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Business Roundtable
Institute for Corporate Ethics

Developing Ethical Leadership

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Featuring a *Thought Leader Commentary™*
with Steve Odland, Chairman and CEO, Office Depot, Inc.

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FOREWORD

The Business Roundtable Institute for Corporate Ethics is an independent entity established in partnership with Business Roundtable—an association of chief executive officers of leading corporations with a combined workforce of more than 10 million employees and \$4 trillion in annual revenues—and leading academics from America’s best business schools. The Institute brings together leaders from business and academia to fulfill its mission to renew and enhance the link between ethical behavior and business practice through executive education programs, practitioner-focused research and outreach.

Institute *Bridge Papers*TM put the best thinking of academic and business leaders into the hands of practicing managers. *Bridge Papers*TM convey concepts from leading edge academic research in the field of business ethics in a format that today’s managers can integrate into their daily business decision making.

*Developing Ethical Leadership*¹ is an Institute *Bridge Paper*TM based on the research of R. Edward Freeman. Weaving his research together with learnings he has garnered from conversations with a host of executives and students during the last 25 years, Freeman creates a framework for developing ethical leadership.

The accompanying interview with Steve Odland, Chairman and CEO of Office Depot, Inc. provides a CEO perspective on what it means to be an ethical leader in today’s business and social contexts, addressing key topics such as executive compensation and the need to encourage a culture of pushback.

WHAT IS ETHICAL LEADERSHIP?

One typical response to the “ethics crisis” in business is a clarion call for more “ethical leadership,” yet there are few explanations of what exactly is meant by the term. Many executives and business thinkers believe that ethical leadership is simply a matter of leaders having good character. By having “the right values” or being a person of “strong character,” the ethical leader can set the example for others and withstand any temptations that may occur along the way. Without denying the importance of good character and the right values, the reality of ethical leadership is far more complex and the stakes are much higher.

Over the past 25 years, in talking to executives in a number of industries about the problems of how to lead in a world of great change—globalization, democratization, and incredible technological advances—we have identified a number of touchstones for the idea of “ethical leadership.” Our experience is often contrary to the picture of business

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executives one finds in public discussion where they are often seen as greedy, competitive, and only concerned with compensation. In fact most executives want to be effective in their jobs and to leave their companies and the world a better place, creating value on both fronts for those whose lives they affect.

Our view of ethical leadership takes into account not only the leader but also his constituents (followers and key stakeholders), the context or situation that the leader and constituents face, the leader's processes and skills, and the outcomes that result. Leaders are first and foremost members of their own organizations and stakeholder groups. As such, their purpose, vision, and values are for the benefit of the entire organization and its key stakeholders.

Leaders see their constituents as not just followers, but rather as stakeholders striving to achieve that same common purpose, vision, and values. These follower and stakeholder constituents have their own individuality and autonomy which must be respected to maintain a moral community.

Ethical leaders embody the purpose, vision, and values of the organization and of the constituents, within an understanding of ethical ideals. They connect the goals of the organization with that of the internal employees and external stakeholders.

Leaders work to create an open, two-way conversation, thereby maintaining a charitable understanding of different views, values, and constituents' opinions. They are open to others' opinions and ideas because they know those ideas make the organization they are leading better.

Characteristics of Ethical Leaders

In today's turbulent world, ethics and values are present at a number of levels for executives and managers—leaders who devote their time and energy to leading the process of value creation. This broader concept of ethical leadership

It is important for leaders to tell a compelling and morally rich story, but ethical leaders must also embody and live the story.

empowers leaders to incorporate and be explicit about their own values and ethics. The following list provides a framework for developing ethical leadership. It is based on the observations of and conversations with a host of executives and students over the past 25 years, and on readings of both popular and scholarly business literature. Written from the perspective of the leader, these ten facets of ethical leaders offer a way to understand ethical leadership that is more complex and more useful than just a matter of "good character and values."

ETHICAL LEADERS:

1. Articulate and embody the purpose and values of the organization.

It is important for leaders to tell a compelling and morally rich story, but ethical leaders must also embody and live the story. This is a difficult task in today's business environment where everyone lives in a fishbowl—on public display. So many political leaders fail to embody the high-minded stories they tell at election time, and more recently, business leaders have become the focus of similar criticism through the revelations of numerous scandals and bad behaviors. CEOs in today's corporations are really ethical role models for all of society.

Following a series of unethical activities by Citigroup employees in Japan in 2004, new CEO Chuck Prince fired several executives, publicly accepted

Ethical leaders pay special attention to finding and developing the best people

responsibility and bowed apologetically to Japanese officials.² Not only did Prince's message resonate within Japan, but it also signaled a new era of "shared responsibility" within the culture of Citigroup where every employee was expected to take ownership for their decisions that affected the enterprise.

2. Focus on organizational success rather than on personal ego.

Ethical leaders understand their place within the larger network of constituents and stakeholders. It is not about the leader as an individual, it is about something bigger—the goals and dreams of the organization. Ethical leaders also recognize that value is in the success of people in the organization.

In 1998, in a bold gesture demonstrating how he valued the company's line employees, Roger Enrico, former Chairman and CEO of PepsiCo, chose to forego all but \$1 of his salary, requesting that PepsiCo, in turn, contribute \$1 million to a scholarship fund for employees' children.³

In a similar manner, the founders of JetBlue began a process of matching, from their salaries, employee donations to a charity. Today, their entire salaries go to the JetBlue Crewmember Catastrophic Plan charity, to assist staff with crises not covered by insurance.⁴ The point of these examples is not that ethical leaders donate their salaries to charities, but rather that ethical leaders identify and act on levers, such as employee loyalty, that drive organizational success.

3. Find the best people and develop them.

This task is fairly standard in different models of leadership. Ethical leaders pay special attention to finding and developing the best people precisely because they see it as a moral imperative—helping them to lead better lives that create more value for themselves and for others. Finding the best people involves taking ethics and character into account in the selection process.

Many CEOs have said to us that judging someone's integrity is far more important than evaluating their experience and skills. Yet, in many organizations, employees are hired to fill a particular skill need with little regard to issues of integrity.

4. Create a living conversation about ethics, values and the creation of value for stakeholders.

Too often business executives think that having a laminated "values card" in their wallet or having a purely compliance approach to ethics has solved the "ethics problem." Suffice it to say that Enron and other troubled companies had these systems in place. What they didn't have was a conversation across all levels of the business where the basics of value creation, stakeholder principles and societal expectations were routinely discussed and debated. There is a fallacy that values and ethics are the "soft, squishy" part of management. Nothing could be further from the truth.

In organizations that have a live conversation about ethics and values, people hold each other responsible and accountable about whether they are really living the values. And, they expect the leaders of the organization to do the

same. Bringing such a conversation to life means that people must have knowledge of alternatives, must choose every day to stay with the organization and its purpose because it is important and inspires them. Making a strong commitment to bringing this conversation to life is essential to do if one is to lead ethically.

Most people know the story of Johnson and Johnson's former CEO Jim Burke and the Tylenol product recall in the 1980s in which, at a great short-term financial cost, he pulled all potentially tampered-with products off the shelves, thereby keeping the public's trust intact.

The less well-known background to this story, however, is critical to understanding the final outcome. Well before the Tylenol crisis hit, Johnson & Johnson had held a series of "challenge meetings" all around the world, where managers sat and debated their "Credo,"

...there must be mechanisms of pushing back to avoid the values becoming stale and dead

a statement of their purpose and principles of who they wanted to be as a company. The conversation about ethics at Johnson & Johnson was alive, and in many ways made Jim Burke's choice about handling the situation clearer than it otherwise would have been.

5. Create mechanisms of dissent.

Many executives don't realize how powerful they are simply by virtue of their positions. Psychologists such as Stanley Milgram have long ago demonstrated that most of the time people will obey what they perceive to

be legitimate authority, even if there is no cost for disobedience. To avoid this "Authority Trap" it is critical to have an established and explicit way for employees to "push back" if someone thinks that a particular market, region, or internal process is out of line.

This needs to be made part of the organizational culture, not just a line item in a compliance program document. Some companies have used anonymous e-mail and telephone processes to give employees a way around the levels of management that inevitably spring up as barriers in large organizations. Many executives also have used "skip level" meetings where they go down multiple levels in the organization to get a more realistic view of what is actually going on.

General Electric's famous "workout" process—where workers meet to decide how to fix problems and make the company better—was a way for front line employees to push back against the established policies and authority of management. All of these processes lead to better decisions, more engaged employees, and an increased likelihood of avoiding damaging mistakes.

In a company that takes its purpose or values seriously, there must be mechanisms of pushing back to avoid the values becoming stale and dead. Indeed, many of the current corporate scandals could have been prevented if only there were more creative ways for people to express their dissatisfaction with the actions of some of their leaders and others in the companies. The process of developing these mechanisms of dissent will vary by company, by leadership style, and by culture, but it is a crucial leadership task for value creation in today's business world.

6. Take a charitable understanding of others' values.

Ethical leaders can understand why different people make different choices, but still have a strong grasp on what they would do and why. Following twenty-seven years in South African prisons, Nelson Mandela was still able to see the good in his jailers. After one particularly vicious jailer was being transferred away from Robbins Island because of Mandela's protest and push back, the jailer turned to Mandela and stated "I just want to wish you people good luck."⁵ Mandela interpreted this statement charitably as a sign that all people had some good within them, even those caught up in an evil system. Mandela felt that it was his responsibility to see this good in people and to try and bring it out. One CEO suggested that instead of seeing ethical leadership as preventing people from doing the wrong thing, we need to view it as enabling people to do the right thing.

7. Make tough calls while being imaginative.

Ethical leaders inevitably have to make a lot of difficult decisions, from reorienting the company's strategy and basic value proposition to making individual personnel decisions such as working with employees exiting the organization. Ethical leaders do not attempt to avoid difficult decisions by using an excuse of "I'm doing this for the business." The ethical leader consistently unites "doing the right thing" and "doing the right thing for the business."

The idea that "ethical leadership" is just "being nice" is far from the truth. Often, exercising "moral imagination"⁶ is the most important task. Mohammed Yunus founded the Grameen Bank on such moral imagination.⁷ By taking the

...one issue common to the recent business scandals was that managers and executives did not understand the limits of "putting shareholders first."

standard banking practice of only lending to people with collateral, and turning it on its head, Yunus spawned an industry of micro-lending to the poor.

The Grameen Bank's motto is that poverty belongs in a museum. In addition to having one of the highest loan repayment rates in the banking industry, the bank's program of lending to poor women in Bangladesh to start businesses has helped millions of them to be able to feed themselves.

This leadership can just as often take place within the ranks of organizations as it does at the highest CEO and board levels. Several years ago, the CEO of DuPont was implementing a new, stringent company-wide commitment to reduce factory emissions.⁸ He visited one facility where the plant engineers insisted that such requirements could not be met. The chairman responded that the particular plant would then have to be closed—causing hundreds of job losses.

Several weeks later, the plant engineers delivered the news to the CEO that they had figured out how to meet the requirements—and save money. While we don't know the names of the plant engineers who surely spent numerous hours determining how to meet the requirements, we see the results of their leadership and imagination.

8. Know the limits of the values and ethical principles they live.

All values have limits, particular spheres in which they do not work as

well as others. The limits for certain values, for instance, may be related to the context or the audience in which they are being used. Ethical leaders have an acute sense of the limits of the values they live and are prepared with solid reasons to defend their chosen course of action. Problems can arise when managers do not understand the limits of certain values.

As an example, one issue common to the recent business scandals was that managers and executives did not understand the limits of “putting shareholders first.” Attempts to artificially keep stock prices high—without creating any lasting value for customers and other stakeholders—can border on fanaticism rather than good judgment. Ethics is no different from any other part of our lives: there is no substitute for good judgment, sound advice, practical sense, and conversations with those affected by our actions.

9. Frame actions in ethical terms.

Ethical leaders see their leadership as a fully ethical task. This entails taking seriously the rights claims of others, considering the effects of one’s actions on others (stakeholders), and understanding how acting or leading in a certain way will have effects on one’s character and the character of others. There is nothing amoral about ethical leaders, and they recognize that their own values may sometimes turn out to be a poor guidepost.

The ethical leader takes responsibility for using sound moral judgment. But, there is a caution here. It is easy to frame actions in ethical terms and be perceived as “righteous.” Many have the view that ethics is about universal, inviolable principles that are carved into stone. We need to start with principles and values,

and then work hard to figure out how they can be applied in today’s complex global business environment.

Principles, values, cultures, and individual differences often conflict. Ethical leadership requires an attitude of humility rather than righteousness: a commitment to one’s own principles, and at the same time, openness to learning and to having conversations with others who may have a different way of seeing the world. Ethics is best viewed as an open conversation about those values and issues that are most important to us and to our business. It is a continual discovery and reaffirmation of our own principles and values, and a realization that we can improve through encountering new ideas.

10. Connect the basic value proposition to stakeholder support and societal legitimacy.

The ethical leader must think in terms of enterprise strategy, not separating “the business” from “the ethics.” Linking the basic *raison d’être* of the enterprise with the way that value gets created and society’s expectations is a gargantuan task. But, the ethical leader never hides behind the excuse of “It’s just business.”

Despite intense opposition from a number of groups, Wal-Mart CEO Lee Scott won approval in early 2004 to build a new store in a West Side Chicago neighborhood by listening to and engaging stakeholders who would most benefit by the value that this new store would create.⁹ Partnering with black community leaders, Wal-Mart appealed to the needs of the community in sections of town where there was a real need for jobs and stores. Ultimately, the support of the community allowed Wal-Mart to win City Council’s approval. Wal-Mart also committed to seeking minority subcontractors to build

the facility and to eventually hiring the majority of the store's employees from the local community.

Ethical leadership is about “raising the bar,” helping people to realize their hopes and dreams, creating value for stakeholders, and doing these tasks with the intensity and importance that “ethics” connotes. That said, there must be room for mistakes, for humor, and for a humanity that is sometimes missing in our current leaders. Ethical leaders are ordinary people who are living their lives as examples of making the world a better place. Ethical leaders speak to us about our identity, what we are and what we can become, how we live and how we could live better.

BECOMING AN ETHICAL LEADER

We have been privileged to know many executives that we would classify as ethical leaders. What these executives have in common is a profound and deep sense of ethical principles, values, and character at the core of their leadership. They see their job as making others better, and enabling them to pursue their own hopes and dreams. They are able to get things done in complicated organizations and societies. But, it is their ethical core which pervades their relationships with followers, the skills and processes which they use in leading them, their analysis of the contexts, and their own sense of self.

Becoming an ethical leader is relatively simple. It requires a commitment to examining your own behavior and values, and the willingness and strength to accept responsibility for the effects of your actions on others,

Ethical leaders speak to us about our identity, what we are and what we can become, how we live and how we could live better.

as well as on yourself. A “responsibility principle” is a necessary ingredient for “managing for stakeholders” to be useful in today’s business world. Ethical leaders must consider and take responsibility for the effects of their actions on customers, suppliers, employees, communities and other stakeholders. If business were simply concerned with shareholder value, then this “responsibility principle” would be unnecessary, other than the responsibility to shareholders.

To become an ethical leader, commit to asking yourself the following types of questions:

- (1) What are my most important values and principles?
- (2) Does my calendar—how I spend my time and attention—reflect these values?
- (3) What would my subordinates and peers say my values are?
- (4) What mechanisms and processes have I designed to be sure that the people who work for me can push back against my authority?
- (5) What could this organization do or ask me to do that would cause me to resign for ethical reasons?
- (6) What do I want to accomplish with my leadership?
- (7) What do I want people to say about my leadership when I am gone?
- (8) Can I go home at the end of the day and tell my children (or a loved one) about my leadership, and use my day’s work to teach them to be ethical leaders?

DEVELOPING ETHICAL LEADERS

The best way for organizations to develop ethical leaders is to engage in some of these questions. Viewing business simultaneously in economic and ethical terms helps to send the message that ethics isn't just an important set of rules not to violate, but that it is an integral part of what it means to work at your organization.

There are some concrete steps about how best to develop ethical leaders within the framework that most global businesses find themselves. The first step is to bring life to a conversation about how the organization benefits its stakeholders and about understanding the organization's values.

This doesn't need to be a formal program. It could be as elaborate as town hall meetings. Or, as one executive suggested to us, we simply could have an "ethics" or "stakeholders" moment at most meetings. Such moments, analogous to "safety moments" at companies like DuPont, set aside a brief time to raise concerns about the effects of the meeting on key stakeholders, or on a company's values and ethics. Equally, the "ethics" moment could elaborate on how the conversations and decisions of the meeting were aligned with company values.

Many companies have leadership development programs. These programs need to be strengthened by adding the idea of "ethical leadership." It is not necessary to use the specific principles we have developed, but companies can make themselves better by engaging participants in a conversation about what they see as "ethical leadership."

Executives can develop shared conversations and conceptions of how "ethical leadership" can be implemented in their particular company.

Executives need to figure out how to have "challenge meetings," routine processes where anyone in the organization can raise a challenge to whether or not the company is living its values, or its enterprise strategy approach. Without the ability to challenge authority, there can be no such thing as true ethical leadership.

Many fear that anarchy would be the result of such a process. Our experience is just the opposite. Values, purposes, principles, an enterprise approach—all deliver a disciplined way to think about how to make the business better and more effective, and help to develop pride in the organization.

A THOUGHT LEADER COMMENTARY™ with Steve Odland, Chairman and CEO, Office Depot, Inc.

Q: How do you develop ethical leaders within Office Depot?

Steve Odland: I believe that employees at all levels throughout the organization must demonstrate and exercise ethical leadership every day. Our salespeople, for instance, have to know and believe that we don't sell products to customers that they don't need. Each one of us must work to provide value for our customers and shareholders. In some respects the term "ethical leaders" is redundant—we really are just developing leaders that are focused on delivering value to our customers every day. Leadership should of course be ethical as well.

Development of these qualities is critical, and here's why. In a retail environment like ours, "Office Depot" in the mind of our customers is their local store and store employees, not me as CEO or our corporate offices. It's whether those local employees are helpful and whether the store has the products that customers need when they need them. Thus, we need to emphasize ethical leadership throughout our organization.

To develop ethical leaders, it is important for the ethics codes to be clear, and to ensure that all employees understand what is expected of them. Another critical component to ensuring ethical leadership within the culture is hiring, developing, and promoting those people who will embrace the ethical standards. You can put together elaborate ethics codes, but, in the end, if you hire crooks, they will steal.

Q: How do you encourage a culture of pushback within your organization?



PHOTO: OFFICE DEPOT, INC.

Steve Odland

Odland: At Office Depot, all employees share in the responsibility for creating and maintaining an ethical culture. That effort, of course, starts with the Chief Executive Officer and the Board of Directors demonstrating their commitment to the company values and principles in consistent and concrete ways. I frequently speak to groups of employees about the importance of our company values, about how we want to treat each other, and about what we stand for as a company. The company culture can't just be mine, it has to be all of ours.

Employees must be free to push back, to report ethical violations, and to suggest changes—all without fear of retribution. Every employee's behavior is important to the company's success. We can't always look over their shoulders, so we need to depend on them to do what is right. And we need to put processes and mechanisms in place so that there are people they can turn to when they need support in discussing the difficult situations they

may face. They need to know that doing the right thing is best for them and for our company. Every time someone has the fortitude to speak up on behalf of our values, we need to show that this is something we encourage—failure to communicate that we value this feedback could have a chilling effect that does us all harm.

Q: This paper mentions that a key principle of ethical leadership is articulating and embodying the purpose and values of the organization. Can you explain how you approach this topic in today's environment where Chief Executive's lives are often on public display?

Odland: Several years ago, I had just become the Chief Executive of a company and had moved with my family to a new town. As the 4th of July approached, since we had just moved in, we couldn't find the American flag, so we didn't have it to display. A snippet in the paper noted that I was not patriotic or didn't have a flag out. You will notice if you ever drive by my house now I always have a flag flying. Now I'm criticized for not taking it down in the rain, but I know all the regulations on use and abuse of the American flag.

First, as CEOs, we live our lives in a fishbowl and I think that we have to understand that. Secondly, we need to understand that we can't subject ourselves or indulge ourselves in the common kinds of human frailties. In today's world, the rules have changed and we all have to adapt to that.

Q: Office Depot was one of the first corporate responders to the hurricane Katrina crisis, with a multitude of companies following suit. Why did you

choose to take such a strong leadership position there?

Odland: Similar to our personal lives where we establish trusting relationships over time by treating one another with respect, care and honesty, Office Depot has many relationships with the people of the Gulf Coast whose lives were affected by Hurricane Katrina. Additionally, our company is based in Florida, so our people feel a particular empathy and compassion for the Gulf Coast hurricane victims. In this instance of crisis, ethical leadership meant responding quickly, generously, and with compassion to aid our employees, customers and fellow citizens, just as we would have individually assisted our friends and neighbors in a time of crisis.

Hurricane Katrina is the American Tsunami. We continue to encourage other companies to join us in this massive relief effort—not only to help our fellow citizens, customers and associates who are suffering, but to ensure that our economy can withstand the tremendous impact this storm will have on American business. Our economy is based on the trust we have in each other and in our free market system. In just over a week after Katrina, Business Roundtable's Partnership for Disaster Relief collected over \$102 million in cash and in-kind donations from more than 89 corporations.

Q: How do you view the connection between executive compensation and ethical leadership?

Odland: In a free market society, people are valued for their contributions. Some people in a society value one thing and others value another thing. Interestingly, our society puts a greater value on sports

The bricks and the mortar and the brands and all of that, every company's got them. At the end of the day, it's the people that matter most.

figures and entertainers—the average major league salary is \$14 million; whereas, the average base salary for a Chief Executive Officer is closer to \$1 million plus an at-risk bonus. Maybe that's too high; I don't know.

If corporate leaders focus on and are successful in creating substantial shareholder value, then having a small percentage of that go to the people who create it doesn't seem out of line. It's when things get really out of whack that there are problems. There's really no right or wrong answer. I think boards need to use a common sense, values-based approach to determine what is right for their shareholders.

Q: How do you distinguish between ethics and morals, and how do you incorporate ethics into your business decisions?

Odland: I think ethics are behaviors inspired by right and wrong. I think morals tend to have more of a religious overtone. We all are products of our upbringing and our religious teaching, but I think that we ought to have ethics as the undergirding rules of business. It comes down to the basics of law: don't steal, don't cheat, no fraud. All of the rules and laws that have been passed are simply expressions or variations on those themes.

It's frustrating to a lot of us CEOs in

American business today that there is still unethical behavior going on. That's why we created the Business Roundtable Institute for Corporate Ethics, and that's why we're out saying how important it is not only for us, but for everybody and all leaders of business to uphold the highest levels of ethical behavior. I don't know how to say it much more simply than that.

Q: How do you assess the ethical leadership within an organization?

Odland: I think today it's different and more risky for us as we go through career transitions. You can evaluate all the annual reports and proxies and so forth until your eyes glaze over at night, but at the end of the day, it's about the people and values and the company.

In my case, I did a lot of research about the people of the company, the employees of the company, and then I insisted on meeting every single one of the directors. Today, the pendulum has swung all the way over from really complacent boards that were friends of the CEO or the chairman to a situation where some boards are made up of people who may or may not understand companies, who may or may not understand business, who may or may not understand the laws and the financial rules. Yet, they're becoming far more activist, and they're actually doing some damage to companies. I wanted to make sure that I had a board that had the right ethics, the right values, and with whom I thought I could work as a team in order to create shareholder value. The bricks and the mortar and the brands and all of that, every company's got them. At the end of the day, it's the people that matter most.

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Thought Leadership Commentary

STEVE ODLAND is Chairman and CEO of Office Depot, Inc. Prior to joining Office Depot, he was Chairman, Chief Executive Officer, and President of AutoZone, the nation's largest auto parts and accessories retailer, which he joined in 2001. He is chairman of the Business Roundtable's Corporate Governance Task Force and was named top new CEO in 2002 by Bloomberg Markets Magazine. He is a member of the Advisory Council for the Business Roundtable Institute for Corporate Ethics.

NOTES

1. This paper is based on research conducted by R. Edward Freeman, Robert Phillips, Jeffrey Harrison, Andrew Wicks, Patricia Werhane, Kirsten Martin, Bidhan Parmar and Margaret Cording. The full academic papers on which it is based can be found in the following sources:

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2. Information for this section collected from: Carol J. Loomis and Chuck Prince, "Tough Questions for Citigroup's CEO," *Fortune*, 29 November 2004; and Timothy L. O'Brien and Landon Thomas Jr., "It's Cleanup Time at Citi," *The New York Times*, November 7, 2004.

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4. James Wynbrandt, *Flying High: How JetBlue Founder and CEO David Neeleman Beats the Competition...Even in the World's Most Turbulent Industry*, John Wiley & Sons, Inc., 2004, pp. 221-222.

5. Nelson Mandela, *The Long Walk To Freedom: The Autobiography of Nelson Mandela*; Back Bay Books, October 1, 1995, p. 462.

6. Patricia H. Werhane, *Moral Imagination and Management Decision Making*, Oxford University Press, 1999.

7. Mohammed Yunus, founder of the Grameen Bank, spoke at the *Ruffin Lecture Series* of the Olsson Center for Applied Ethics at the University of Virginia's Darden School of Business, November 20, 2004.

8. R. Edward Freeman, Jessica Pierce and Richard H. Dodd, *Environmentalism and the New Logic of Business: How Firms Can Be Profitable and Leave Our Children a Living Planet*, Oxford University Press, 2000, p. 1.

9. *Time*, September 5, 2005; pp. 44-49 and on MSNBC.com, "Chicago approves its first Wal-Mart: After lengthy debate, city council votes to allow store," The Associated Press, May 26, 2004.

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