I'm 'In' with the In Crowd

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I recently joined an exercise program looking to get back into shape after the arrival of my first daughter. When I arrived at my very first class, I noticed that most of the women wore slim fitting “yoga” pants paired with colorful tops. They looked pretty, polished and put together. I was wearing a pair of my husband’s cast-off athletic shorts and a t-shirt from a family vacation. As I sat down on my mat (in the far corner of the room) I felt awkward and out of place and was relieved when a couple of other “newbies,” looking even less put together than I did, walked into class shortly after me.

An interesting thing happened as weeks went on, one by one, my motley crew of companions each arrived in coordinating workout outfits, either newly bought or dragged from the bottom drawer. I have to admit that I was the first to cave, purchasing three very colorful tanks and two pairs of slim black pants. The look on my friend Emily’s face when I walked into class said it all: “Et tu, Brute?”

This rather trivial example points to something important about us: we like to fit in and will often go to great (and silly) lengths to do just that. We tailor our dress, our language and our conversation to resonate with that of others within our social and professional groups. The power of the group is often overlooked. It should not be, since it holds an important lesson and opportunity for business owners interested in hiring and retaining staff with good character. Leaders need to know they can depend on their employees to do the right thing, even when no one is looking.

But how is it possible to assess the ethics of potential recruits? Some leaders refer to a sixth sense, a gut instinct that indicates whether the person sitting in front of them is trustworthy or not. I don’t doubt that many people have developed an accurate “nose test” throughout the years, but this ability has the disadvantage of a pretty steep learning curve. Others ask questions that probe at the values of a candidate. For example, they may ask interviewees to relay a story in which they faced an ethical dilemma and how they handled it. This is an important exercise, but not because of what you find out about the candidate (who certainly has an incentive to put her best foot forward) but because of what it signals to the candidate about the sort of leader you are and what’s important to you.

The bottom line is that it is incredibly difficult, in most cases, to ferret out the moral character of potential employees. So how do organizations ensure that the people working for them embrace ethical values? Perhaps my experience in the new exercise class can provide some lessons.

People will adapt to the situation in which they find themselves. And, more important, if they cannot or will not adapt, they will find a way to leave that environment. Despite the pervasive celebration of the “maverick” in American culture, most people do not want to remain outsiders. In short, people tend to self-select into and out
of cultures until they find one that reflects their identity and their values.

The idea that unethical behavior is the result of one bad apple is oversold and unreliable. While there are always exceptions, for the most part unethical people tend to congregate together. If someone is caught acting badly, the odds are that he is not the only one. Even if others have not yet performed the illegal or unethical behavior, you can bet that they are thinking about it. The unethical actions of the one make it a real possibility for everyone else. Ethical violations do not occur in a vacuum; they are almost always supported and encouraged by the culture of an organization.

It is hard to ride against the current. The ideal of the principled person who stands his ground may be inspirational, but it is not sustainable. The hope that we are unaffected by our environment is undermined by research that confirms people are changed by their environment in imperceptible (and often unconscious) ways. The “slippery slope” argument is often illustrated by the image of a frog perishing in boiling water. If you put a frog into a pot of boiling water, it would wisely jump out of the pot, but if you turn the heat up slowly, it would not notice the danger until it was too late. If you ask someone whether he would embezzle from his organization, he would be offended. But the same person is more than happy to pass off social dinners as business expenses. The line between the two points may be long, but it is a direct shot.

The “care and feeding” of an ethical culture is crucially important. Since culture is intangible, we tend to take it for granted. This is a mistake. It can be helpful to imagine an ethical culture as a living thing, either nourished or starved by the behavior of the people who inhabit the organization. While the actions of some (such as senior management) may have more impact, every person in the organization contributes to the creation of the culture.

The proclivity to want to be with “like people” can certainly work to your advantage in creating an ethical culture and hiring and retaining ethical employees. Of course, the process is not perfect; there are people who will “free ride” on the collective reputation and goodwill of the organization. Unfortunately, ethical people create opportunities for unethical people to exploit. But good people will self-select into an ethical organization and the best thing a leader can do is create a place they want to be.