

Integrity In Management

By Dennis AuBuchon

In today's fast paced business world, sometimes important ideals — such as integrity — are forgotten by individuals and company management. A commonly accepted definition of integrity is: adherence to a code of especially moral or artistic values or incorruptibility. Data integrity, truthfulness and character are also qualities that need to be present to have integrity. And the key to establishing and maintaining respect in your company is to ensure that integrity is present in everyone who works for your organization especially management.

Integrity and Business Ethics

The connection between integrity and business ethics is simple: Both concepts involve honesty, character, truthfulness and a strict moral code.

An example of the connection between business ethics and integrity involves the strict enforcement of company principles and policies. Without enforcement of the rules in an organization, they become meaningless. If what a company says is not what it does, that can and does result in a loss of prestige in the public perception.

However, part of business ethics involves using information generated to arrive at an honest conclusion. Yet people in business sometimes use data to see the perspective they want — even when the facts do not support their conclusion. Business ethics requires drawing a conclusion based on the information, not on what we want the data to say. The importance of this point cannot be taken lightly.

Enron, Worldcom, Tyco and others showed lack of integrity, leading to a loss in prestige and a lack of trust in corporate America. These situations resulted in bankruptcy, employee/shareholder losses, public disgrace, personal lawsuits and felony convictions. People are more suspicious of information they see today and companies must earn their trust with examples of hon-

esty, character, truthfulness and respect. If corporate management would embrace integrity, it will eventually have a positive affect on the public perception of business operations today. This can only help to secure not only the future of our companies, but also our jobs. People want to do business with a company that has integrity and is honest with its customers.

A successful business operates within an atmosphere of honesty, integrity and character. It is important for a company to project these traits and prove that the policies and methods they use to operate the company have integrity and are ethical. Ethics involves being honest and providing leadership to the people and exhibiting the qualities that project a person or company to have integrity. And individuals at all levels must know that integrity and ethics in their work is required. Management must project and exhibit integrity and ethics in their words and their actions.

Honesty

Honesty is important in today's society and, as witnessed in news reports, is sorely lacking.

Management of any company must be open and honest with the public and their employees. If not honest, they'll lose the respect of their employees and the public. Further, this honesty must be displayed in their actions, not just their words. Many people, not just management, create the perception of saying one thing, but doing something else. Because of this, statements should be documented for future verification if problems arise.

Management has a responsibility to back their words with actions. If management makes a statement, which must later be changed based on new information, they should explain the reason for the change. Employees have the right to expect management to be honest with them and management has a right to expect honesty from their employees. It is a two-way street.

Data Integrity

Management must make sure data generated under their responsibility is honest, accurate and reliable.

Companies create much data today that makes it to the public through reports or the Internet. People must feel that information they receive from the company is truthful and complete. If not, it can affect decisions people make about their lives and family. This can range from buying stock in the company to buying company products or services. If the information turns out to be inaccurate and incomplete, people will lack the confidence and willingness to do future business with the company. Therefore, a company that transmits unreliable data will be hurt in future dealings as the inaccuracies will eventually be revealed.

It is management's responsibility to place people with integrity in charge of such things as financial reports and customer service. When errors are discovered, management must make things right. People should be held accountable for their actions and management must ensure that the root cause of inaccurate data is corrected and/or personnel are removed from their positions as warranted. However, management should not arbitrarily fire someone because of his or her position. When false information occurs, the person actually creating the false data or information should either be fired, if it is proven that it was done with intent, or be retrained if errors in training exist.

In an effort to lay blame for an act, management must not speed up the effort to determine the responsible person. Management must properly identify the cause. The public wants answers when things happen, but they want honest answers and corrections made where systems have failed.

The adage goes, "honesty is the best policy." This is a good statement, but sometimes the policy of an organization dictates

that certain information not be made public. When the management of an organization is faced with either following company rules or being completely honest they must weigh the possibility that withholding information affecting decisions made by others may eventually hurt the company or organization. The true facts eventually surface and a company who is placed in this situation loses far more than they gain.

The image of a company in this situation becomes tarnished and is hard to overcome in the public perception. If a company is truly honest with its employees and the public, it is much more favorably perceived and normally will have a better profit margin. In some cases, this situation can cause a person to become a whistle blower. However, we must be sure that the person making the claims can prove them. If the facts are proven or management knows the statements to be true, then actions should be taken by appropriate personnel within a company to rectify the problem and take preventive measures so it doesn't happen again.

The connection between honesty and truthfulness is that if a person or company is believed to be honest, it can be validated through documentation or proof in the data.

Truthfulness

Truthfulness is the attribute of consistently telling the truth and can be verified by documentation.

A company and its employees must be truthful with the public. When it is not the case, the organization will usually suffer through reduced profits or may cease to exist. By not exhibiting documentation of being honest, a company and its management will create a public perception they do not want. If a company is not being truthful, the actions eventually will be discovered and the reputation of the company, its management and employees will suffer. People respect individuals and organizations

that are truthful in their operations, especially in today's environment of corporate scandals. A company that is above board in its operations will be successful in today's economy. This is especially true if it has a product or service needed by the public. If a company exhibits truthfulness and its competitors do not, then the public is more likely to trust an honest company over one which has not proven itself.

Character

Good character is something that management must exhibit if they and their company are to be successful.

Character is the set of qualities or features that distinguish a person, group or thing from another. Character involves not only being truthful, but also following the integrity principles established as an individual, group or organization. The character of individuals within a company will reflect on the operations of the company and the public perception of it. Management must also exhibit good character in their decision-making process. This should be a result of making the right decisions based on information, not on a pre-determined position.

People can earn a reputation by their association with other individuals. If management and the individuals that fill these positions associate themselves with people considered to have good character qualities, then they at least have an initial perception of good character. This must be substantiated by actions, not words. We also tend to learn from people with which we associate. As we learn from these associations, we must put into action what we learn and thereby improve our character qualities.

We all can learn from each other, including the employees that may be under our supervision. Management must ensure that an avenue exists for employees to communicate and become a part of improving the company procedures or operations. This

can demonstrate good character if proper credit is given to the source of changes. It may also increase the trust and respect between management and employees.

Respect

Respect is a feeling or attitude of admiration and deference toward somebody or something. Having respect is a willingness to show consideration or appreciation. As a manager within a company, a person can exhibit character by maintaining an atmosphere of respect. Management should show respect so their company can earn respect. When management earns the respect from their employees they may find that people work harder to meet their responsibilities. If management does not have respect, efforts should be made to earn it. There are two kinds of respect:

Respect for Position

Respect for a position is something that should be present in every position of authority. Society should show respect for a position irrespective of the individual holding that position. Positions at various levels of management in private industry and government should be respected because of what they represent, such as president of a company or President of the United States.

Respect for Individual

Individuals do not have a right to respect — it must be earned. Respect must be earned as a result of our actions and decisions guided by integrity and its characteristics. [Note: Discussion of these characteristics is limited in this article, but sources providing additional information on the subject of integrity are listed below, including the author's book, *Integrity: Do You Have It?*]

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Certified Quality Manager Exam Undergoing Five Year BOK Review

This is a very exciting time for the Certified Quality Manager exam!

This summer at ASQ, QMD Exam Chair JD Marhefko and Exam Liaison Traci Markgraf have begun the review process of the Certified Quality Manager exam. More than 10 hiring authorities of quality managers representing a variety of industries in North America were interviewed for their perspectives on how they believe the responsibilities of the Quality Manager position has evolved. Their input was used at a Job Analysis (JA) workshop held in August with a different group of hiring authorities of quality managers. The JA team reviewed the input, added some of their own, then began revising the Body of Knowledge (BOK) to better represent what is expected from its professional Managers today.

After the BOK is finalized, the Exam Committee will write any new Test Specifications in November and then perform an Item Writing workshop in February. If you're a Certified Quality Manager, and you would be willing to participate in this evolution of the Manager exam, then please advise Mary Martin of ASQ (MMartin@ASQ.org) who will forward your information to Traci Markgraf. Please note that about 30 - 40 Certified Quality Managers participate in the workshops each year.

Your Involvement Is Crucial

Over the past three years, we have had over a hundred Certified Quality Managers participate and assist in these development workshops. Without these key professionals, the high caliber of the Manager certification would be at risk. Upcoming Manager workshops include a Constructive Response workshop in October and March, and an Exam Review in December. Please let the committee know via Mary Martin if you'd like to participate. The workshops are held on Fridays and Saturdays and expenses are reimbursed. All professionals who participate in these workshops receive two RUs of credit towards recertification.

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If a person stands up for their beliefs, refuses to change their principles and is not affected by pressures to take inappropriate actions to change outcomes, they deserve to be respected. Companies want and need people who earn respect not only from their employees, but also from the public. It would project a better image of the company as a whole and help to improve the bottom line as those individuals deal with the public.

Conclusion

The integrity of management is a key ingredient in today's economy. Management must exhibit integrity not only in words, but also in actions. Management has a responsibility to assure that tasks under its control or jurisdiction are being accomplished with integrity. If management does not assure data being presented to the public is accurate, then it will affect the public perception of the company they represent.

More on Integrity

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Dennis AulBuchon worked for the government more than 35 years and had various positions including functional leader, audit team leader and facilitator. He is the Region 9 Quality Audit Division Connector. He is author of a book titled, Integrity: Do You Have It, available at universe.com. AulBuchon can be contacted at dabuchon@cinci.rr.com.