

Obedience to the Unenforceable

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Back in the 1860s, when pickles and crackers came in barrels and preserved foods came in dark jars, a young boy raised horseradish in his parents' three-quarter acre garden and sold the surplus to his neighbors. Soon he began grating the horseradish and packing it with vinegar in clear glass bottles to show neighbors that his horseradish was not falsely diluted with chopped turnips. That boy was Henry John Heinz, and pure horseradish was the start of H. J. Heinz's *57 Varieties* food business.

In 1902, J. C. Penney opened a dry goods store in Kemmerer, Wyoming, and named it *The Golden Rule*. "Golden Rule principles are just as necessary for operating a business profitably as are trucks, typewriters, or twine," he said. One of Penney's applications of the Golden Rule was "to charge a fair profit for what we offer-and not all the traffic will bear." In less than five years his chain had 22 stores.

Heinz and Penney had a deep moral obligation to customers, as do professional management consultants today, judging by the codes of conduct that our professional associations and institutes publish. But how many of us can articulate such a commitment without referring to a sheet of paper? How many of us even have a sheet of paper with meaningful words written on it? If we cannot state our commitment to our consulting clients in a few well-chosen words, we do not have a commitment, we have a nice statement for public consumption.

Penney could recite his commitment in an instant. He used to wear a lapel button with the letters HCSC on it. They stood for "Honor, Confidence, Service, Cooperation," and they referred to the "Original Body of Doctrine" upon which the Penney chain was founded:

To serve the public as nearly as we can to its complete satisfaction.

To offer the best possible dollar's worth of quality and value.

To strive constantly for a high level of intelligent and helpful service.

To charge a fair profit-for what we offer, and not all the traffic will bear.

To apply this test to everything we do: Does it square with what is right and just?

It was natural for Penney to internalize his company's commitment to customers. It was based on values he had developed as a child. This commitment was also part of the fiber of the JC Penney family for generations. Not only did the general manager and sales clerks of each store understand the Penney doctrine, but so did their wives, husbands, and children.

Our management consulting associations and firms have their ethical codes. Many of their members commit to them annually by quickly signing a statement agreeing to abide by their code's provisions. I have done this myself, recognizing that this was the same code I had agreed to several years running and so just appending my signature. There was no need to read it; if it was valid when I joined, it must be valid still.

An interesting analogy came to mind. If a frequent error of omission in good consulting is failing to re-read the proposal or letter of agreement regularly throughout an engagement, perhaps another error of omission would be failing to re-read, at regular intervals, the ethical code I had endorsed. I needed to read the codes, not just annually but frequently, so that when faced with an ethical dilemma I would be fit to recognize and deal with it.

Ethical codes contain general statements we need to recognize where they have application and apply them correctly. We need to read the codes, understand what they mean, and experience them to achieve some sort of emotional bond with them. We may start with only a tacit knowledge of what is right, but through socialization of a concept be able to express our values explicitly in our own words. By experiencing what these values mean and how they apply to what we do, we can internalize them-make these codes a part of our *modus operandi*.

Some years ago, an international nonprofit organization asked me to do a review of its headquarters organization. After a week of work, I discovered that two other consultants had performed the same type of review two and four years prior. Their findings and recommendations were the same. I concluded that my recommendations would be essentially the same as well. Management, unchanged during this period, had not acted on either consultant's recommendations. There was nothing to indicate they would act on mine. What value, therefore, was I bringing to the client? Was this not an ethical dilemma?

My early mentors taught me that "If our involvement is not likely to benefit the client, then we will not accept the assignment." With regard to the nonprofit organization, my first instinct was to double my efforts, thus giving my client value in the form of a convincing and thorough report of the organization's condition. Had I not internalized "If my involvement is not likely to benefit the client, then we will not accept the assignment," it might not have occurred to me to revisit this ethical principle. I discussed my observations with the client and, satisfying myself that I had been retained for the wrong reasons, withdrew from the assignment.

Penney's fifth doctrine, "Does it square with what is right and just?" is particularly challenging. What is right and just? Is it merely abiding by the laws of our countries? The attitude "If it's legal, it's okay to do it" has little to do with ethical behavior. There is a higher law, one that we impose upon ourselves.

Rushworth Kidder, founder and chairman of The Institute for Global Ethics, says the best definition of ethics he has found is "obedience to the unenforceable." The expression comes from an essay written by Lord Moulton and published in 1924 in *The Atlantic*. Moulton said there are three great domains of human action. Positive law is at one end, and free choice is at the other. Obedience to the unenforceable—"the obedience of a man to that which he cannot be forced to obey but where he is the enforcer of the law upon himself"—is in between.

Jim Robison, former CEO of Indian Head Mills, reached the plane higher than ordinary law. Radio commentator Charles Osgood once reported that his father had worked at Indian Head Mills and was always impressed with Robison. Osgood said that Robison "never wanted to get the better of anyone in a business deal. If both parties didn't benefit from the deal, he didn't want to do it."

In 1953, Robison issued an unusually forthright company policy on integrity. He told us that he wrote this policy when a supplier reneged on an agreement with Indian Head. Robison wanted to make sure his organization understood they did not play by those same rules. This is what he sent us:

Integrity

There is one basic policy to which there will never be an exception made by anyone, anywhere, in any activity owned and operated by Indian Head. That policy is:

Play it straight, whether in contact with the public, stockholders, customers, suppliers, employees, or any other individuals or groups. The only right way to deal with people is forthrightly and honestly.

If any mistakes are made admit and correct them. Our commitments will be honored, and we have the right to expect the same performance from those people with whom we do business.

This is fundamental. We will not welsh, weasel, chisel, or cheat. We will not be party to any untruths, half truths, or unfair distortions. Life is too short. It is perfectly possible to make a decent living without any compromise with integrity.

Aside from giving us an unequivocal, no nonsense statement of appropriate behavior, Robison's policy also included our responsibility "to the public, stockholders, customers, suppliers, employees, or any other individuals or groups"—that is, *everybody*. We cannot maintain a double standard. How can we instill a sense of what is right and just in our professional staffs if we do not do what is right and just ourselves? How can we expect suppliers to do what is right and just in dealing with their customers (us) if we do not treat them in a way that is right and just?

It is good that our consulting firms and professional associations give us codes of ethics. But that is only a start. If we are to reach and maintain a high standard of professionalism in the eyes of the public, each of us needs to create his or her own personal guide for professional conduct, one that goes beyond the institutional codes, one that reflects our inner values. We need to review this guide regularly and know it so well we can express it concisely and practice its provisions consistently. Only then will we have a basis for obedience to the unenforceable.

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