RELIGION

Journal of the KSR



Vol. 23

No. 2

Feb. 1986

Basing Good Business on Good Ethics

Building a Code of Ethics

by Cliff C. Jones

A successful executive who is active in religion, Cliff Jones fuses applied religion and business acumen. He is at home in relating religion to the business world.

Jones is chairman of Jones and Babson of Kansas City; formerly he was chairman of the board and chief executive of R.B. Jones Corporation, a national insurance brokerage firm. He is a Princeton graduate.

Jones' record of civic and community service is long and impressive. It includes being president of the Chamber of Commerce of Greater Kansas City; president of the Kansas City Civic Council; president of the National Association of Casualty and Surety Agents, Washington; chairman of the Salvation Army Board; trustee of the William Rockhill Nelson Gallery, and member of the Advisory Council, Kansas University Medical Center.

By permission of Abingdon Press, we reprint chapter five of his recent book, Winning Through Integrity.

There can be no final truth in ethics . . . until the last man has had his experience and said his say.

William James

s William James, the American psychologist and philosopher, said, ethics and morals do indeed change over time. As an example, when my mother was a girl at the turn of the century, her parents would not permit her to have a date after sundown without a chaperone. What a drastic change from today's morality!

Most of us use the terms ethics and morals interchangeably. Basically, they mean the same. The word morals comes from the Latin word mores meaning "custom"; ethics comes from the Greek word ethicke, which also means "custom."

There is a subtle difference between those two words, however. A code of ethics most generally refers to a business or profession. A moral code, on the other hand, usually has to do with personal conduct. We say that Mary Jones is a very moral person meaning that she is good in character and conduct. We might refer to her husband, Bill, as an ethical lawyer because of his high professional standards in his legal practice. It would sound just a little strange to reverse those terms, especially describing Bill as a moral lawyer.

Ethics, unlike morals, can be changed instantly by the stroke of a pen. Take the ethics of the legal profession: before 1978 it was both unethical and illegal for a lawyer to advertise for clients. A lawyer doing so certainly could not belong to the American Bar Association. Subsequently, the Supreme Court and then various states amended the law to permit advertising within certain restraints. Suddenly, it was ethical within limits for a lawyer to run ads in newspapers or to appear on TV.

Morals, on the other hand, change slowly in a society. Such change often is accompanied by great trauma. As an illustration, let's go back to Mary and Bill Jones for a moment. We said that Mary is a moral person and bill an ethical lawyer. But suppose Bill and Mary are not married and are living together in a commonlaw arrangement. We know what the Bible says about that sort of thing and, therefore, many would question whether they could be considered moral persons. But if Bill continued to conduct his law practice on the same high level, he, no doubt, would retain his ethical reputation.

Now as to the trauma involved in this, if you are the parent of a daughter who insists that some of your moral standards are outdated and that her moral code is going to be quite different, then you will agree there often are shock, dismay and frustration associated with changing morals.

Sometimes in social gatherings the conversation lags. The next time you are searching for something to say to an interesting dinner companion, you might ask, "Can an ethical person in business be immoral in his or her personal life?" For my own part, I would say quite possibly.

Then, just to keep things going, ask the next question. "Can a moral person in his or her personal life be unethical in business dealings?" Not as likely, I would say.

Although there is no clear-cut distinction between these two words, when we use them we know what we mean. Usually, there is no misunderstanding of the terms.

However, a misunderstanding can lead to unintended results. Some years ago, coming home from Europe on the S.S. Rotterdam, I met a charming fellow, a lawyer named Ronald Sanders from a Southeastern city. As a prominent attorney, Sanders sometimes advised other lawyers who asked for his help.

One afternoon he received a telephone call from a young prosecuting attorney he knew. This young man was handling a case involving a farm girl who had accused the defendant of rape. The trial was the very next morning, and the inexperienced prosecutor was feeling somewhat panicky.

My friend, Sanders, agreed to meet with him. He said, "If you and the plaintiff," whom I'll just call Daisy May, "will come

to my office in an hour, I'll go over the case with you and we'll stay there as late as necessary to get you prepared."

When the lawyer and Daisy May arrived, Sanders soon realized he had a problem. Daisy May used crude, earthy language to describe what had happened to her. Finally he had to say, "Now look, Daisy May, tomorrow you're going to be in a dignified court of law and you must not say those words when you have to tell about this incident. Instead, I want you to use the words, sexual intercourse, and nothing else." Sanders had her practice using those words until finally he was satisfied she would not slip.

arly the next morning they met in court, and the prosecutor led Daisy May through her testimony. To Sanders' delight she was letter-perfect. She never slipped once. Sanders felt confident.

Then it was the defense attorney's turn to cross-examine her. His opening question was, "Daisy May, when did you first learn about sexual intercourse?"

Quick as a flash she replied, "Last night in Mr. Sanders' office."

It had to be explained to Daisy May why everyone was laughing so hard and the judge declared a recess. She had completely misunderstood the question.

I will guess that you have read the Bible. You may, in fact, have established a daily reading habit. Even so, unless you have guidance, you may not clearly understand the scriptural message regarding business ethics. I know I didn't until I completed six semesters of graduate work in religious studies. What follows is distilled from lecture notes taken and books read in those various courses.

Those who have majored in philosophy know that traditionally philosophers have asked the question, "What is man's chief good?" This is an abstract concept. Biblical ethics, on the other hand, is more concerned with "What is the *right* thing for a man to do in any given situation?"

For the Hebrews, God, or Jehovah, was not a metaphysical entity whose existence could be debated; rather, they saw him as the instigating force behind all actual worldly events.

The ethical code in the Bible is characterized by its practicality. It concentrates on those acts that affect one's neighbor. The books of Leviticus and Deuteronomy are full of admonitions of this sort. They range from the proper treatment of creditors, the poor, the wife of a neighbor, to even the stranger who was in their midst.

It is not so much the abstruse ideal of love, but how love should be acted out toward others, not so much the ideal of truth, but truthfulness toward others.

"You shall not steal, nor deal falsely, nor lie to one another. . . . The wages of a hired servant shall not remain with you all night. . . . You shall not curse the deaf or put a stumbling block before the blind. . . . You shall have just balances, just weights. . . . And you shall observe all my statutes and all my ordinances, and do them: I am the Lord" (Leviticus 19:11, 13, 14, 36, 37).

As you can see there is great emphasis upon justice. "Justice, and only justice, you shall follow" (Deuteronomy 16:20). The code demands that you determine what is the just thing to do for all involved. The present-day Four-way test of Rotary International reads very much in this vein. It says in part, "Will (my action) be fair to all concerned? Will it be beneficial to all concerned?"

Jesus, in his time, and Paul, a little later, infused fresh inspiration into the older code. Our ethics and actions are now to be based, they said, on what God has already given us. Think of God's love, his forgiveness and mercy; also, keep in mind the material possessions and good health that are ours. These come from God. Therefore, according to the New Testament, ethical conduct should not deny such blessings to others. We do this in business and in our personal lives not just

to win God's favor, but in rejoicing, because he has already given them to us—in most cases abundantly.

Let's see how appreciation for God's gifts fits into a modern business code of ethics. His love, forgiveness and mercy can be considered together. If an employer is aware of God's love for all of his children, he will not deny an advancement to an employee because of race, color, sex or creed. He will do his best to rid himself of all prejudices in order to deal fairly with those under his supervision.

The ethical code in the Bible is characterized by its practicality. It concentrates on those acts that affect one's neighbor.

Such an employer or manager will not manage by fear techniques, but more along the lines of McGregor's Theory Y or the Japanese Quality Circles idea. Thus he will be able to foster positive feedback up and down the chain of command, increasing both the morale and the productivity of his people.

It has been charged that there is much plotting to get even with others in the business world—the idea of revenge against someone. Actually, I have seen very little of this. I believe I observed about as much in my three years in academia as I did in 30 years of competitive business.

But we do know that the number of lawsuits is increasing, and more and more plaintiffs are asking for punitive awards. Such awards are meant to punish the defendant by seeking additional damages from him as a means of revenge. Unless you hark back to the very early and primitive "an eye for an eye and a tooth for a tooth" ethics, it is difficult to reconcile many of these lawsuits with the forgiveness and mercy of God.

I do like the story of President Lincoln who once overruled the death sentence given to a very young soldier who had fled from his first encounter with the enemy. In his official pardon of the lad, Lincoln wrote, "I have observed that it does not do a boy much good to shoot him."

Firmness and discipline are necessary, yes—but always tempered with the love, forgiveness and mercy that God continually extends to us. There is an old saying, "God's gifts to you can be blocked by the refusal to pass them on to others"

God has favored most Americans with housing and food far beyond the reach of all but the very rich in other countries and in former centuries. Most of mankind over the ages has lived in hovels and eaten food that would appall us. The income of the average United States wage-earner today is the envy of the workers in nearly every other country.

What has this to do with business ethics? Well, just go back to the days when mining operations were in isolated areas, far away from any towns. Company-owned stores were set up, and miners' families had to buy their food and clothing there because there were no other stores. In those days the temptation was great for some companies to charge unconscionable prices for their goods. This practice denied to the miners all but a subsistence living level.

A comparable situation today would be a slumlord—the owner of an apartment in the inner city who does not maintain his property. The rent is as high as he can get, and yet he does not replace a faltering and dangerous furnace or repair a leaking roof. He takes the tenants' money but puts back as little as possible into maintenance and service.

The overpricing of goods and services neglects the ethics of gratitude for what God has already abundantly given. There are moral as well as economic consequences to many business decisions.

Our high standard of living has also accorded us longer

lives and singularly improved health services. Imagine, if you can, what an operation or an amputation would have been like without the blessing of anesthesia. Even something as undramatic as a simple headache must have temporarily devastated people before the discovery of aspirin! We are indeed fortunate to be living in today's world.

Following the same line of ethical reasoning, most manufacturers of everything from toys and machines to drugs and good products will not knowingly release any item that jeopardizes the safety or health of a user. In appreciation for their own good health, even an economic loss is preferable to risking the lives of others.

ow I happen to believe that American business is ethically managed. I don't believe that the occasional newspaper story of some sensationally corrupt executive reflects accurately life in America or in American business. Corruption is and always has been a part of our world. So have inefficiency, laziness and sloppy bookkeeping. But I do not share the cynical disillusionment of those who might say, "Ethical behavior is a good idea, but only for those that I'm dealing with." Top executives, in my experience, are very bright men and women. They know, along with industrial psychologists, that the best fuel to drive any organization is a strong moral commitment by the chief executive officer.

In his pedantic book, *The Functions of the Executive*, Chester I. Barnard describes this sort of commitment as "the aspect of leadership we commonly imply in the word *responsibility*, the quality that gives dependability and determination to human conduct, and foresight and ideality to purpose."

Barnard continues, "Without leadership in this supreme sense, the inherent difficulties often cannot be overcome even for short periods."

Terrence E. Deal and Allen A. Kennedy also discuss the economic importance of moral values. They say in *Corporate Cultures: The Rites and Rituals of Corporate Life* that the values of a business, which they term its culture, can make or break corporate strategy. They add that it is the leader who gives that culture its quality.

It is not so much the abstruse ideal of love, but how love should be acted out toward others, not so much the ideal of truth, but truthfulness toward others.

A national bestseller is Thomas J. Peters and Robert H. Waterman, Jr.'s book, *In Search of Excellence*. In a discussion of organizational values, they say with admirable insight, "Values are clear; they are acted out minute by minute and decade by decade by the top brass; and they are well understood deep in the companies' ranks."

Business ethics courses, interestingly enough, have proliferated in our colleges. A Bentley College survey in 1982 found 317 schools with business ethics classes, about five times as many as in 1973.

Smart people realize that ethical sensitivity is not just good for the soul; it is also extremely good business. We,all like to deal with an ethical salesman or an ethical firm. Trust builds sales volume. It gives that individual or that company a decided edge over competitors.

Okay. Assuming you agree on the desirability of a first-rate ethical code, how do you go about constructing one? There are four steps you might consider:

 Resolve that the time taken to do this is worthwhile and will be beneficial to you. The Harvard psychologist, A.M. Nicholi, Jr. has said, "The first aspect of a healthy mind comprises a sound, consistent conscience with well defined moral precepts."

2. Has your interest or curiosity been aroused by the mentioning of biblical ethics? If so, in addition to Leviticus and Deuteronomy, especially reread the book of Proverbs. Write down God's instructions that you feel could apply to your life in today's world. Then, read from the New Testament, particularly Jesus' Sermon on the Mount in Matthew 5, 6 and 7. List his important directives. Do you see any modifications of what you wrote down previously?

Firmness and discipline are necessary, yes—but always tempered with love, forgiveness and mercy that God continually extends to us. There is an old saying, 'God's gifts to you can be blocked by the refusal to pass them on to others.'

- **3.** Ronald C. Wade, a managing partner in the accounting firm of Arthur Anderson & Co., gives a helpful tip. He says he sometimes inserts his own name where he comes across an ethical statement in the Bible. For example, he reads Proverbs 24:17 as "Do not rejoice, Ron, when your enemy falls, and let not your heart be glad when he stumbles." This personalizes the imperative of the passage and brings the point of it home to him in a forceful way. You might try this as you formulate your own code.
- 4. Now you are ready to put all of this in some order. One suggestion is that your code have two parts—one, a list of those things you will do, and two, a list of things you will not do.

In the first tabulation put such statements as, "I will handle each customer's account with professional competence and imagination, considering his interests as though I were in his place" (The Golden Rule).

Or if you are in management, you might have something like, "I will place my personal integrity and that of my people ahead of my keen desire to increase profits" (Mark 8:36 KJV: "For what shall it profit a man, if he shall gain the whole world, and lose his own soul?").

The second list will contain statements of what you will *not* do: "I will not lie; I will not cheat," et cetera (the Ten Commandments sort of prohibitions). Then consider your particular situation. In my case, I have had a long-standing rule concerning customers that I neither like nor respect. If I believe them to be honest, I'll certainly do business with them and I'll even entertain them if necessary. But, I will not invite them into my home to meet my wife.

I did break this rule one time in what was truly a case of desperation. I had not been married very long when the head of our firm called me to his office. He told me that a most important client from a distant city would be in town that night. It seemed that none of our senior executives was available to have dinner with this man who controlled a large account. So he assigned me to the task.

ight after work, I proudly picked this man up at his hotel and took him to one of the city's best restaurants. We passed a delightful couple of hours, and I was congratulating myself on doing a great job for the firm when without warning, he asked a blunt question that caused my bubble to burst. As he lit up an after-dinner cigar, he looked hard at me and said, "When do we get the girls?"

For a moment I was speechless as I tried to think fast. This was totally unexpected, and I decided to be candid about that.

I told him that the thought had not entered my mind. I confessed that I had not the foggiest notion of where to obtain a call girl or prostitute for him. But realizing that my response could lose this account, I came up with what turned out to be a darn good solution.

During dinner he had mentioned that he liked to sing. Luckily, I had remembered that. Quickly I said, "Mr. Blank, you said you liked to sing. Well, I have a little bride at home who is a musician. She can play the piano by ear so well I'll bet you can't think of a song she can't play."

"Let's go see," he said and off we went.

I alerted my wife, and when we arrived there was more food and drink awaiting us. She played, and we three sang for what seemed like hours. He had a rotten voice, but he thoroughly enjoyed himself. So much so, in fact, that on future trips to our city, he never again mentioned girls but only coming to my house to sing. Fortunately, I have a wife who not only will put up with that sort of inconvenience, but she actually enters into it with enthusiasm. I went against one of my ethical rules, it is true, but I think it probably was the right thing to do.

Now that you have written out your personal code of ethics, you are in an enviable position. If you will set these rules of conduct so firmly in your mind that they even extend down into the subconscious, then you really do have an advantage over many others. Let me explain.

ore than ten years ago, my executive vice president gave me an eloquently written statement of ethics and morality. It was on a plain sheet of bond paper with no clues as to who had written it. He had discovered it among some old papers. Since then I have tried to locate its source. Even reference librarians, those persistent souls, have been unable to track it down. Here it is, slightly shortened. If you know who wrote it, I would certainly like to have that information.

"Anyone . . . who has strong convictions about the rights and wrongs of . . . morality, has a very great advantage in times of strain, since his instincts on what to do are clear and immediate. Lacking such a framework or moral conviction of what is right and what is wrong, he is forced to lean almost entirely upon his mental possessions; he adds up the pluses and minuses of any question and comes up with a conclusion. Under normal conditions, when he is not tired or frustrated, this pragmatic approach should

successfully bring him out on the right side of the question. What worries me are the conclusions that such an individual may reach when he is tired, angry, frustrated or emotionally affected."

That statement is about the best summation I can imagine on the value of a code of ethics.

Sports writers have often referred to Tom Watson as the greatest golfer in the world. He has won nearly every major golf tournament at least once and many of them several times. Fame and fortune have not spoiled him. He is respected as well as admired by all who have followed his outstanding career.

Smart people realize that ethical sensitivity is not just good for the soul; it is also extremely good business.

Both his skill and integrity were evident at an early age. He had his heart set on becoming a champion. He also had his personal code of honor firmly in mind. In the first state tournament that he ever entered, he put his putter down behind his ball on one of the greens. To his dismay, the ball moved slightly. No one saw it. Of that he was certain. He was under great pressure to win, and there was no time whatever to add up the pluses and minuses of the alternatives. But he knew without hesitation what he must do; he went over to an official and said, "My ball moved." That action cost him a stroke, and he lost the hole. Tom Watson placed his personal integrity ahead of his keen desire to win.

Happily, as it turned out, he did succeed in winning the match. He came back to win that particular state tournament three more times. He has gone on to win world championships, fame, international renown, and he lives a truly happy life with an unblemished conscience.

As Jesus so truly promised, "But seek first (God's) kingdom and his righteousness, and all these things shall be yours as well" (Matthew 6:33).

from WINNING THROUGH INTEGRITY, copyright ©1985 by Abingdon Press, used by permission

KSR Names 1985-86 Scholars

Scholarship aid to KU religion students is one of the services funded by the Kansas School of Religion. Student recipients are identified as KSR Scholars.

This year's KSR Scholars are:

Robert C. Burnett, Topeka Senior
Pamela A. Detrixhe, Atchison Sophomore
Sharyl McMillian, De Soto Graduate
Timothy Murphy, Wichita Graduate
Georgia Rider, Lawrence Graduate

The Kansas School of Religion does not discriminate on the basis of race, color, sex, national or ethnic origin in the administration of its educational, scholarship and other school-administered programs.

Essay Deadline March 15 'Religion and the Nuclear Age'

"Religion and the Nuclear Age" is the theme for this year's high school essay competition. Essays from students are judged at two levels: 1) the county competition, processed by the clergy association in that county, and 2) the state contest, judged by the KSR from the county winners. Prizes will be awarded to the winners; the state winner will receive \$300.

While the county associations are setting their own schedules, the state entries are due in Lawrence March 15, according to Stitt Robinson, president of the Board of Trustees.

Responses from participants are coming in earlier this year than they did last year.

Drinan to Lecture April 15, 16 Religion, Politics and Public Policy

Robert F. Drinan, S.J., Professor of Law at Georgetown University, will deliver the 1986 KSR lectures April 15 and 16. Having served in the U.S. House of Representatives from 1971 to 1981, Fr. Drinan brings to his lectures a distinctive competence in relating religion, law and politics. The title of his principal address Tuesday evening will be "Church-State Problems That May Emerge Before the Year 2000."

This would review the present controversies about equal access in the public schools, the possibility of tuition tax credits for church-related schools, the political implications of those who seek to recriminalize abortion and the overall implications of the views on nuclear war issued by the U.S. Catholic Bishops and the endorsement of their document by the National Council of Churches.

Ordained a Jesuit priest in 1953, he took the S.T.D. from Gregorian University, Rome. His law degree, LL.M, was earned at Georgetown. He was admitted to the bar in 1950. In Congress he served on the House committees on the Judiciary, Internal Security, and Government Operations.

Fr. Drinan's extensive service includes former president of Americans for Democratic Action; a director of Bread for the World; NAACP Legal Defense Educational Fund member; founder of Lawyers Alliance for Nuclear Arms Control; and founder of National Interreligious Task Force on Soviet Jews.

Professor Drinan's many publications include Beyond the Nuclear Freeze, 1983; Vietnam & Armegeddon, 1970; and Democracy, Dissent, and Disorder, 1969. He serves on the Editorial Council of the "Journal of Church & State."

Drinan will speak in three open meetings to which the public is invited: April 15, 6:00 at the Kansas School of Religion banquet in the Adams Alumni Center (reservations in advance); 8:00 at the Kansas Union, and April 16, 12:30 at Smith Hall.

More information is available from the KSR 913-843-7257.



Robert F. Drinan will deliver the annual KSR lectures.

New Board of Governors Formed

Particularly concerned with relating the KSR to the Kansas business community, the Board of Governors is beginning its work with strategy meetings. Created by the Board of Trustees which continues as in the past, the New Board of Governors is charting its course in specific funding projects.

Initial members of the new group are:

Clyde Burnside, Jr.

Great Bend

Jeff Flora

Kansas City, Mo.

The Hon. Nancy Kassebaum

Washington, D.C.

Virginia Docking Rice

Kansas City, Kan.

Lynn Schwartzkopf

Hutchinson Larned

Glee S. Smith

Larned

Clifford Stone

El Dorado

Gordon Stull

Pratt

L. Franklin Taylor

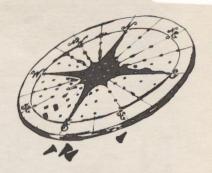
Overland Park

What Is a Traverse Log?

We have been asked to describe again the meaning of Traverse Log. Essentially, a traverse log is a comment on where we have been. In former centuries the old sailing vessels carried an implement by that name which aided navigation.

The one displayed on the Mayflower II is a little board with a compass drawn on it. Lines of the cardinal points extend in each direction far enough to accommodate eight holes, one to represent each of the eight half hours of a sea watch. The helmsman put a peg in a hole to record the direction he had steered that half hour. Thus the navigator could calculate from this graphic report where the ship had sailed during a four-hour watch. By dead reckoning he could know where in the world he was.

Traverse Log



No one religious group dominates America. And Americans are religious: 90 percent of them say they believe in God; three-fourths of them pray daily; 41 percent attend religious services each week. A Gallup poll found the United States to be more religious than any other industrialized country. The largest of the 219 official bodies that make up religious America, the Catholic, is still only a little over a fifth of the population.

It does not require someone with the black belt in theology, then, to see that the absence of a dominant denominational delegation at the national holy smorgasbord is a reason supporting tolerance. The observation points us to a more essential religious truth—pray and let pray; it's the phrase for today.

This phrase reacts to a couple of tempting religious major-league activities that are suspect. One of the big temptations develops from the human facility for pointing out intolerance in somebody else. Many times intolerance is hijacked on the chalkboard under the cognitive disguise of study. There is not much difference in the effluvium of a tub of rerouted limburger and the dictum, "Come unto me and learn, for I can tell you."

America is a large tent; it covers various value systems. It has respectful room for the banners of the Moral Majority, the Muslims, fundamentalists, Amish who do not wear buttons and bishops who wear mitres. Tolerance is under that big top.

The other suspicious notion touches the temptation to make personal religion public. Since no one group is remotely inclusive of everybody, a ready vacancy is waiting. Martin Marty refers to certain religious groups (and the media) as having pushed religion "back to where it actually locates in human history: in the very public realm." The problem lies in doing such with one's personal faith.

The truth of this matter is: religion is escorted into usefulness by the personal pronoun "my"; have some, it is great. But there is no such entity as religion in general. The attempt to make "my" religion the American faith leaves most of the population standing by like a flock of oyster shuckers at a cattle drive. This flippant use of the "my" should be burned on a pyre of holy bumper stickers.

So we arrive back at the old question, "Can two walk together unless they agree?" They can.

A viable society, indeed, rests on respect of disagreement. In fact, successful peace is not set upon a base of agreement. Success lies in maintaining a fellowship where personal differences are not resolved. If there is such a thing as American religion, its distinction may well be: pray and let pray!

RELIGION

(USPS 460-280)
Kansas School of Religion, 1300
Oread, The University of Kansas,
Lawrence, Kansas 66045.
Editor, Lynn Taylor
Editorial Coordinator,
Beth Copeland
Address Correction Requested