

# Setting the “Gold Standard”

## Greater Omaha Alliance for Business Ethics

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Subject: Business and Society

Article Type: Transcript from Symposium Speech

I'm here to talk about what we are doing in the Omaha community about business ethics. We have a model that is unlike any other model in the nation. There are about 22 business ethics networking groups across the nation. But our work is more comprehensive than anyone else's. And as far as I can tell, nobody has the CEO investment that we have. Let me take some time to tell you about what we are doing. Please feel free to ask questions as I go along, but also there will be time for questions and answers at the end.

We are the Business Ethics Alliance, and our mission is to lead in building a climate of ethical excellence throughout our Omaha business community. The relationship between a business community and individual businesses is analogous to the relationship between a forest and the trees. A forest is strong when the individual trees are strong. So, too, a business community is strong when its individual businesses are strong. So we care about individual businesses but primarily because our purpose and our mission is to bring ethical excellence to our whole business community. We are what we call a “city-level business ethics education group.”

Our vision is to use the Business Ethics Alliance to make Greater Omaha a beacon of business ethics excellence for other cities across the nation and the world. Think about a thriving city like Des Moines. We would love to collaborate with you in order to help create a business ethics alliance in your community.

The Business Ethics Alliance, as an organization, has core values. Our core values are integrity, community, practicality, inclusivity, and collegiality.

Our strategic intent is to build profitable businesses and great cities through practical business ethics. There are numerous business ethics centers across the country that deliver business ethics but they are not like us. They are think tanks that deliver research. We deliver practical ethics tools and skills for people, businesses and cities to implement.

Omaha has been ranked for many different things. In 2011, it was ranked by Kiplinger for being one of the ten best value cities in the nation. It has been ranked in Forbes as one of America's most affordable cities. It has also been ranked in MarketWatch as the second best city for doing business, and it is also rated the fifth best city for young

professionals. Our idea is for Omaha to be ranked as one of the best cities for doing business because it has an ethical business climate.

The Business Ethics Alliance is a not-for-profit. We are a stand-alone 501c3. We did that purposely. We are housed at Creighton University, but we are a collaboration between the College of Business, the Better Business Bureau, the Greater Omaha Chamber of Commerce, and the whole business community. We did not want to send the message that a not-for-profit, like Creighton University, is doing something to the business community. We specifically decided to be a stand-alone 501c3 in order to send the message that we have all come together to say, "We care about ethics. What need to create a kind of safety net across the whole business in order to support ethical business practices."

The Better Business Bureau and the Greater Omaha Chamber have been strong partners since the very beginning. We started to discuss our alliance concept about ten years ago. We asked business leaders, "What would you like to see happen in Omaha?" And then six years ago we incorporated and became a 501c3. But the Better Business Bureau and the Greater Omaha Chamber have been essential to what we've done. We have strong participation in our programs because of our partnership.

At the Business Ethics Alliance we have created something called the "Ethical Legacy Project." The Ethical Legacy Project is a statement of the core values that we use in our business community and want to leave as a legacy for our future generations. Just as individual companies have their own unique core values, we think that each community has its own core values. We think that doing business in Omaha is different from doing business in Des Moines, New York City, El Paso, et cetera. So we embark upon a process for identifying and articulating our core values. We solicited input from business leaders, on the one hand, to young professionals, on the other. We found that Omaha has five core values, namely, accountability, community responsibility, financial vitality, integrity, and moral courage. I would personally like to say that moral courage is an emerging value. There are some issues that are hard for us to stand up and talk about in Omaha. So I say that moral courage is an emerging value, but integrity is a value that is solid. Community responsibility is one of the strong values in Omaha, too. As an indication of this last value, think of the CEO participation we have at our programs. CEOs attend our programs in a way you wouldn't find in a place like, let's say, New York. This is partly due to the size of our community, but partly because of the CEO investment in the community. Community responsibility is really strong for us, as I would bet my bottom dollar it is in Des Moines as well.

Using the plant metaphor again, the Ethical Legacy Project is like the trunk of our tree. All of our programs grow from it. We have taken the core values and we have blasted them through programs and projects that we have created at the Alliance.

Someone in the previous presentation talked about it being the case that you have to have bring intentionality to ethics throughout the whole community - from kids to senior executives. Indeed, that's what we have done.

We use another metaphor in the Business Ethics Alliance – the metaphor of a web. We like to say that a business community is analogous to a web of relationships. The Business Ethics Alliance has created business ethics engagement and conversation nodes on that web. We start with the senior executives, the tone at the top. We have an

executive breakfast for them. You have to be an owner, president, CEO, chair, etc. in order to get into the room. Of course, we hold it at our tallest building, First National Bank Tower in Omaha. People love coming up into the clouds to have conversations specifically about the issues that CEOs and other C-level people have to address.

Last year we had 274 senior executives participate in this particular program. We had Jim Delany, the Big Ten Commissioner, shared stories about sports and ethics. Reuben Mark former CEO of Colgate Palmolive talked about his company's international ethics and compliance program. Matthew Williams, head of the National Banking Association, discussed banking and ethics. This year, Kathleen Edmunds, Senior Ethics and Compliance Officer for Best Buy, described their ethics program. She was fabulous. We have a large turnout and on average we have about 80-90 CEOs come to each executive breakfast.

Since we have a community-wide program, we want the big gorillas like the Fortune 500s and 100s as well as the little monkeys like the mom and pops companies to participate. So we have the guy who runs Midwest Woodworkers, with five employees, in the room with the owner of First National Bank. They talk to each other and they realize that ethics matters all the way from the small businesses to the medium size to the large and they support each other in the cause. This is what we do for Omaha executives.

Our second program is for ethics and compliance officers, middle-managers and vice-presidents. This is a networking luncheon series that we have at least three times a year. Last year we had Janyne Peek Emsick, who runs a company called Integrow, lead an interactive session about leadership and ethics. We also had a panel of people talking about a business ethics case from various perspectives. We saw how legal, HR, and marketing see the ethics of a case from different perspectives and how they would address it from their different roles in the organization. Lastly, we had had a discussion about the ethics of sales.

We had about 250 participants in our networking luncheons in 2011. We usually have about 80-90 people at each event. But at the last one we had in 2012 there were 166 people. We had to tear down a wall in order to get everybody in. So what I'm trying to say is that the word is getting out more and more about the programs that we deliver. And people are taking what they learn back to their firms so there is tremendous impact. I get emails all the time from employees who have come to our luncheons telling me about what they are talking about at work or implemented because they came to our luncheons.

Our third program is for small and medium size businesses. Let me give a little background. There was a birth of the business ethics industry in 1991 after the Federal Sentencing Guidelines for Organizations was established. The consultants came out of the woodwork and said, "Hey, let's not only do leadership and TQM, etc. Let's do ethics programs and training, too." But who did the consultants sell their services to? They did not go to small and medium size businesses because these firms do not have the deep pockets. They went to the big businesses. And the medium to small sized businesses were left in the cold.

So we have a specific program to help small and medium sized organizations. It is called our Toolkit Workshop Series. We walk companies through the different aspects of an

organizational ethics programs including doing an ethics assessment, writing a code of ethics, communicating ethics, creating an ethics reporting mechanisms, et cetera. Our Toolkit Workshop Series is a relatively inexpensive program. It cost \$250. We have a basic toolkit on our website for anybody to use for free, and it is in Spanish too. But our Toolkit Workshop Series allows small and medium size organizations to come together, face-to-face, to collaborate, share ideas, and talk about what works for them and what does not.

In 2011, we had over 40 attendees from about 30 different organizations attend our Toolkit Workshop Series. We are excited because some of these organizations have gone on to win a BBB Integrity Award because of the work that they've done on ethics and compliance in their companies. Examples are Merchant Credit Adjusters, General Service Bureau, Woodmen of the World Life Insurance and AA Windows and Doors.

Our fourth program is called the Dialogue Series: Mind Candy. It is for the whole business community, all the way from students and young professionals to executives. It is held at Gallup. We have a panel of local business people who talk only for about five minutes. We don't give them a lot of time because it is not a panel presentation. It is literally a dialogue where the audiences get the chance to talk about current issues in business ethics with each other and the panelists. We pull topics from the local paper that are important and relevant. For example, this fall during this election season we talked about politics, business and ethics. It was a wonderful conversation where young people got a chance to hear business executives' explanations about why some of them have rules about not talking about politics in the workplace. And then young people got to say, "Wait a second. Where's my freedom? I don't think that your rules should override my freedom." It is always a lively discussion and once again, it is a city-wide discussion. In addition, the Omaha World-Herald, our local newspaper, usually writes a story about our Dialogues and more conversations flow from that. So because of Business Ethics Alliance programs, there are more public conversations about business ethics in our community than there has ever been before.

Fifth, we have an initiative for our young professionals. One of the things we do is go into larger organizations and help them arrange executive panels to talk to their young professionals groups. We pick one of the core values of the Omaha Business Community. One of the most intriguing values is moral courage. It is important for the executives to get a chance to say, "We really mean it when we say step up and talk to us. There is a hotline for you to do that. But we want you to talk to your supervisors first. I stepped up and showed moral courage when I was young, and I crashed and burned. This is why it didn't work." or "I stepped up and I showed my moral courage and this is how it worked and why." The young professionals need to hear these kinds of stories from the executives in order to build their business characters.

Another program we have for young professionals is called Speed Ethics. We get about 20 executives from across the business community together and pair them with 20 young professionals from across the community, and once again, they talk about the core values of the Omaha business community. We give each pair five minutes to talk then we blow a whistle – the executives stay where they are, but the young professionals move to the next executive. The young professionals usually get the chance to talk to about 10 executives in an hour. You can see the benefit of this. The young professionals hear from executives that ethics matters. They also get a chance to sit with the powers that be in Omaha, get their cards, and then the young professionals

can call the executives later on and do the networking that really helps them with job opportunities. We always try to do a couple of different things when it comes to our programs, not only ethics but networking too. In 2011, we touched 900 young professionals with our Young Professionals Initiative.

Sixth, we have a program for college students. Last year, we partnered with the Better Business Bureau who brought Harry Markopolos to town to talk about Bernie Madoff. College students from across the metro area were invited to learn about whistle blowing. This year College of Business students at Creighton are working on an Honor Code for the college.

Seventh, we have an initiative for K-12. One of the things we have done is bring groups of kids who participate in after-school programs into businesses to learn about the core values of the Omaha business community. The first program we did of this nature was about the concept of integrity. It was a two-hour program where groups of about 30 kids from Boys' and Girls' Club were taken into Woodmen of the World. They did a pretest that showed their understanding of integrity. Then, at Woodmen, they got to hear the CEO talk about how important integrity is. They got to go to the cafeteria and eat great food. They got to hang in the big chairs in the board room and twirl around. After the program, the students did a post-test about their understanding of integrity. The assessments showed that students had an extreme learning experience about employability, integrity and ethics matters.

We also have held an ethics conference, an Ethicscon, in the last couple of years as part of our K-12 initiative. Joe Cavanaugh from Youth Frontiers was our keynote speaker at our Ethicscon in 2011. Every year we have grown the ethics conference. It is delivered to the learning community to help them learn what each of nonprofit and school is doing to educate our kids on ethics. We have found in Omaha that there are many ethics programs delivered in our schools and nonprofits. The problem is that no one knows what someone else is doing. So the Ethicscon is the clearinghouse for that information, for the learning community to get together and learn about what each other is doing.

Last but not least, we have a program for entrepreneurs. Jim Clifton at Gallup wrote a book last year on *The Coming Jobs War*. His point was that entrepreneurs in United States create more jobs than anybody else. We think it is important for all the entrepreneurs across the community to understand that ethics is part of what they do. So we have partnered with Gallup to deliver ethics training in their Entrepreneur Acceleration System program. We've touched hundreds of entrepreneurs across Omaha as well as the whole state of Nebraska.

So there you go. I have described the programs and initiatives that have enabled strong business ethics engagement in our Omaha web of relationships. Now let me tell you a little bit about our organizational structure. We have a governing board that has the legal responsibility for the Business Ethics Alliance. But we have a bit of a nontraditional structure in that we also have a Trustees group. This is a group of CEOs, owners, chairs, etc. who have stepped up to say, "Yes, ethics matters to us as much as profitability. We are going to be your ambassadors, your visionaries and your counsels for profits through integrity. We want a strong ethical climate in our business community." Currently, we have 190 Trustees. They have agreed to come to our programs and send their employees to our programs. But we also have a special annual meeting just for them. We have had President Fox from Mexico speak about ethics, the

free market system and democracy. Last year we had Walter Scott, who used to run Kiewit Corporations and is on the Forbes list as one of the most successful business people in the United States, talk to us about integrity. I cannot stress enough about how important this ethical tone-at-the-top, through C-level Trustees involvement, is to the ethics of our business community.

Overall, last year, we touched around 4,500 people, about 500 companies and quite possibly tens of thousands of family members in Omaha and across Nebraska through our work at the Business Ethics Alliance. Business ethics engagement is our legacy. Business ethics engagement is our impact.

Now, in order to get across the world, we have something called Beacon of Ethics Awards. We do not want to duplicate what our Better Business Bureau does so nicely with their Integrity Awards, but we do want to honor global leaders who are beacons of ethics, have come to town and experienced our work. So we have done that. Last year we beaconsed several people. We beaconsed Marshall Carter, CEO of the New York Stock Exchange Group. Madeleine Albright was beaconsed. Mary Robinson, the former president of Ireland, was given a Beacon Award. Patricia Werhane started the discipline of business ethics back in the 1960s and she was beaconsed. Reuben Mark was beaconsed. Again, all of these people came to Omaha, and you can see the two sides here. They learn about the Business Ethics Alliance and the power of what we are doing in our community. Then they go back to their communities and spread the word about what we're doing in Omaha, Nebraska.

I would like to end by reminding you of our website at [http:// businessethicsalliance.org](http://businessethicsalliance.org). Last year we had about 7,000 hits on our website. Go to the website and see the kinds of materials we deliver. You can also register to be on our database and be reminded of upcoming programs.

Please spread the word about the Business Ethics Alliance. Talk to us about whether you would like us to come to Des Moines or elsewhere to help you start a Business Ethics Alliance. Let's work together at the city level to extend this business ethics initiative across the nation and the world. Thank you very much.