

# principle concerns

## How CEOs cope with real-life ethics issues

Our parents taught us, long ago, to always do the "right thing." But in business, the "right thing" sometimes changes based on whose interests we're serving. These CEOs share their toughest ethical decisions and how they used their moral compasses to guide them.

### LIFE AND DEATH

I faced a challenging ethical issue when I was vice president of operations for an oil field services company that had a remote location in northern Brazil. I happened to be visiting that location one morning when an accident occurred and a two-ton drill collar slid off a derrick and crushed a 19-year-old employee's leg. Employees were covered by a national health plan, so the injured man was sent to the local hospital, which was, so say the least, inadequate. A few days later, the onset of gangrene required that his leg be amputated. I was unable to rush our president to discuss the inherent risk of the local hospital performing the procedure, so I took it upon myself, exceeding my authority, to moderate the young man as a private hospital in Rio de Janeiro to have the surgery done at our

company's expense. The implications of this decision were concerning from the standpoint of the company but I believe those concerns sometimes are outweighed by what is morally necessary and right.



**ROGER NOWELL**, president and CEO, CeelLife Technologies, LLC

### SELF-JUDGMENT

I am routinely confronted with due a possible ethical quandary of utilizing questionable ways to secure payment from clients that may be viewed as unethical or taking advantage of a client who is in a vulnerable position. Questionable ways of securing a payment from a client are guaranteeing a result in a legal case, accepting a payment beyond the contracted amount if I win the case and entering into evidence testimony that could be factually false just to win the case. My response is always the same: "Would



a judge, jury or my wife and children approve of my behavior?" I always guide myself by acting in a manner that would not place me in negative light in my family first, then a judge or jury who may then be called upon to review my conduct. The choice to act ethically is always easy.

**RICHARD HARK**, principal, Hark & Hark

### QUESTIONING CLIENTS

While creating and managing custom-built software for our customers, the DBA Technologies staff has discovered ethically challenging correspondence and content. We have also been asked to develop and manage questionable computer software systems for our customers. As a business owner, in these situations, I am fairly sure that it is my duty to uphold our company's integrity and ethical standards, and my practice is to be frank, candid and transparent with our customers regarding ethical business practices. I simply state that DBA Technologies will only provide services that are ethically sound.

**DAVID BASSION**, president, DBA Technologies, LLC

### TRUE STORIES

I am often approached by prospects looking to tell their stories publicly. One of my many jobs as a CEO is to recognize the length to which a prospective client is willing to go to tell their story and how their ethical values align with Faria Rubel's core principles. I have come across companies willing to manipulate research data in order to make it appear that their products work better than they really do; I have met service providers who want to exaggerate their experience, the results they have gotten for their clients, and even

make promises that they cannot fulfill, and I have met people who would flatter me in the media when dealing with a crisis of epic proportions. Compromised honesty and lack of transparency are just bad business—business that we turn away without a second thought.

**GINA RUBEL**, president and CEO, Faria Rubel Communications, Inc.



### DEALING WITH REALITY

Every day, one's moral compass is tested. I've found it best to know what direction mine points before issues arise. I have worked as VP of finance and CFO for companies, as well as with the financials of current clients. When the question comes (and it almost certainly will, "Can't you just say that we made X dollars instead of Y dollars?") you have to already know how you'll answer the question. My answer: "No. What is presented here is reality. We have to deal with that reality and present it in the best light possible." Lying (or fudging) never gets you anywhere in the

long run. By deciding that you only operate above board before the issue arises it's ugly head, there is no decision where the problem actually arises.

**SANDRA CLITTER**, owner, SLC Consulting



### COMPLICATED DISMISSAL

The most difficult situation involved a friend we hired who ended up not being a good fit for his position. We hired him in a salaried sales position but needed to put him on full commission. It became quite clear that this might not be the business for him. We could have kept him on in the

commissioner position—he would not have made any money, but we would have had a few extra months of "fine" marketing. Ethically, we couldn't do this. We decided to let him stay in his salaried position while he found a new job that better fit his talents. In the long run, because we handled the situation with kindness, he referred us to his new employer who is now a valuable client. Had I been handled differently, we would have lost any potential business opportunities, and more importantly, a good friend.

**JANE MUNRO**, president, As You Wish Promotions, Inc.



### BEARING BAD NEWS

As a digital agency, we have often partnered with traditional agencies and other marketing partners to provide interactive services for their clients. We require direct access to the client so we can do the kind of job we need to do, bearing feedback about their business objectives and any obstacles we may need to overcome to deliver digital results. We have had occasions when the client attempts to work directly with us and cut out the partner in a misguided attempt to cut costs or cut out what they perceive to be a middle-man. In that uncomfortable circumstance, we have, without fail, promptly informed our partner. While this may have cost us some profits and dollars, it preserved for our agency and our staff the value of open relationships and reinforced the importance of such subject-matter expert's contribution to an overall success.

**ROBIN NEUFJEL D**, CEO, Netplus Marketing, Inc.

