



Leaders wanted

“Have the courage to say no. Have the courage to face the truth. Do the right thing because it is right. These are the magic keys to living your life with integrity.”

—W. Clement Stone

WE ARE IN A CRISIS. IT IS A CRISIS OF LEADERSHIP, and a crisis of morality. Have we as businesspeople lost our sense of right and wrong?

Recently, I was confronted by a situation at work where I was appalled to see a company cheat in order to win a project we were competing for. Our consulting firm had invested time and resources in an extensive proposal process for an engagement that would have impacted us on a grand scale. We were uniquely qualified for the project, having fine-tuned our services over years of experience, and we were excited to offer our expertise to a client organization that needed us. I found out that another firm took our proposal, copied our proprietary approach, our analysis of the client's business and how they might address new opportunities for growth, told the client it was their idea, and offered to do the same work at a lower price. I was appalled! How could they steal our work and repurpose it? Isn't that unethical? As leaders in our industry, how could they approve and employ such tactics?

We are in an ethical crisis. Our capitalist system, which depends on checks and balances, is being tested by corruption, greed and manipulation. Think for a moment of Enron, and how many people must have been complicit in the inflation of Enron's value. How many leaders encouraged cheating on the part of their employees? How many employees followed the example set at the top, believing that cheating is an acceptable way to get ahead? It seems that we are in the midst of an epidemic that impacts us all.

David Callahan, author of *The Cheating Culture*, believes we are creating a winner-take-all climate, in which it is becoming the norm to do whatever it takes to get ahead and stay there. Callahan describes our society as split into a “winning class” that has the power to cheat without fear of reprisal; and an “anxious class,” whose members

worry they will blow their chance for success by not cheating. Are we undermining our corporations through our willingness to cheat?

Callahan points out that many Americans feel a need to prove ourselves, even when we must sacrifice our integrity to do so. The author, who cofounded Demos, a New York public policy think tank, examined the conduct of corporate executives who brazenly cooked the books, perpetrating scandals at WorldCom, Enron and Arthur Andersen.

“One explanation is that their behavior is largely rational, because of outsized compensation packages linked to stock options, and the way one could pump up those prices by accounting,” notes Callahan. Other examples of rampant cheating include sports figures taking steroids, and the unbelievable 75% of college students who admit they have cheated to get ahead. In a recent article in the *Christian Science Monitor*, Callahan describes a disturbing conversation:

Honor, with its emphasis on doing the right thing for its own sake, is no match for the anxious cynicism of many college students. This point was driven home to me by a junior I met last year in North Carolina. Why not cheat, he argued, given how many of America's most successful people cut corners to get where they are? Cheating is how the real world works, he said. Look at the politicians who lie or the sluggers who take steroids, or the CEOs who cook the books. The student also pointed to the hurdles he faced as he tried to get ahead: high tuition costs, heavy student loans, low-paying jobs without benefits. America wasn't a fair place for kids like him, so it made sense to try to level the playing field by bending a few rules.¹

None of us is immune. We are all impacted by cheating, and the pressure to do so to achieve and maintain success in business. The recent unprecedented spate of corporate scandals has cost many Americans their retirement savings, their security and their peace of mind. From earnings manipulations to cost inflation to siphoning off money for private parties to stealing intellectual property, we have seen the worst kinds of crimes in business in the last six years. While we are

¹Christian Science Monitor, May 8, 2006.

