

# Ethics Matter!

## Advice for Public Managers



**ICMA, the International City/County Management Association**, advances professional local government through leadership, management, innovation, and ethics. ICMA provides member support; publications; data and information; peer and results-oriented assistance; and training and professional development to more than 11,000 city, town, and county experts and other individuals and organizations throughout the world. The management decisions made by ICMA's members affect millions of individuals living in thousands of communities, from small villages and towns to large metropolitan areas.

***Public Management (PM) Magazine*** aims to inspire innovation, inform decision making, connect leading-edge thinking to everyday challenges, and serve ICMA members and local governments worldwide in the pursuit of excellence in local government.



Articles in this publication were originally published in *Public Management (PM) Magazine*.

Copyright © 2018 International City/County Management Association, 777 North Capitol Street, N.E., Suite 500, Washington, D.C. 20002. All rights reserved, including rights of reproduction and use in any form or by any means, including the making of copies by any photographic process or by any electronic or mechanical device, printed or written or oral, or recording for sound or visual reproduction, or for use in any knowledge or retrieval system or device, unless permission in writing is obtained from the copyright owner.

Item number: e-44110

ISBN: 978-0-87326-433-4

To locate other ICMA print and digital publications, please visit [icma.org/publications-research](https://icma.org/publications-research).

# Contents

<b>Introduction</b>	4
<b>New Job: Getting Off on the Right Foot</b>	5
Navigating the Job Search Process   Martha Perego	6
Getting Compensation Right (Ethically Speaking, That Is)   Martha Perego	9
Things to Consider When First Impressions Are Often Lasting Ones   Martha Perego	12
You Want Respect, So Show It, Too   Martha Perego	15
<b>Avoiding Ethical Crises</b>	18
Making Ethical Choices: Is There an App for That?   Martha Perego	19
Guard Against Ethical Missteps   Kevin Duggan	22
See Something, Say Something: Why Reporting Wrongdoing Is Essential   Martha Perego	25
Why You Can't Rely on Your Attorney . . . to Keep You out of Ethics Trouble   Kevin Duggan	28
Gifts and Gratuities   Martha Perego	31
<b>Managing Crises When the Worst Happens</b>	34
Ethics Disaster Preparedness: Are You Ready? What's Your Game Plan?   Martha Perego	35
Managing Mistakes: How to Avoid Turning Errors into Ethical Crises   Kevin Duggan	38
Responding to an Ethical Crisis   Kevin Duggan	41
<b>Ethical Leadership</b>	44
A Leader's Three Levels of Ethical Responsibility   Kevin Duggan	45
Embracing Ethics Now: Reasons Why Many Delay Training Until It's Too Late   Kevin Duggan	48
The Fundamental Connection: Ethical Conduct Is Key to Effective Leadership   Kevin Duggan	51
The Duty of Candor: Is Honesty a Sliding Scale?   Martha Perego	54
<b>Navigating Challenges on the Job</b>	57
But That's My Job!   Martha Perego	58
Upstream Challenges: When the Ethical Dilemma Involves Your Elected Official   Martha Perego	60
<b>A Final Thought</b>	63
Tenet 13: Don't Be Stupid   Martha Perego	64



# Introduction

At the heart of the local government management profession is the ICMA Code of Ethics, adopted in 1924. By upholding the principles set forth in the Code, ICMA members build trust with the public they serve, as well as the trust of their staffs and elected officials.

This book presents a collection of columns from ***Ethics Matter!***—a feature that appears in each issue of ICMA’s *Public Management (PM)* magazine. Written by Martha Perego and Kevin Duggan, these columns provide practical advice to help public managers make ethical choices for themselves and instill an ethical culture in their organizations.

The advice in this book will help you:

- Conduct yourself ethically as you explore, negotiate, and begin a new position
- Keep yourself and your organization out of ethics trouble by recognizing the danger signs and taking preventive action
- Manage an ethical crisis as transparently as possible and in a way that preserves trust in your personal integrity and that of the organization
- Provide ethical leadership through your personal conduct and by communicating your expectations for conduct by everyone in the organization
- Navigate challenges posed by elected officials who inadvertently or deliberately wander into territory reserved by law for the manager
- Exercise common sense and avoid careless mistakes that can have embarrassing and possibly legal consequences.

In addition to providing advice in the ***Ethics Matter!*** columns, ICMA [promotes ethical conduct](#) by providing confidential advice to members and providing guidance to local government officials.



# New Job: Getting Off on The Right Foot

For public managers, the process of seeking, negotiating, and starting a new position is stressful—all the more so because many of the steps occur in full view of the public and under the watchful eye of the media.

When you decide to explore a new position—and sometimes several at once—you need to act fairly and straightforwardly with your current employer, any search firm that assists you, the recruitment teams that consider your candidacy, and the elected officials and residents of the jurisdiction where you ultimately land.

The columns in this section will help you:

- Conduct yourself ethically as you explore, negotiate, and accept a new position
- Ensure that your compensation and other terms of employment are negotiated fairly and with no appearance of undue pressure or influence
- Navigate potential ethical pitfalls as you establish yourself with the elected officials, business leaders, and residents of your new community
- Stay on the ethical high road in your interactions with your professional peers and current and former employers.

# Navigating the Job Search Process

Anyone who has searched for an executive-level position in the local government job market knows that it can be a daunting process. Unlike counterparts in the private and nonprofit sectors, local government managers don't have the luxury of competing for their next job quietly behind closed doors.

Today's transparency standard means that at a minimum, the names of finalists will be disclosed. In a few states, just applying will get your name in the paper. The public's right to know and have confidence in the integrity of the process is certainly important. But every disclosure that you are seeking a position elsewhere has the potential to burn some political capital at the home base.

Then there is the challenge that if you are offered the job, you end up negotiating terms and compensation with an individual who doesn't have the legal authority to seal the deal. Hiring the manager and approving the employment agreement requires the vote of the full governing body.

And public processes by their very nature are not speedy ones. By the time all this takes place, months have passed. Those actively searching for a new position can find themselves involved in multiple recruitments, each at varying stages of the process.

As you search for your next great position, consider this practical advice to assist in navigating your way to a successful outcome.

**Accurate resumés.** For evidence of the importance of accuracy in presenting educational credentials, Google "Yahoo CEO Thompson." Misstating your credentials and employment history—yes, even omitting short tenures—can have serious repercussions for your reputation and future employment.

**Complete candor.** At times there may be something in a candidate's record that is best shared early in the process and by the candidate. Better to be forthcoming as a demonstration of honesty than to stay silent and have a matter disclosed in a background check.

**Free agency.** Just like the sports athlete, a local government professional is a free agent who is free to apply for positions and interview with multiple organizations. The person is not under any ethical obligation to tell his or her current employer about looking elsewhere.

But as with most things in life, timing is important. If you do not wish to burn any bridges, it's a good idea to give advance notice to your current employer before the news leaks out. And of course, if you are relying on certain people for a reference, advance discussions are a must.

Participating in multiple recruitment processes gets challenging as you progress to the next level. You may find yourself a finalist in two or more jurisdictions. It's fine to continue interviewing for any and all jobs as long as you have a serious interest in the positions. Don't waste the recruiter's or the organization's time if after the first interview you don't see yourself working in that organization.

If you progress beyond the initial interview, you may want to consider informing the recruiter or organization of your status as a candidate in other places.

**Due diligence.** Responsibility for thoroughly evaluating the position, organization, and community to determine whether it will be a good fit both personally and professionally rests with you.

## GETTING TO YES

The offer to join the organization as the next manager is just that: an offer. It's entirely contingent on both parties reaching agreement on the compensation and terms. The process of getting from the offer to the finish line (i.e., governing body approval) is a tango. The parties need to be moving in sync.

Assuming that you want to work for the organization, the appropriate response to the offer is "yes, contingent on reaching agreement with the organization." Regardless of how much ground was covered during the interview about your terms, do not be surprised if the governing body starts the negotiation from a different position. Or has an issue with a particular requirement. That's why it's called a negotiation.

Your verbal acceptance starts the negotiation process and signals your willingness to get to yes. Never start the negotiation process with an organization if you do not intend to work there regardless of how much compensation they are willing to offer.

Once you give your verbal acceptance of the terms outlined in an employment agreement or offer letter, you are committed. Oral acceptance of an employment offer is considered binding unless the employer makes fundamental changes in terms of employment.

At this point, you should stop interviewing with other employers. An interview at this stage is like going out on a date after getting engaged to be married: it sends the wrong message about your level of commitment.

With your commitment in hand, it is up to the governing body to hold up its end of the bargain and approve the agreement.

## **INTEGRITY MATTERS**

Unlike the professional athlete who goes to the highest bidder, ICMA members should not entertain a counter offer from their current employer. In a public process, you have given your word.

Withdrawing your acceptance to take more money is bad form and reflects poorly on the profession. Members who accept an appointment to a position should not fail to report for that position.



# Getting Compensation Right (Ethically Speaking, That Is)

Maintaining public trust when public dollars are in play is critical. In a universe where resources are limited, it's natural for the public, stakeholders (current staff and retirees), and decision makers to focus on the items that cost the most. For local governments, with their service orientation, that would be labor and the associated cost of compensation and benefits.

As costs get analyzed, even the appearance that decision influencers personally benefited disproportionately or inappropriately in pay and benefits can quickly erode trust.

## THE CHALLENGES

The lack of established practices for negotiating public-sector executive compensation combined with the transparency threshold that must be met makes an otherwise difficult task almost daunting. Roles and responsibilities may be clear on paper but not in action.

The decision makers—that is, the governing body—are not always experienced with the process. The beneficiary—that is, the manager—sometimes is the one who is more knowledgeable, skilled, and, shall we say, savvy. That imbalance can create a conflict of interest. The result can be compensation packages or benefits negotiated in good faith that later appear to be inappropriate, unfair, and just too costly.

## THE PRINCIPLES

The principles of the profession have long been the driver for personnel and compensation matters. The standard for establishing executive compensation is that it be fair, reasonable, and transparent. But what's "fair" is subjective and debatable.

Taking the principles, ICMA established formal guidelines for negotiating executive compensation that set standards for benchmarking using compa-

rable public-sector salaries on regional and national bases. The [guidelines](#) more clearly define roles and responsibilities, and they address issues that relate to all employees as well.

## THE PROCESS

To establish fair and reasonable compensation, the governing body should either operate as a committee of the whole or designate an evaluation and compensation subcommittee. This group should design and implement the methodology for setting the compensation of the local government manager and any other appointees of the governing body.

Compensation benchmarks should be established on the basis of compensation in comparable local government and public-sector agencies. The governing body should engage experts, whether contracted or in-house, to provide the information required to establish fair and reasonable compensation levels.

All decisions on compensation and benefits must be made by the entire governing body in a public meeting.

## THE REALITIES

The principles and guidelines provide advice to address unusual or questionable practices and answer questions like these:

**Q. The ICMA Model Employment Agreement recommends one-year severance. The average length of severance is six months. Is negotiating a two-year severance appropriate? Is three okay? If so, under what circumstance?**

**A.** Severance provisions established in the employment agreement must be both reasonable and affordable so that the cost of the severance is not an impediment to fulfilling the governing body's right to terminate a manager's service, if desired. That said, some places are just more political and volatile than others. A history of high turnover may support larger severances.

**Q. Having negotiated severance, is it okay to negotiate and accept more in a forced departure? If so, under what circumstance?**

**A.** A deal is a deal! The most ethical approach generally is to accept what was originally negotiated and not to leverage the departure to obtain more. But in some unique situations it is fair and ethical to negotiate for more: long-tenured managers who are terminated close to retirement and short-tenured managers

who sometimes incur the cost of relocation but are terminated before being afforded the chance to show what they can do. It is rare, but the settlement of legal claims may result in additional payments made at departure.

**Q. Is it okay to request an exception to the policy that caps the amount of leave that can be sold back in order to boost retirement?**

**A.** Managers are in a unique class and do negotiate for benefits that other employees do not receive. But changes to benefits should be considered during agreement negotiations or renegotiations so that changes can be considered in the context of the cost of the entire package. Avoid one-offs and practices that lead to pension spiking.

**Q. In an effort to reduce payroll expenses, the manager proposes an early-retirement incentive. Can the manager participate in the program? If so, when should disclosure of intent be made?**

**A.** Professionals must recognize and effectively manage conflicts of interest inherent in compensation changes. Managers should avoid taking steps regarding pension and other benefits if they will be the sole or primary beneficiary of the change.

The manager can participate in the program but only if there was full disclosure up front that the manager was both in the universe of those affected and interested in taking the option. Not to fully disclose this fact puts the validity of the proposal in question. Is this a good deal for the organization or just good for the manager?

## TAKEAWAYS

The governing body has a governance role to play. Create a compensation committee of the governing body or committee of the whole to design and implement the framework for setting the manager's compensation.

Decisions on compensation and benefits must be made by the entire governing body in a public meeting. In the interests of transparency, the salary plan and salary ranges for local government positions, including for the manager, should be publicly accessible on the agency's website.

Don't put your personal compensation interests before the good of the overall organization and that of the citizens.

Local government managers have an ethical responsibility to be clear about what is being requested and to avoid excessive compensation. Greed is not good.

# Things to Consider When First Impressions Are Often Lasting Ones

The old adage “you only get one chance to make a first impression” is especially true for local government managers when they are new to a community. Any lapse in judgment or appearance of impropriety—no matter how small—can have lasting negative effects on the public’s trust of the manager and the profession. Here are three common situations that a manager could experience when new to a jurisdiction, plus advice on how to avoid the opportunities for unethical conduct.

**Q.** Who would imagine that a warm welcome to a community could be troubling to the new city manager? Within days of joining the city, individuals and organizations welcomed the manager and invited him to various functions in order to introduce him to the community. Several of the invitations raised concerns.

He and his spouse were invited to attend a pricey fundraiser at the boat club; leaders from the economic development council invited him to join their golf outing; and dinner with the former mayor, whom the manager had not met before, ended up taking place at a private club. Coming from a more modest environment, the manager recognized that some of his initial concerns were about the scale of the welcome. Is there a difference between dining at the home of an elected official versus dinner at a club?

But still he was bothered about the appearance of being wined and dined, and he was concerned that he was stepping into an unforeseen quagmire. Should the city pay for him to attend these events if this was the cost of doing business in this community? After all, the previous manager attended many of these events. Should community norms trump this professional’s standards? Should his need to quickly build solid relationships outweigh his ethical concerns?

**A.** It’s good that this manager’s GPS was homing in on the ethical dilemmas because people will be watching and assessing his leadership and character



from day one. In this economic climate, using public resources to attend social events is sure to draw criticism; and attending fundraisers causes added concern because it could result in public funds going to the organization's bottom line (as in the boat club example).

If the manager feels that the local government should pay the cost of his attendance at ticketed events, both a conversation with the governing body to outline expectations and a provision in the employment agreement confirming the arrangement are essential for transparency's sake.

In the alternative, the manager might consider accepting a few of these ticketed invitations, putting community-based organizations and events with a high "public good" factor at the top of the list. Decline certain invitations: from vendors; to exclusive, high-priced events; and, of course, to political party fundraisers. Have a conversation with your council about the approach so that there is mutual acceptance of the ground rules. Taper off the events as you get to know the community.

What's a preferred approach? Meet the leaders in the community for breakfast or lunch; offer to speak at civic, neighborhood, and church gatherings; and generally be visible. If invited to a ticketed event that serves a networking purpose, pay your own way. The benefit of this approach is that you are apt to be more judicious in how you spend personal funds and perhaps more accurate in assessing the public benefit versus the fun factor.

This is the most conservative approach, which enables you to build relationships without incurring criticism. And, frankly, anything that's fun—like those NCAA basketball tournament tickets—would raise an eyebrow with the public and should really be on your tab anyway. Be proactive in creating and implementing an outreach strategy that engages you with all segments of the community without the thorny considerations of who pays and who gains undue influence.

**Q. During the amicable negotiations to bring the job offer to a close, a commission member offered to assist the new county manager with her search for a home. Although there are several real estate agents in the area, this commissioner has been in the business for a long time and has a large book of business.**

**A.** It's not a violation of the ICMA Code of Ethics per se for members to hire an elected official in their jurisdictions to provide a personal service. It is generally advised, however, that you avoid doing so unless you are in a small market with limited choices.

If there is any tension with the house hunt or problem with the deal, it could affect your relationship with this commissioner. Even absent a problem, doing personal business with one elected official may create the appearance that you are too friendly with one, to the detriment of your commitment to serve all equally.

**Q.** Given the challenges of the housing market, it took the county manager 10 months to relocate her family to the new community. When the costs for the sale of the old home, the move, and settlement in the new home were totaled, the manager realized that the amount she had negotiated for settlement costs wasn't sufficient to cover her actual expenses. Moving expenses turned out to be less than negotiated, so the manager wanted to know whether she could simply reallocate the funds or whether she needed approval to do so.

**A.** The terms of the employment agreement should be followed to the letter, always. All exceptions, changes, or areas of ambiguity should be addressed by formal action of the governing body. It is especially important in a new relationship for the manager to demonstrate that she is a stickler for the details, fairness, and process.

To that end, if the agreement delineated separate ceilings for relocation and settlement, the manager should not assume that savings in one area can be used to cover an overage in another. If the agreement provided a lump sum to be used for all relocation and settlement expenses, then the discretion about how to allocate those funds rests with the county manager.

# You Want Respect, So Show It, Too

The lack of civility and respect in the public space is not new. Fortunately, as a profession, we don't seem to suffer from the same lack of civility and respect in how we treat each other. The network is strong and supportive.

Maybe that is attributable to the keen understanding of just how tough local government management can be. A sense of empathy having walked the same road goes a long way.

That said, every once in a while someone in this profession says something about a peer or intervenes in a way that just crosses the line. Why? Assuming positive intent, maybe it's out of a desire to be helpful. The motivation or intent may not always be clear.

Here is some advice to consider as you interact with your colleagues.

**Take the high road.** You will not advance your standing with decision makers by denigrating those competing for the same position. In the span of a career, you may see the same faces in the candidate pool for several positions. Sometimes others will prevail and sometimes it will be you. The guideline on professional respect in the ICMA Code of Ethics advises:

"Members seeking a position should show professional respect for persons formerly holding the position, successors holding the position, or for others who might be applying for the same position. Professional respect does not preclude honest differences of opinion; it does preclude attacking a person's motives or integrity."

**Wait until a position is officially open before signaling your interest.** Word from the network or media may predict a high probability that the position you have eyes on might soon be vacant. But it's just speculation.

Out of respect for your colleague, let it play out before you go looking for the job whether on an interim or permanent basis. This doesn't happen often,

---

Originally published as "Respect: Where's Aretha When You Need Her?" in the August 2017 issue of *Public Management (PM)* magazine.

but the ICMA Committee on Professional Conduct thought it wise to restate more clearly the guideline on seeking employment:

“Members should not seek employment for a position that has an incumbent who has not announced his or her separation or been officially informed by the appointive entity that his or her services are to be terminated. Members should not initiate contact with representatives of the appointive entity. Members contacted by representatives of the appointive entity body regarding prospective interest in the position should decline to have a conversation until the incumbent’s separation from employment is publicly known.”

**Don’t dance on the grave of your predecessor.** This was memorable advice delivered years ago by a member during a panel discussion at an ICMA conference. The panel debated why residents in a major city abandoned the council-manager charter and along with it, professional management.

The city faced insurmountable challenges in providing basic services. A frustrated public voted for change. The cause? One panelist highlighted the lack of professional staff as a contributing factor.

An ICMA member rose from the audience to address the panel. He had served as the assistant city manager and city manager for this organization for a total of 14 years in the time leading up to the charter change.

He challenged the panel: How can you draw an accurate assessment of the qualifications or dedication of the professional staff if you were not on the ground with us?

Sitting on the outside, it may be apparent to the expert why some organizations fail. But consider that outside expert assessment lacks the context essential to making an accurate judgment.

Regardless of how much research you do about an organization before taking the leap, you might face the reality that things are not as well organized or managed as you thought. It may leave you doubting your predecessor’s skill set, judgment, or ethics.

If it’s criminal or rises to the level of an ethics violation, report it as appropriate. As to the rest, fix it! Resist the urge to go public in laying blame. Remember that it may be obvious to you in this time and space, but you lack the context as you weren’t there when decisions were made.

**Move on.** This may sound like simplistic, feel-good advice. The point is that whether you left your position by choice or not, you are gone.



Your focus now should be on where you landed or where you are headed. Commenting about your former organization, the community, or elected officials, whether on social media or to former staff and officials, is not productive. It doesn't show respect for the person who now holds the position and can actually interfere with his or her efforts.

Even if you never call out your colleague by name, it can create real tension for him or her in dealing with the council and others in the aftermath of your diatribes. Put it behind you.

Have some great insight or advice to offer? Then share it privately with your colleague. To put it in perspective, can you imagine the CEO of a Fortune 500 company spending his or her energy talking about the place he or she just left? Maybe in the autobiography written years later but not in the here and now.

As you interact with your colleagues, keep these guidelines in mind. Let's keep the profession of local government management strong in its tradition of civility and respect.



# Avoiding Ethical Crises

It's trite but true: An ounce of prevention is worth a pound of cure. Keeping yourself and your organization out of ethics trouble is far better and easier than digging out after a mistake. The columns in this section highlight some of the areas of greatest vulnerability and the practices and strategies you can employ to guard against missteps.

These columns will help you:

- Recognize and steer clear of areas where your personal conduct could land you in hot water
- Create an organizational culture that encourages employees to report suspected or actual wrongdoing
- Appreciate the distinction between what's legal and what's ethical and educate your organization's attorney about your obligations under the ICMA Code of Ethics
- Develop an organizational policy addressing one of the most common areas of ethical ambiguity and misunderstanding: gifts and gratuities.

# Making Ethical Choices: Is There an App for That?

Be honest. How did we ever survive travel before the invention of a real-time GPS app that actually coaches you along the way? History tells us that the world as we know it was traversed by brave souls who navigated continents and oceans using the stars, compass, and paper maps. That they landed anywhere close to their destination, without that app, is both brilliant and inconceivable.

Present-day technology is just irreplaceable. Your navigation system can find the fastest way to your destination. And it can warn you about the hazards of the trip.

Wouldn't it be phenomenal if we had that level of assistance as we navigate the ethical challenges of the workplace? A voice that quietly calls out the small hazards along our chosen path. Redirects us when we miss the right turn. Blares out a warning when we get too close to the brink of ethics fiascos that derail careers and tarnish reputations.

We don't have the app yet. Building on the theme, however, here are some tips coupled with examples of conduct that can land you in hot water.

**Caution, intersection ahead.** Arriving at an intersection should produce a heightened sense of awareness. You slow down or stop, if required, and watch the actions of other drivers to cue your next move.

If only this heightened sense of awareness and caution was programmed into our personal GPS when work life intersects with personal life. Consider these situations:

**Are you taking some official action, directing an employee, or using your city e-mail/county cellphone to do something that involves your spouse, child, parent, or sibling?** If so, you have created an ethical problem.

No matter how well-intentioned, even-handed, or minor the action, once it involves your family, you have, at a minimum, the appearance of favoritism.

At worst, you could be charged with leveraging your position for personal benefit. Using public resources to do so just escalates the matter.

**Dating a coworker?** If you hire, supervise, and can fire this person, either directly or indirectly through the organization's chain of command, you have a problem. These relationships create conflicts of interest, raise legitimate doubts about whose interest is served when the supervisor makes a decision, expose the organization to liability, and strain the professional relationships among staff who have to work together. While not at epidemic levels, ICMA deals with these cases every year.

**Aspire to political office?** Want to support a candidate? Getting involved politically is one way to advance your career or personal interests. It is incompatible, however, for someone working for a local government to pursue this avenue.

Being impartial and, more importantly, being viewed as such is the critical component of being trusted to work in local government at any level. You can't argue that you are truly impartial when you appear at candidate rallies, post your picture wearing a candidate's button, retweet a candidate's message, or run for sheriff or mayor in the neighboring community where you live. Members have tried, and the ICMA Committee on Professional Conduct has found that their actions violated the Code of Ethics.

**Accidents.** Everyone has a fender bender now and then. What did we learn in driver's ed? Don't make it worse by leaving the scene. A case that came before the Committee reinforces this lesson.

As the manager was exiting an organization to take a manager's position in another community, he discovered that his employer had paid the cellphone bill for his spouse and child for several years. Yes, this is the very definition of an accident.

But rather than report the "accident," the manager said nothing. It came to light in a public way when the employer discovered the problem and issued a public demand for repayment.

All the manager had to do when the problem was first discovered was to detail the extent of the problem, put a check for full restitution in the employer's hands, and outline the steps taken to ensure that it would never happen again. Take responsibility and be accountable for your error and the organization's. Leaving the scene was not a good choice.

**Hazards.** These pop up from any and all directions: Staff members who are so focused on meeting goals that they ignore the rules, an elected official who



wants to circumvent process, a natural disaster that exposes weaknesses in the operation, or staff who don't treat the public with equity and respect.

**Roadside assistance:** Who do you call when you have an ethical breakdown or are just lost? Confidential ethics advice is a service ICMA provides to all members.

At the end of the day, it's all about personal integrity and building trust. Former ICMA Executive Director Bob O'Neill said it well: "Trust, leadership, and courage are keys to local innovation and success. While leaders have an obligation to set the ethical tone of the organization, everyone's behavior matters. Ethical tone and behavior, transparency, engagement, performance, and accountability are essential if you want to build trust with the public and elected officials you serve."

# Guard Against Ethical Missteps

One of the greatest risks to maintaining our personal integrity is underestimating our vulnerability to suffering an ethical failure. It is easy for us to believe that ethical mistakes are only going to befall other people and other organizations.

The truth is that we are all vulnerable to making an ethical misstep, and the more we think we are not, the more likely we will make an error. Why? A false sense of confidence will result in decreased attention to our vulnerability and lowered safeguards. Overconfidence can lead to complacency, which leads to greater risk.

## UNDERSTANDING VULNERABILITIES

So how do we guard against overconfidence and the consequences that can result? Developing a better understanding of our personal and organizational vulnerabilities is a good place to start. A book by Dan Ariely, *The (Honest) Truth About Dishonesty* (Harper Perennial, 2013), may help us better understand that we all are at risk of missteps—oftentimes at more risk than we perceive.

The basic premise of the book is that everyone can be dishonest at some level, and those who don't believe that are not being completely forthright with themselves. By describing a series of studies he and others have undertaken, Ariely makes a convincing case for one of his basic observations: We want the benefits of cheating while also wanting to retain our self-perception of being reasonably honest people.

He explores the concept of the “fudge factor.” That is, how far we are willing to stretch our ethical boundaries to gain benefit while also being able to retain our self-perception of being honest and ethical individuals.

Other key observations from his book:

- The more we are able to rationalize or convince ourselves that our actions in a particular circumstance are correct, the more our fudge factor grows.

- A single act of dishonesty can change our self-image and reduce our defenses against additional ethical missteps.
- Once we begin violating our standards, it becomes more likely that the frequency and magnitude of our violations will escalate.
- We can often deceive ourselves into maintaining a positive self-image.
- We are at greater risk of making an ethical misstep when we are tired or overwhelmed.

## COMMON PITFALLS

Here are examples of common areas where a person can begin to let down his or her guard:

- When competing for a job you really want, you “stretch” on your resume—or in an interview—how much credit you deserve for an accomplishment in your current job or a previous one. Similarly, taking credit for an educational milestone that you “almost completed.”
- Not being consistent in what you tell one person versus another, including elected officials, when trying too hard to demonstrate that you agree with their perspective.
- Attempting to minimize a mistake by conveniently omitting information or “spinning” the information to an exaggerated degree.
- Convincing yourself that something you have done or are about to do is in the public interest, when the primary result is a personal benefit.

One particularly important finding of Ariely’s research for those in the public sector is that accepting favors, no matter how small or apparently insignificant, will bias you in favor of the provider. He casts considerable doubt on many people’s attempts to convince themselves and others that a particular favor was so inconsequential that it would not influence their conduct as public officials.

Potential conflicts of interest abound in our professional lives. Recognizing them and dealing with them appropriately is critical to our ethical well-being.

For our organizations and employees, there can be a substantial risk of justifying behavior based on our perceptions of the conduct of others in the organization and of the conduct of other organizations by telling ourselves: “If it’s okay for them to do, it must be okay for me (us) to do.”

## STEPS TO TAKE

As demonstrated in Ariely's research, the concept that it's okay to do something "just a little bit dishonest" can lead to serious consequences. Here's how to avoid them:

- Challenge yourself and your organization with ethical scenarios, including some that would be considered relatively minor ethical violations.
- Discuss with your staff the small missteps that have eventually tripped up other organizations and their members.
- Make it clear that it is not consistent with your or your organization's values to look the other way regarding ethical missteps, including those that might be considered relatively minor.
- Make time to discuss risks and expectations.

Local government managers and the people they work with should be concerned about falling into the trap of believing that dishonesty and ethical missteps are likely to occur only to other people and other organizations. The more we are able to understand and accept our vulnerabilities and the vulnerabilities of our organizations, the more likely we are to take the steps needed to avoid a serious ethical crisis.

The more we are open to challenging our own self-image of being completely honest and ethical, the more likely we will be able attain that goal.



# See Something, Say Something: Why Reporting Wrongdoing Is Essential

Whether out in the field delivering services or occupying the manager's chair, all employees have a stake in reporting incidents of suspected or actual wrongdoing. An organization's reputation is built—for better or worse—on the conduct of each individual employee.

Creating a culture that encourages an individual to raise the red flag when something unethical or illegal is taking place is critical. Everyone needs to be willing to report what's happening behind the scenes or even take steps to stop it from happening in the first place.

But it's a tough sell. Whistle-blowing feels like a violation of that kindergarten rule not to be a tattletale. Very few of us enjoy confrontation or being the instigator who causes trouble for someone else (even if that person deserves it). The lack of certainty about facts and motivations keeps others silent. But the consequences of keeping silent can be significant and harmful.

## UNETHICAL CONDUCT IS VISIBLE

The typical case of unethical conduct in the workplace is rarely a secret. Somebody besides the perpetrator knows. After all, the conduct is taking place in a fairly sophisticated work environment in the light of day to be witnessed by a work colleague or perhaps even a supervisor. And if it is a serial activity, the number of witnesses just grows.

Or perhaps no one actually witnessed the activity but suspects it based on some level of tangible evidence. Then there are the others who didn't see the conduct but heard about it.

## COST OF SILENCE

This all begs the question: What do we need to do to create a culture where individuals feel personally responsible and safe enough to report question-

able conduct and to convey the point that sitting on the sidelines while a colleague falls off the ethics cliff is harmful to all?

Leaders are not immune from the urge to sit on the sidelines. The topic at one city's management team meeting was the recent dismissal of the IT director. This individual, recruited from the private sector with high expectations, lasted only a year before the city manager asked for his resignation.

The manager explained to the management team that in several instances the director entered into contracts that violated city policy. This employee continued the practice even after being counseled on the matter. The final straw was his personal relationship with a direct report.

As members of the management team talked about their experiences with this individual, they were startled to realize that they all had inklings that things were not okay, that he just didn't seem to get it about operating in the public sector, and, yes, that they had heard those rumors about his affair.

But—to a person—no one had talked with the individual or raised the issue with the city manager. What was their ethical obligation to address their concerns with their peer? Would an early intervention have produced a better outcome?

The result of the team members' reflection was a personal and joint pledge for real, mutual accountability. In practice, this meant having the courage, in private, to call their colleagues on unacceptable conduct. The next step would be directly to the city manager's office, if required.

## PROFESSIONAL ACCOUNTABILITY

As a profession, we face the same ethical obligation to hold our colleagues accountable for their conduct. And, yes, it's tough to do. We've walked in their shoes. We relate to the difficulty of having every misstep, big or small, reported in the media and kept alive by the bloggers.

The ICMA Code of Ethics establishes high standards for the profession. In a murky and complicated universe, it defines clear lines of acceptable conduct. Some ethical violations, like taking extra compensation or gifts, are so obvious that they get addressed by the employer and ICMA.

But there is a whole universe of inappropriate conduct where the associated risk and potential damage to the public and the profession may be visible and understood only by another professional in the field. Examples include political activity and conflicts of interest. Therein lies part of the value of self-policing.

## PERSONAL RESPONSIBILITY

ICMA members have an ethical obligation to report incidents of unethical conduct by peers. A guideline to the ICMA Code of Ethics states: “When becoming aware of a possible violation of the ICMA Code of Ethics, members are encouraged to report the matter to ICMA. In reporting the matter, members may choose to go on record as the complainant or report the matter on a confidential basis.”

See something that raises a substantial question as to a colleague’s honesty, trustworthiness, or fitness to serve the public? See conduct that is damaging to the reputation of other professionals and to the profession? Then you should report it in good faith to ICMA, even knowing that you might not have all the facts.

Allow an objective peer review process to sort out those facts and reach an independent judgment. If you are on the fence about reporting, then please contact ICMA staff to discuss your options confidentially.

Bottom line? Create a culture within your organization that actually encourages employees to report wrongdoing. Blow the whistle on your peers. The cost of silence is too high to the profession and to your organization.

# Why You Can't Rely on Your Attorney . . . to Keep You Out of Ethics Trouble

It's not unusual when a public official accused of misconduct defends his or her actions by saying that they sought and obtained a green light from the organization's attorney.

While that defense might be helpful in justifying the official's actions and decisions, in many cases it will be inadequate to convince others the actions were appropriate and ethical.

Focusing too heavily on what is legal and your attorney's opinion can cause serious problems for local government managers who wish to be viewed in a positive ethical light.

## SOURCES OF PROBLEMS

- **Legal does not mean ethical.** The ethical bar for those in the public arena is much higher than "what is legal." There are many types of conduct that don't actually violate the law but are deemed unacceptable from an ethical perspective.
- **Your attorney may not fully appreciate your ethical obligations.** Each profession has its own ethical obligations and expectations. While your attorney, hopefully, fully understands his or her professional obligations, he or she may not understand your obligations, especially under the ICMA Code of Ethics.
- **Your attorney may be inclined to tell you what you want to hear.** A positive and mutually supportive relationship between the attorney and staff is good. But it can also influence the type of advice offered. An attorney may be motivated to find a rationale to support what the manager would like to do. This could cause the attorney to stretch to provide legal advice supportive of the manager's proposed actions. In particular, if counsel doesn't determine a specific legal barrier to the conduct, he or she could

underestimate and understate the other potential pitfalls associated with the proposed action.

- **You can be part of the problem if you succumb to “selective listening.”** Your attorney may offer you a variety of thoughts on the ethical dilemma you raise. It can be tempting to focus on the observations and opinions that best match what you want to hear.

## HOW TO ADDRESS THESE CHALLENGES

- **Give your attorney permission to tell you something you may not want to hear.** Make it clear that you always want a frank, unvarnished opinion regardless of whether or not it is favorable to your proposed action. Make it clear to your attorney that you want the best legal advice as well as an assessment of other potential impacts that could result from your actions.
- **Make your attorney aware of all your ethical obligations.** Make it clear to your attorney that you view your obligations to extend beyond the “floor” of the action being legal. Informing attorneys of the requirements of the ICMA Code of Ethics and other criteria, such as public perception and potential media coverage, can help them understand the broader context of your obligations.
- **Listen carefully and ask probing questions.** Again, avoid selective listening. Listen to and carefully probe all that your attorney has to offer, even opinions and observations you would rather not hear. If his or her rationale is not clear or compelling, dig deeper. Confirm that your attorney feels so comfortable with the approach that he or she is willing to put it in writing or explain it publicly.
- **Get a second opinion.** Getting an opinion from an impartial source can provide a valuable perspective. This type of “nothing to lose or gain” advice can help supplement your assessment and the opinion of your attorney.

## YOUR ULTIMATE RESPONSIBILITY

The advice of your organization’s attorney can be a critical component in your ethical decision making. It is not, however, always the final answer. Just because something is legal, does not make it ethical.

Ultimately, you are responsible for your conduct. As a public official, stating that someone else said it was okay, even if that someone else is an attorney, is not good enough.



Actions that may be sufficient to keep you out of jail may still damage your reputation and potentially result in your losing your job, and even more importantly, your professional reputation.

Many managers have the good fortune to work with excellent city attorneys who not only are well-informed regarding laws, regulations, and policies governing the manager's work but also have a similar sense of the right thing to do in regard to ethical questions.

When the manager and attorney share a similar set of values on this topic, they can be partners in helping keep organizational ethical missteps to a minimum. No two individuals, however, will always view complex and grey-area challenges in the same fashion.

Regardless of how good a working relationship you may have with your legal counsel, never forget that there is only one person ultimately responsible for your ethical decision making—you.

# Gifts and Gratuities

At some point, every local government faces questions about gifts to employees, especially during the traditional holiday season. Left unaddressed, gifting can be a source of embarrassment for the organization when an employee (or local official) accepts something that calls into question his or her integrity.

The issue of who gets what and how much can also be a distraction and a source of discontent among the staff. Doubt that this is true? Ask your staff. You will hear about the department that eats well in December or the supervisor who regularly keeps the crate of fresh oranges for himself. This comes up in ethics training sessions all the time!

Although the questions usually arise during the holiday season, any time is a good time for leaders to review the organization's practices and policies for accepting gifts from appreciative residents, local businesses, and vendors.

The best policies or practices should support the organization's values, help staff and officials make good judgments, communicate clear expectations to all, be uniformly and fairly applied and enforced across the organization, and, in addition, build public trust and confidence in the integrity of the staff and organization. When you have completed the organizational assessment, then consider whether you are the role model for exemplary conduct.

## APPROACHES TO RECEIVING A GIFT

Local governments address the challenges of gift giving and receiving in a variety of ways, ranging from a pure values-based approach, which empowers the individual to make the judgment call on the basis of shared values, to a stricter regulatory standard.

Regardless of the approach, it is always important to encourage individuals to think about appearances and how their conduct contributes to an ethical culture. Simply establishing a set of rules without explaining how they support good public service values won't be effective in achieving the desired conduct.

ICMA's Code of Ethics expresses a core commitment to seek no favor and offers this guidance on gifts:

"Members shall not directly or indirectly solicit, accept or receive any gift if it could reasonably be perceived or inferred that the gift was intended to influence them in the performance of their official duties; or if the gift was intended to serve as a reward for any official action on their part.

"The term 'Gift' includes but is not limited to services, travel, meals, gift cards, tickets, or other entertainment or hospitality. Gifts of money or loans from persons other than the local government jurisdiction pursuant to normal employment practices are not acceptable.

"Members should not accept any gift that could undermine public confidence. De minimis gifts may be accepted in circumstances that support the execution of the member's official duties or serve a legitimate public purpose. In those cases, the member should determine a modest maximum dollar value based on guidance from the governing body or any applicable state or local law.

"The guideline is not intended to apply to normal social practices, not associated with the member's official duties, where gifts are exchanged among friends, associates and relatives."

## ADVICE ON CREATING EFFECTIVE GIFT GUIDELINES

**Set reasonable standards.** If the policy sets a value limit on gifts, make sure that it passes the reasonable-person standard. Is the gift small enough that a reasonable person would assume it was not a reward or intended to gain favor? Some jurisdictions set a dollar limit—perhaps \$50. Acknowledging the ambiguity of the reasonable-person standard, other policies set the threshold at zero and permit only token gifts of food that can be shared with others.

**Help people make good decisions.** Create a framework for decision making, place value limits on gifts, and implement a disclosure requirement. This provides the guidance needed when the issue isn't clear. A sound policy makes it clear that accepting a gift of any dollar value can give some people the impression of favoritism or susceptibility to influence. It may be helpful to provide examples of "de minimis" gifts (e.g., calendars, books) and examples of gifts that must be disclosed (tickets to sports events or concerts, tangible gifts above an established dollar value).

**Be uniform, fair, and aware of roles.** A grateful public rightfully acknowledges the contributions of public safety and other front-line service providers. Leaders need to acknowledge the contributions of all who work to deliver services by establishing and enforcing a uniform policy across the organization. That said, some employees by virtue of their roles and responsibilities will be held to a higher standard. The city of Decatur, Georgia, expresses it well: although no employee should solicit or accept any gift or gratuity from anyone who has official business with the city, “it is particularly important that managerial employees, contracting officers, inspectors, and enforcement officers guard against any relationship which might be construed as evidence of favoritism, coercion, unfair advantage or collusion.”

**Lead by example.** We work hard to establish credibility and trust with the public and staff by holding ourselves accountable and paying attention to appearances. If accepting a gift creates the appearance of impropriety or sends the wrong message to your staff, your credibility is at risk. Often the test of whether you should accept a gift is to simply ask, “Do I really, really want this?” If the answer is yes, you should decline it because your objectivity is already compromised. The best strategy is to just say “no thanks.”

**Repurpose the effort.** In addition to educating staff and officials about gift policies, be proactive to make sure that residents, businesses, and vendors understand the organization’s standards. In a period of dire need, local governments could take the lead in redirecting holiday gift giving—by the business community, in particular—to more urgent causes. Instead of offering the gift to local government employees, businesses could donate to a food bank, to a student scholarship fund, or to any number of the nonprofit organizations that provide essential services. The list of needs is endless.



# Managing Crises When the Worst Happens

Sometimes, despite continual vigilance and preventive measures, an organization experiences an ethical crisis. This can be a one-time mistake, questionable conduct that evolves into a pattern of corruption, or something else that undermines trust in the organization and its leadership.

The columns in this section provide guidance for ethical disaster preparedness and response. They will help you:

- Recognize the rationalizations and fears that can cause mistakes to be swept under the rug—only to emerge as much larger problems later
- Think through the steps you would take immediately and in the longer term if you were faced with an ethics crisis in your organization
- Consider the stakeholders who need to be considered in your response to the crisis: elected officials, staff and employees, community residents, local media
- Respond quickly and honestly to preserve, or if necessary rebuild, trust in your personal integrity and that of the organization.



# Ethics Disaster Preparedness: Are You Ready? What's Your Game Plan?

The worst of ethical calamities doesn't compare to the physical and personal toll of a natural or manmade disaster. That said, leaders should not underestimate the harm that an ethical misstep can do to the staff, organization, and community. It's often manifested in that intangible, yet hard to repair, factor of trust.

The average ethical disaster starts quietly with the initial inquiry, rumor, or report of questionable conduct by a public official or agency. Next comes the response, almost always issued by a spokesperson, offering a denial, counter explanation, or vague statement of concern.

The second shoe drops when an inside source or diligent reporter presents more damaging facts that elevate the seriousness of the allegations or calls into question the veracity of those initial responses. With the heat up, perhaps the official or agency leader responds in person with a pledge for an investigation in order to "get to the bottom of it" and a commitment to do whatever is necessary to ensure that this never happens again.

Then . . . silence. The lack of action inspires prodding from the editorial page for leadership to do something! Long after the issue has faded from the front page, a final report is issued. It may include reference to new procedures, discipline or removal of the guilty parties, and perhaps a leadership change as the agency "seeks to move in a new direction."

What's missing? No mention of decisive and timely action that would restore trust—in other words, confidence that the leadership was committed to rooting out unethical or corrupt conduct, understood the systemic weakness that allowed it to happen in the first place, and took concrete steps to a prevent recurrence.

## TAKING THE PATH TO RECOVERY

There isn't a standard playbook for handling an ethics crisis because unique circumstances will dictate the approach. That said, here are some basic steps to take to get on the path to successful recovery and reduce the likelihood that the organization leaders will stumble in their response.

**Don't be quick to judge the source of the complaint.** Either an outlier or a more mainstream person could be the source of a legitimate concern. One agency uncovered fraud by senior-level department staff after a new employee joined the team, observed improper conduct, and reported her concerns directly to the city manager.

**Drop the defenses.** Publicly acknowledge that the issue is really worthy of concern and then outline the process you will employ. Be willing to bring in outside, independent resources if required to gather and evaluate the facts.

**Conduct a thorough, expeditious investigation before taking action.** It's hard to be fast and fair, but it's important to balance the two. Critical time is often lost in the initial stages of a crisis as leaders ponder the public relations fallout, whether the issue is even worthy of review, and what to do next.

On the other side of the equation are decisions made (and later reversed) based on an initial but incomplete set of facts. Critical to the validity of the investigation is the "who." Refer matters outside the agency or use a third-party investigator for allegations of misconduct by senior leadership or when the independence of the investigator could be called into question—police investigating misconduct within their own agency, for example.

**Be relentless in the investigation.** An audit may initially reveal information related to the original allegation, but if it doesn't all make sense or add up, keep going. As one colleague with direct experience put it: "If what you find defies logic, you don't have all the relevant information."

**Trust but verify.** Source aside, this advice works for organizations. We place great trust in our employees, and that trust is reinforced when no evidence of misconduct has ever been presented. But the onus is on leadership to have proper internal controls and conduct appropriate reviews.

Compliance and audit standards exist because they work. The long-tenured employee who is so dedicated that she never takes leave, the workhorse who rejects all offers of assistance or backup, the nice but seemingly disorganized staff member who never has the required support documentation, and the

supervisor who deflects questions about the details of his operations are warning signs of a problem that should be heeded.

**Pay attention to the wounded afterward.** That may be practically everyone in the organization. Staff outside the area where the improper conduct occurred may be really angry about the damage done to their own reputations. Those closer to the situation may be anxious about their employment status. And senior leadership may be left wondering how this could have happened on their watch.

In order of priority, communication should go to the governing body first, staff second, and then to the public. That way, those closest to the situation are not surprised by any disclosures of wrongdoing and understand what the organization will do to recover.

The legal requirement to respect privacy with regard to personnel matters doesn't muzzle leadership. Use the crisis as an opportunity to reaffirm the values that should drive everyone's conduct. No one is totally immune from an ethics disaster. Consider how focused you are about establishing values that guide conduct in your organization, enforcing standards, and being prepared to act decisively if all else fails.

# Managing Mistakes: How to Avoid Turning Errors into Ethical Crises

Mistakes, even sometimes extremely serious ones, are often forgiven. Dishonesty usually is not. So why is it so common for people to convert an honest mistake into an ethical crisis? And more importantly, how can this pitfall be avoided?

## THE PROBLEM

Whatever you call them, mistakes, errors, accidents, poor judgment, or whatever, cannot be avoided in either your personal or professional life. Because this is a challenge faced by all of us, most mistakes while not necessarily without consequences can be understood.

It is surprisingly common for an ethical crisis to be created by an individual's or organization's response to a mistake or error in judgment that, in and of itself, does not represent an ethical issue. Often, before it is fully appreciated, a forgivable mistake can be transformed into an often-insurmountable problem.

"The cover-up being worse than the crime" has essentially become a cliché and has reverberated over the decades with many, many examples—two of the most notorious being Watergate and the Penn State child abuse scandal.

## THE CAUSES

Why is this such a common challenge? The varied reasons include:

**Embarrassment.** Making a mistake can be quite embarrassing—particularly when it is a personal misstep. There can be a significant temptation to do whatever is necessary to avoid such embarrassment. What is often underestimated is the potential for much greater embarrassment if the initial problem is not dealt with appropriately.

**Perfectionism.** Leaders of organizations usually take significant pride in their work and the work of their organizations being as error free as possible.

It can be painful to find that either you personally or the organization for which you are responsible has made a significant error.

Our desire, no matter how unrealistic, for an error-free organization can make it difficult for us to completely identify and address in a forthright manner both our mistakes and the mistakes of others for which we are responsible.

**Denial.** When faced with a difficult situation, we can too quickly move into a mode of denial. This can include trying to rationalize that a mistake was not really a mistake or was not our fault or the fault of our organization.

**Rationalization.** Similar to denial, we can never underestimate our ability to rationalize away a regrettable situation. Oftentimes, our concerns regarding the consequences of an unfortunate situation will allow us to minimize the impact and significance of the situation.

It can be tempting to spin an issue to allow us to believe it is a less serious problem than it actually is. It is important to find ways to counteract the natural tendency to minimize the perceived significance of a difficult challenge.

**Fear of consequences.** Often individuals and organizations are fearful of the consequences of their missteps. While not surprising, since the consequences can indeed be difficult to deal with, what is often underestimated are the consequences of allowing fear to govern your response to a problem. Fear of short-term pain can result in much longer-term negative consequences.

## STRATEGIES TO EMPLOY

**Timely and full disclosure.** The most effective way to deal with a mistake is full and timely disclosure. While the mistake itself needs to be corrected, equally important is to quickly determine who should appropriately be notified of the problem and to provide that notification.

While this usually includes the governing body, it can also include members of the public, community organizations, press, and employees. While this can be, quite frankly, a painful exercise and can exacerbate an already difficult situation, not being forthright and open can lead to much greater problems.

Ideally, you want to disclose all the facts of the situation promptly and at once, because providing only partial information poses a risk that more damaging information could leak out over time and make the issue even more difficult to overcome. But sometimes you do not have all the facts right away, and you



may need to disclose as much as you can while acknowledging that the facts are still being ascertained.

**Getting objective perspectives.** As noted before, rationalization and denial can be among the most significant reasons for creating an unnecessary ethical crisis. Among the best defenses for both of these challenges is getting the opinion of individuals you respect who do not have anything to lose or gain by the outcome of your decision. It is, of course, ultimately up to us to be willing to accept good advice.

**Focus on solving the problem.** An essential step in solving a problem is fully owning the issue and its consequences. Being willing to confront a problem and its impacts avoids the risk of allowing denial to delay a full and effective response.

A key to increasing the odds of successfully recovering from a mistake is expeditiously addressing the impacts of the mistake and taking action to avoid a recurrence of the error. The more time and attention you spend denying or minimizing the impact of a mistake, the less effective the organization will be in resolving and recovering from the problem.

## YOUR DECISION TO MAKE

As a leader you must understand that you and your organization inevitably will make mistakes from time to time. What we need to stay focused on is the principle that we will ultimately be judged on how we respond to these mistakes as much as, or perhaps even more than, the mistake itself.

At all costs, avoid turning honest mistakes into ethical crises.

# Responding to an Ethical Crisis

For anyone who follows the news to even a modest degree, it is difficult to go a single day without reading or hearing about a report regarding someone caught in an ethical crisis. Invariably, the media will ask anyone even remotely associated with the reported ethical breach three questions. How individuals respond to these questions will often determine how the unfolding ethical problem will affect them.

People are oftentimes seriously challenged in responding to these questions because they can be extremely uncomfortable to answer. With more careful reflection in advance, it is likely that the questions will be much easier to answer.

Keep in mind the questions won't only come from the media. While you should anticipate these questions from the press, also be prepared to respond to the same questions from employers, employees, community members, legal authorities, regulators, neighbors, and others.

The best way to feel confident that you will be able to answer these questions appropriately is to ask yourself the questions first—when you are deciding how to respond to an ethical challenge/dilemma. These questions are:

What did you know?

When did you know it?

What did you do about it?

## WHAT DID YOU KNOW?

Whenever an ethical breach is disclosed, the immediate question is, “Who knew about it?” It may be obvious who is/are the central figure(s) in the ethical crisis, but the media and others are going to be interested in who else was involved to any degree.

In particular, organization members, especially organizational leaders, will be asked about their knowledge of the alleged conduct. Whether fair or not,

as soon as you become aware of a real or potential ethical breach, you become part of the issue and certain obligations are created. Organizational leaders, particularly the leaders of public organizations, are expected to act once they become aware of an ethical challenge.

And, even if you can confidently answer that you did not know of the ethical breach, you may then be asked, why didn't you know? Leaders will be scrutinized as to whether it would be reasonable to expect that with "due diligence" they would have known.

## **WHEN DID YOU KNOW IT?**

As soon as you are made aware of even the possibility of an ethical breach, the "clock" starts ticking. How quickly you address, and in many cases disclose, the occurrence of the breach or possible breach is critical to how your conduct will be judged.

It is common for persons in authority to be judged as having responded too slowly to an ethical breach. This can be portrayed as the leader minimizing the importance of the issue, being ineffectual in responding, or worst of all, being part of a cover-up.

If the ethical issue becomes public before you disclose your knowledge of the issue to appropriate parties, regardless of your intent to eventually disclose, many will conclude you were never going to address it and take action. This can be an extremely challenging issue since we are appropriately hesitant to accuse someone of an ethical breach before we have adequate information or confirmation.

In some cases, it is appropriate to disclose the possibility of the breach to a limited audience (e.g., council/governing board, attorneys, appropriate investigative bodies) without making a public disclosure while additional information is being gathered. When and to whom the information is disclosed, however, is a critical factor.

## **WHAT DID YOU DO ABOUT IT?**

And, of course, once you get beyond what you knew and when you knew it, you will be asked what actions you took in response to your knowledge. Did you overreact? Did you minimize the conduct? Did you do anything at all?

Action(s) you take will be viewed as your determination of the seriousness of the conduct. Modest discipline may be viewed as not understanding and appreciating the seriousness of the conduct.

Your own sense of right and wrong can be challenged by judgments regarding the actions that you take. Taking strong action can be viewed by some as appropriate, while others may view your approach as unfair and as an overreaction.

It is critical to carefully reflect on the obligations you have to all your constituencies when considering the appropriate action to take. For those of us doing work in public view, we should not be naïve in regard to how our decisions will be judged by a wide array of audiences. We should never take comfort in the belief that our actions will remain sheltered from public view—they seldom will.

Often, otherwise honest and ethical organization members and leaders become entangled in the unethical conduct of others. This can be the result of not taking the right action at the right time in response to the conduct of others.

There are reasons this occurs, including fear and uncertainty. One way to help avoid becoming the collateral damage of an ethical crisis is to ask yourself the three critical questions before someone else does.



# Ethical Leadership

Public managers bear significant responsibility for ethical leadership. They are held accountable not only for what they do, but also for conduct of others in the organizations they lead—whether they were aware of the conduct or not. The leader's role is to instill an ethical culture that resonates with the organization, and that starts by demonstrating that ethics and integrity are personal and organizational priorities.

The columns in this section will help you understand:

- How your conduct as a leader serves as a model for others in the organization
- Why leaders are tempted to forgo or delay ethics training—until it's too late
- Why ethical conduct is essential for effective leadership—and how to avoid losing the trust you've established with your employees
- Why candor and honesty in personal and work-related situations are fundamental to ethical leadership.



# A Leader's Three Levels of Ethical Responsibility

The concept that leaders are responsible for conducting themselves in a manner consistent with high expectations for ethics and integrity is well understood and accepted, but what is possibly less appreciated is how this expectation is applied in circumstances that go beyond leaders' own direct actions.

While the personal conduct of a leader will be scrutinized by the members of the organization and is fundamental to the individual's leadership credibility, what is often not fully recognized is how a leader's response to the conduct of others is equally important to a leader's success. In this context, it is critically important for leaders to understand their "Three Levels of Ethical Responsibility."

## FIRST LEVEL: YOUR PERSONAL CONDUCT (WHAT YOU DID)

It is fairly easy to understand that a leader is held to a high standard for his or her personal and professional conduct. You will be judged on how you conduct yourself—your personal decisions to do or not do something.

And as a leader, you will be held to a high standard. While some might object to the notion that leaders need to hold themselves to a higher standard than others, it is a reality that leaders are—and should be—viewed as role models, and they need to demonstrate the behavior and conduct expected of the entire workforce.

Leaders' personal conduct, which members of the organization will always closely watch, will directly affect the level of ethical conduct throughout the organization.

You will be carefully observed and evaluated based on a variety of criteria, including how you use public resources, how honest and straightforward you are with others, and the level of personal conduct to which you hold yourself.

And always be mindful that the consequence to the public-sector leader for a personal misstep is likely to be much more significant than to a member

of the general public. The notoriety and impact of a local government manager being arrested for DWI, for example, will far eclipse the impact on most other members of the public who find themselves in similar circumstances.

## **SECOND LEVEL: WHAT OTHERS DID THAT YOU KNEW ABOUT**

Many, if not most, organizational leaders who find themselves accused of ethical misconduct are in that position because of how they responded—or failed to respond—to the unethical actions of others, not because they committed the initial ethical transgression themselves.

Regrettably, it is all too common for individuals to become ensnared in the misconduct of others because of their failure to appropriately respond once they become aware of an ethical lapse. Among the criteria leaders will be judged on are:

- Addressing the issue in a timely fashion.
- Being fully transparent and disclosing the issue to all those who would reasonably expect to be informed.
- Taking appropriate disciplinary action in the case of a subordinate employee.

A delay in responding is often viewed as a failure to respond. Not taking action consistent with the misconduct is also a potential area for criticism. Leaders who do not take appropriate and timely action with full disclosure will often be judged as harshly as the individual initially causing the ethical breach and may face similar consequences.

## **THIRD LEVEL: WHAT OTHERS DID THAT YOU DIDN'T KNOW ABOUT**

Possibly most difficult to fully accept is that leaders are responsible for conduct in their organizations even if they had no prior knowledge of the conduct. Although it might appear unfair to be held responsible for the conduct of others that you were not even aware of, as the leader you are ultimately responsible for the performance of an organization and the conduct of its members.

While it is not feasible, except potentially in the smallest of offices, to be aware of the conduct of all members of the organization, it is clearly possible to reduce the odds that you will be held personally accountable for such misconduct. Here are factors that can impact how the leader is viewed in such circumstances:

- Have you undertaken preventive steps, including ethics training and setting clear ethical expectations for the organization?

- Has your organization provided multiple avenues for employees to report ethical concerns?
- Are you viewed as a leader who gets “out and about” in your organization, or are you almost always working behind a closed door in your office?
- Have you personally made it clear that you are open to and willing to hear “bad news” without “shooting the messenger”?
- How quickly and effectively do you respond when an issue comes to light?

While no amount of preventive work will immunize you and your organization from all risk, being able to demonstrate that ethics and integrity were a known organizational priority before an ethical scandal will significantly affect the consequences.

In order for the leaders of organizations to be viewed as effective ethical leaders, and to help their organizations be effective in terms of ethics and integrity, they need to be aware of their three levels of organizational responsibility and conduct themselves accordingly.

# Embracing Ethics Now: Reasons Why Many Delay Training Until It's Too Late

When are organizations most likely to conduct ethics training? Unfortunately, the answer is often “After an ethical crisis.” Too often, it often takes an ethical failure and crisis to raise ethics training to the level of priority it deserves. Why is this the case? Here are some reasons:

**A false sense of security (“We haven’t had a problem”).** Many organizations underestimate the likelihood of experiencing an ethical lapse because they have not recently suffered this experience. They assume that previous good fortune can be relied upon to keep them out of harm’s way moving forward.

**The competition of other priorities.** Our organizations are invariably busy places with many competing priorities. There is seldom enough time or money to do everything we would like. Priorities are set, either thoughtfully or by default.

Because of the false sense of security noted above, ethics training, and other preventive ethics work, can fall by the wayside.

**Concern of offending the staff and council by suggesting the need for ethics training.** Leaders can be hesitant to suggest ethics training for fear of appearing to distrust the ethical conscience of the members of their organizations. They may be concerned that the staff or their elected officials will be offended at the suggestion that there is a need for such training.

**Ethics training is boring.** Unfortunately, too many ethics training sessions are boring. When added to the “low priority/unnecessary” mindset, no wonder it is easy to not make such efforts a priority.

**Ethical decision making is a “no brainer.”** Many view ethical decision making as something straightforward and assume that making ethical decisions is relatively easy to do. They question why training is necessary: Who needs training to understand the difference between right and wrong?

All of these concerns are based on false or at least exaggerated assumptions:

**False sense of security and lack of recent incidents.** This is a particularly easy trap to fall into if the organization has had the good fortune in recent times of avoiding an ethical problem.

It is often the case, however, that organizations that have had the good fortune of not experiencing a recent ethical crisis will fail to focus on preventive efforts and will experience an ethical lapse.

It doesn't necessarily indicate that the organization or its employees are more virtuous than other organizations or somehow immune to an ethical misstep. It may be just a matter of good luck—luck that can always run out. And it takes only one instance of bad judgment by an organization member to create an ethical crisis.

**Competition for limited resources.** There is never enough time or money to do all that needs to be done. What is underestimated, however, is the cost—in money, time, and reputation—of an ethical lapse if it occurs. The cost in time and money of prevention is far less than the cost of responding to an ethical crisis.

**Concern for offending the members of the organization.** While some may wonder why the training is being offered and may be offended since they may view ethics training as unnecessary, others will view it as a clear signal from the leaders of the organization that ethics is a priority and should not be taken for granted.

The way the concept is introduced is also critical to the organizational response. It should be made clear that preventive ethics work is a best practice for organizations and that waiting for an ethical crisis to occur is not.

As one should not wait until a health crisis to have a comprehensive physical exam even in the absence of noticeable symptoms, preventive ethics work should not wait for a crisis either.

**Ethics training is boring.** Yes, ethics training, like any other training or pretty much any other presentation, can be presented in a fashion that is less than interesting and invigorating. Good ethics training, however, can be extremely engaging. The key is having the right content that is relevant to the audience and having it presented in an engaging fashion.

The training also needs to be presented in a way that is relevant to the audience. A presentation to department heads may be different from what is presented to front-line staff.

What may be viewed as “on point” for police officers may be different from what is presented to a group of recreation supervisors or maintenance staff.

While a general presentation can often be relevant to all of these audiences, it can be helpful to use examples or case studies that reflect the work environments of a variety of staff and employees.

**Training on ethical decision making is unnecessary.** Many of us think that making ethical decisions is easy and straightforward—you simply need to do “the right thing.” This is a big mistake.

Many, if not most, ethical issues are not straightforward. Often, individuals can make an ethical misstep without even understanding that they are making an ethical choice.

Most ethical decisions have many shades of grey and require discernment and thoughtful consideration. Training on what to consider and how to evaluate options can be critical to making the right choice.

Ethics training or any other preventive ethics work is not a guarantee that an ethical crisis will be avoided. Considering the devastating impact that ethical lapses can have on organizations and their members, decreasing the odds of such an event occurring is more than enough basis to make these efforts a priority.



# The Fundamental Connection: Ethical Conduct Is Key to Effective Leadership

It's unfortunately much too easy to find examples, often daily, of organizational leaders who have squandered the trust of their employers, employees, customers, peers, and the public. And once trust in them is diminished, their ability to be truly effective leaders is lost.

Theories and advice regarding leadership are ubiquitous. Untold numbers of books, articles, speeches, blog posts, and the like are available on the topic. Is it always clear, however, how fundamental ethical conduct is to effective leadership?

With all that is written and spoken about the topic and often at great length, the fundamentals of leadership are pretty straightforward. In short, leadership boils down to the ability to create an environment by one's actions that results in others in an organization being self-motivated to do their best work: To perform above what is required and to the best of their ability.

While those in charge of organizations can mandate a certain level of performance through positional power—direct rewards and penalties—truly excellent performance can be achieved only if an individual is personally motivated to perform at that level.

We can require a base level of performance from the staff of our organizations, but we can't require outstanding performance. Creating an environment that encourages our coworkers to do their best work requires a number of these ingredients:

- Communicating a clear and compelling mission for the organization.
- Making it clear how each employee contributes to successfully accomplishing the mission.
- Supporting and recognizing superior performance (in both tangible and intangible ways).
- Regularly demonstrating that all staff members are valued and appreciated.

## THE CONNECTION

Effective leaders do vary in their personal characteristics, often dramatically. While effective communication and interpersonal skills are fundamental, how they are exhibited can vary widely.

What is often not addressed is the fundamental connection between ethical conduct and effective leadership. Ask yourself if you could see yourself effectively led by an individual even if that person was not necessarily the most brilliant member of the group, or not necessarily the most technically proficient member, or not the most articulate public speaker.

You'll almost certainly conclude that it is possible to be an effective leader and not necessarily be exemplary in all of these and perhaps other areas.

Now ask yourself if you could envision yourself being led (inspired to do more than is required) by someone you did not trust. The answer is undoubtedly "no." People do not require perfection from their leaders, but they do demand honesty.

## LOSING INFLUENCE

Once you have lost the ability to establish and maintain trust with your employees, you have lost the ability to effectively lead them.

That trust can be lost in many ways—sometimes by one significant incident, but often by a pattern of conduct that erodes their belief in your honesty.

While obviously being caught in a significantly dishonest or otherwise inappropriate act can immediately destroy your ability to influence others, many less significant acts, in combination, can have the same effect.

Here are some all-too-common examples:

- Being unwilling to accept responsibility for organizational missteps/mistakes, whether or not you were personally responsible.
- Shifting the blame for your errors to others.
- Taking undue credit for organizational successes.
- Being inconsistent in what you say to people to their faces versus "behind their backs."
- Being inconsistent in enforcing organizational rules/expectations based on who is involved (including circumstances involving yourself).
- Living up to organizational values when it is easy, or there is little at risk, but not when the stakes are high or negative consequences could result.

- Preaching organizational fiscal conservatism except in circumstances when your personal financial benefit is in play.
- Not confronting the misconduct/unethical behavior of others when it is difficult or risky to do so.

All of these behaviors and many others will end your organization's trust in your honesty and integrity immediately or erode it over time.

## YOU'RE BEING WATCHED

Leaders can also underestimate how carefully they are being observed by the members of their organizations. Employees are constantly looking for cues on leadership and organizational expectations.

They are observing the behavior of those in positions of organizational power as guides for how they can or should conduct themselves. It also is usually readily apparent to staff when a leader acts in ways inconsistent with his or her stated values.

Think of individuals you have considered to be exemplary leaders. Those individuals will probably vary greatly with regard to their personal and professional characteristics.

In cases of truly successful leaders over the long term, however, it's unlikely that you will be able to identify any who were not viewed as trustworthy and possessing a high degree of integrity.

Without those characteristics, leaders will not be able to truly inspire those who work for them to be exemplary performers. While it is possible to achieve and sometimes maintain positions of substantial power, that does not mean you are truly a leader in the sense we should strive to achieve.

If you want to be a leader in the truest sense of the word, carefully consider what you do and say, because those who you aspire to lead will be watching.

# The Duty of Candor: Is Honesty a Sliding Scale?

Being candid brings to mind that awkward point in a conversation. It's the moment when someone chooses, perhaps with a bit of trepidation, to cross over into sensitive territory. As in, "Can I be candid with you?"

But candor really equates with being forthright and fair in any discussion, whether it is personal or work related. It is more than just being honest or telling the truth. To be truly candid means that you are not being deceptive in both what you say and what you don't say. Correctly answering the questions asked – that is, not lying – meets the standard of honesty but may fail to meet the higher standard of being candid.

## AN HONEST EXAMPLE

Consider this example from the for-profit world. Warren Buffett, CEO of Berkshire Hathaway and legendary financial wizard, faced the situation no leader desires: a dishonest second in command. Let's face it. Wrongdoing at any level is embarrassing and harmful.

But when it's your handpicked assistant or deputy who is not honest with you, it's harmful and hurtful. You work closely with the second in command to create a relationship built on trust. When that person isn't honest, your trust and confidence are lost.

Your ability to work together successfully is gone as well. After all, as the philosopher Nietzsche remarked: "I'm not upset that you lied to me; I'm upset that from now on I can't believe you."

In the Buffett case, his heir apparent was assigned the task of scouting for potential acquisitions. Final decisions about what to acquire would be made by Buffett and approved by the board of directors. An investment firm suggested several potential opportunities. After researching the list, the Buffett employee selected one company and worked with the investment firm to open the lines of communication.

Buffett's employee then personally purchased a small amount of stock in the company. As talks among the three parties continued, the employee sold the small amount of stock and personally bought \$10 million in stock in the very same company. He then proposed to Buffett that Berkshire Hathaway acquire this company.

During that meeting, Buffett was skeptical about the proposal and inquired how his staff member knew about the company. The aide replied that he owned stock in the company. Period.

That was actually a truthful response. But it lacked the critical information that Buffett required. It lacked the candor demanded of the situation. And given his position in the organization, it is reasonable to conclude that this wasn't just an oversight but an intentional effort to mislead.

How is that conclusion valid? The heir apparent was senior and experienced enough to understand the consequences of not being forthcoming with Buffett about the timing of his stock purchase. Without knowing that his right-hand man violated the company's insider trading policy and therefore tainted the deal, Buffett proceeded with the acquisition.

Cut to the chase. All the information regarding the stock purchase and acquisition efforts was publicly disclosed. The company's reputation is dinged. The heir apparent resigns. A full investigation concludes that the employee did intentionally mislead Buffett.

As noted in the report, for employees in this organization "the duty of loyalty includes a duty of candor, which requires them to disclose to the corporation all material facts concerning corporate decisions, especially decisions from which they might derive a personal benefit."

## **ACTING WITH HONOR AND CANDOR**

Clearly, in Buffett's organization being candid is the gold standard and not an option. The same holds true for some professions. For attorneys, the "general duty of candor" requires them to be honest and forthright with courts. The bar association states that attorneys should also refrain from deceiving or misleading courts either through direct representations or through silence.

Which raises an interesting question: Why don't all professions require or approach candor as a duty? ICMA's Code of Ethics requires members to act with honor and integrity to merit the trust of those we serve. That is an aspirational

target. But is it safe to assume then that acting with honor and integrity obligates local government professionals to be forthright and candid?

If a foundation of trust with those we serve is the desired outcome, then being candid about the facts is not an option. The next time you are quizzed about your organization's financials, performance metrics, or community satisfaction with services, just consider this: Are you just answering the question asked? Or are you being candid?





# Navigating Challenges on the Job

Local government professionals—particularly those who serve as chief administrators or key assistants—sometimes face ethics challenges posed by the actions or behavior of the elected officials they serve. Whether the elected official’s action was inadvertent or deliberate, the situation is awkward and requires careful—and firm—navigation by the manager.

These situations most frequently occur when an elected official wanders into the territory that legally belongs to appointed managers—whether by attempting to override a manager’s decisions, by giving direct orders to departmental staff, or by other actions.

The columns in this section will help you understand:

- Why encroachment on professional responsibilities represents more than a power play; the ICMA Code of Ethics requires members to resist encroachment out of respect for the legal framework within which elected and appointed officials work.
- The importance of educating elected officials and appointed staff about their respective roles and building a team that directs its energy toward serving the community.

# But That's My Job!

Resisting encroachment on your responsibilities is more than just a battle over turf. Here's a scenario that explains why.

The national search to find the next police chief for a city produced two finalists: a highly rated deputy from another city and an internal candidate with 25 years of service in the department. The city manager, who was responsible for the selection, had a tough decision to make as both were highly rated leaders.

On any given day, being a police chief is a challenging job. Whoever was selected for this city would face the daunting task of winning back the public's trust. Two recent and high-profile incidents had the department and the city's leadership under intense public scrutiny. With this in mind, the city manager decided that the external candidate had the greater likelihood of success on all fronts.

## AFTER THE CHOICE

Decision made, the manager started the process of informing the elected officials with a call first to the mayor. The manager summarized the key reasons that led to his choice and noted that the formal announcement would come the next day.

In clear and uncertain terms, the mayor opposed the manager's decision. No amount of persuasion or comparison of the candidate's attributes would sway the mayor's opinion.

Tired of the back and forth, the mayor finally told the manager to choose the internal candidate. The manager informed the mayor that he was sticking with his initial decision. In closing the conversation, the mayor alluded to a future conversation with the city council about the manager's "leadership style." After the manager announced his selection the next day, the mayor publicly criticized the decision.

The conversation about the manager's leadership style—it never took place. The mayor didn't get traction from his posturing. The city council as well as the public backed the manager on this one.

This true story is probably more commonplace than one would imagine. Elected officials cross the line into management's realm. Managers drift into policy decisions that are the responsibility of elected officials. We are navigating along a two-way street, except that managers generally don't have the same type of leverage to use with their bosses.

## PEACE OR PRINCIPLE

If this happens all the time, why fight it? Isn't peace between the parties more important than principles? The answer is no! This is a principle worth fighting for and here is why:

- **It's about respect for the law, not about power.** Elected officials and appointed managers hold public office. Their duties are outlined in the law, be it a state statute, local charter, ordinance, or something else. And all parties took an oath to uphold the law. Democracy doesn't function well when the rule of law gets discarded by those who swore to uphold it.
- **Governance and oversight matter.** Elected officials perform a critical governance role in providing oversight of the management of the organization. The door for abuse and corruption is wide open when managers play both the management and oversight roles.
- **Arbitrary decisions are costly.** An actual or perceived lack of fairness or equity in actions taken by a public agency, especially in personnel, can create a real financial liability.
- **Assume no ill intent.** Most elected and appointed officials are well intentioned. They drift into the other's territory due more to a lack of understanding of their role than a desire to be Machiavellian. Coaching helps.

Local government professionals have an ethical obligation to resist encroachment on their duties. There are real consequences to the organizations and public we serve when we lack the courage to do our jobs. There is no place in the profession for a "go along to get along" mentality.

# Upstream Challenges: When the Ethical Dilemma Involves Your Elected Official

Any CEO, whether leading a private or public organization, knows that success can depend on first establishing a solid relationship with the governing body. The relationship, individually and collectively, must be built on a foundation of mutual trust and respect for the other's unique role and responsibilities. Local government managers face the added challenge of doing this publicly, despite competing interests and the pesky requirements of democracy.

When either party fails to understand its role or strays across boundaries, intentionally or not, the relationship can be strained or fractured. An elected official acting like a manager can create an ethical dilemma for the manager as well. Here are two real-world incidents that highlight ethical issues that can arise.

## INCIDENT #1

The takeaway from the new city manager's first council retreat was that public works was a real weakness in the organization. The manager promised to pay close attention to the situation and, after a year, concluded that the public works director lacked the technical and management skills needed to lead the department.

A significant amount of coaching and direction didn't seem to yield better results. The manager terminated the public works director and then informed the mayor and council. The following year, the wife of the now former employee ran for and won a spot on the city council.

The new councilmember was highly critical of the manager's performance and preferred to address her concerns and complaints only in public forums. She also went directly to staff to inquire about project status, get information, and issue requests for service. The manager met with the councilmember in an

effort to get her to deal directly with him and identify the source of her discontent. Nothing worked.

The manager next learned from a vendor that the councilmember called the vendor to determine why a project was not progressing on time and to demand better results. The manager believed her action was improper. He wondered what his next step should be. Should the manager address this issue with the councilmember? Go to the mayor?

Many times elected officials are motivated by pure desire to serve the voters, and they wander into the manager's "territory" because they lack an understanding of the manager's role and how to get things done. Managers can help newly elected officials understand the division of labor between elected officials and staff. Council retreats, orientations, presentations by corporation counsel, and regular discussions are all effective ways to build a strong understanding of roles and responsibilities and establish the ground rules for conduct of all parties. A low-key, one-on-one approach often is successful in resolving missteps and issues.

But the manager can't be expected to correct inappropriate upstream conduct. Governing body members must police the conduct of their peers and weigh in when it crosses boundaries. In this case, the manager should explain to the councilmember that her intervention is neither helpful for the project nor appropriate. The manager should also inform the mayor and request that the councilmember's conduct be addressed by her peers.

## INCIDENT #2

What do you do when the mayor is the offending party? One city manager faced that issue after the departure of the director of the city's performing arts center. The mayor then presented the manager with an ultimatum: rehire the director or meet with council in executive session called specifically to consider the manager's continued employment.

The director had resigned from the city following a media report that he had accepted many gifts from individuals doing business with the city and failed to follow the disclosure laws. The director had been competent, but his conduct violated city policy and the law and embarrassed the organization.

This was a deal breaker for the manager because all staff, including the director, had been through ethics training that specifically addressed the gifts issue. The manager had offered the director the option to resign or be fired.



The manager informed the mayor that he would not reconsider his decision and was glad to discuss his rationale with the full council in executive session. From the manager's perspective, this was not about power or territory but about preserving the city charter and rule of law. His ethical obligation is to resist encroachment on his professional responsibilities, to handle each personnel matter fairly and on the merits, and to do what is right—even at the cost of losing his position.

Governance coach Mike Conduff has reminded both managers and elected officials of the importance of the team relationship:

"It is hard to imagine an effective team environment where members don't know or operate within their roles. Visualize an airline pilot leaving the cockpit to serve drinks or a pitcher abandoning the mound to catch a fly ball in the outfield. Elected officials are critical in their governing role, and in order to be effective must be educated, trained, and coached in that role. Managers can clearly assist with training, but mentoring and discipline rest largely with the mayor and governing body."

We skip training camp at our peril!





## A Final Thought

If you thought the ICMA Code of Ethics had 12 tenets, you'd be right. But there's also a "Tenet 13" that applies to your personal and professional life: Don't be stupid.

Like the 12 tenets of the Code that may hang on your wall, Tenet 13 has guidelines. Read on to see what they are . . .

## Tenet 13: Don't Be Stupid

Not familiar with Tenet 13 of the ICMA Code of Ethics? Wondering whether you missed an update as the version of the Code hanging on your wall only has 12 Tenets? Are you getting ready at this point to search the website for the holy grail of ethics advice? Well, here it is . . . in the conduct of your personal and professional life just adhere to Tenet 13: Don't be stupid!

If you find this blunt or seemingly simplistic advice on a complex issue a bit insulting, reflect for a moment on the unethical acts committed by public officials, including members of the local government profession, over the years. Many have as a root cause carelessness, unreasoned thinking, and an exasperating lack of common sense.

How many times upon hearing these stories have you exclaimed, "What were they thinking?" Well, the answer appears to be that they weren't. The price paid for their actions has been steep: public humiliation, embarrassment for the organizations they served, cratered careers, and hurt among their colleagues, friends, and family.

Consider adhering to these Tenet 13 guidelines to stay out of ethical jeopardy:

**Tell the truth, always.** If you have failed to do so or have been subject to misinterpretation, correct the record quickly. Never engage in a cover-up. Remember that those words "under oath" mean something.

**Be crystal clear in your communications.** Whether it is negotiating that next position or giving direction to your staff, your communication needs to be clear, concise, and free of ambiguity. With regard to job offers, do not say yes until you are satisfied with all aspects of the offer and completely sure that you can commit.

**Use e-mail carefully.** Would you ever send out a snail-mail letter on the city or county letterhead that expresses your anger, tells off-color jokes,

---

Originally published as "The Key to Being Ethical?" in the December 2009 issue of *Public Management (PM)* magazine.

makes personal comments to a colleague, or provides an assessment of the competency of others, including your supervisors? Of course not! So don't do it in e-mail, either. E-mail is not private. It is just another version of written correspondence, so use it carefully, keep it brief, and focus on business. The same advice applies to using your work-issued mobile phone to send text messages.

**Use all electronic communication outlets sensibly.** Again, nothing electronic is private, and friends and fans are not forever! Even if you judiciously limit access to your online presence, the pictures and comments posted on Facebook and other social media sites can easily be shared with those outside your network. And if they are the least bit sensational, be assured that they will be shared.

**Don't date an office colleague.** It doesn't work. A public-sector risk manager offered two rules of relationship management: Rule 1: Never sleep with a subordinate employee. Rule 2: If you break Rule 1, never, never, never stop. While there are often moral dilemmas to consider in personal relationships, dating a subordinate employee creates an enormous risk for the organization that you pledged to protect. And if you happen to be the city or county manager, there is simply no way to build a structure that keeps you arm's length from the issue.

**Manage the stress with healthy choices.** Choosing poor outlets to deal with work and life stress can be devastating for those in public service.

**Recognize that no one is above the law.** Ditto for work rules. What defense do those who play a leadership role in the organization have if caught driving while intoxicated; circumventing compensation, hiring, or purchasing procedures; or misusing credit cards and other public resources?

**Read the ICMA Code of Ethics.** Do you know how many times members run afoul of the Code because they simply did not know what they had agreed to when they joined ICMA?

Last, remember the thoughts of writer and philosopher Elbert Hubbard, who said, "Genius may have its limitations, but stupidity is not thus handicapped."

## ABOUT ICMA

---

**ICMA, the International City/County Management Association**, advances professional local government through leadership, management, innovation, and ethics. ICMA provides member support; publications; data and information; peer and results-oriented assistance; and training and professional development to more than 11,000 city, town, and county experts and other individuals and organizations throughout the world. The management decisions made by ICMA's members affect millions of individuals living in thousands of communities, from small villages and towns to large metropolitan areas.



INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION

777 N. Capitol St. NE, Ste. 500, Washington, DC 20002

202.962.3680 | 202.962.3500 (f) | [icma.org](http://icma.org)

---