Plagiarism (copying words or ideas into your own work without attributing them to their authors) is a huge problem in universities and even in newspaper and book publishing. Does this surprise you after hearing these children?	If teenage students already aren’t clear on what cheating is, how can we expect them to be different once they are in college? Or in the workplace?

Compliance is Just the Beginning

Handout Y

Supplementary Exercise: When is it Plagiarism?

Situations for Discussion:

1. You have been asked to prepare a background handbook for your organization on Ukraine. You find extensive materials on the Internet. When you copy sections into your document, you lose track of the URLs. You wonder if it really matters if you cite the sources. If it's on the Web, isn't it public domain?
2. You have been asked to write a book review for your organization's newsletter, with a deadline of only two days. To see what others have thought about the book, you look at online reviews and copy them into your document so you can read them later. You find yourself piecing together sentences and paragraphs from reviews you agree with. You haven't copied anyone's entire review.
3. You are developing a training program on equipment maintenance for internal use only by your organization. A friend from another organization offers to lend you the CDs from a commercial training program her organization recently purchased. It is excellent, and you wonder if it makes sense for you to waste time developing your own program when this is available. You can easily copy the CDs and use them. You do not intend to distribute them and certainly not to sell them.
4. You decide not to copy the CDs, but to develop your own slide presentation using the ideas from the CD. This will save you a lot of time.