The Critical Role of Honor in Successful Organizations

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When first asked to address honor, I thought I was eminently qualified because I was the executive for honor and ethics at the Air Force Academy for part of three years, responsible for the teaching and administration of the Cadet Honor Code. The Air Force Academy Honor Code is just like West Point’s. Then I started looking for materials written on honor and there is not much. I hope that I have found some things that will be of interest.

What is difficult about the topic of honor is that it is so broad. At first, I thought, “honor means honesty,” but honesty is not equal to honor. Honesty is part of honor, obviously, but the topic of honor is very broad. We could go out to the closest golf course green and somebody would have honors. It ranges all the way from there to absolute integrity. So what am I going to talk about? I am going to assume that you are aspiring leaders in big organizations, big successful organizations, and I will address the role of honor in ensuring your success in such a pursuit. My major thesis is that character counts. Honor is foundational to lasting success in any large, significant organization. I will not try to justify or explain this truth; I will just state that from my 61 years of experience in large and lasting organizations, I know that character, honesty, and integrity count.

There are several ways to teach or build a sense of honor in an individual or in an organization. You can do it by example, by lectures, by lessons, by honor codes, or by proctors for tests. There are other ways, but here is a major point I want to make: a successful training program for leadership, successful leadership, has to have an element to develop honor and integrity. That may sound obvious to you, but I will tell you, as I looked through material and as I thought back to my Ohio State MBA, I realized it is not always addressed. There are various elements of an MBA: production management, marketing, finance, and so on, but in the average program there is not
an honor-strengthening, or even a character-strengthening, aspect. There should be. If you would leave whatever program you are in and go out and expect to be successful, I want to tell you, character counts.

If you are not satisfied with your attitude toward honorable conduct and honorable behavior, then you need to address that. Whether it is through religion or through readings, you need to address the character part, because to be successful in a large, successful, lasting organization, character counts. To emphasize this point, let me quote an article authored by Donald L. McCabe, who was a professor of management and global business at Rutgers University, and is a founding president of the Center of Academic Integrity. This article was coauthored by Gary Pavela, who is the director of judicial programs at the University of Maryland at College Park, and is past president of the Center of Academic Integrity. These men know whereof they speak. “A survey conducted under the auspices of the Center for Academic Integrity in the 1999/2000 academic year helps explain the benefits of honor codes—even at larger campuses where academic dishonesty is often more common... Modified codes—adopted in recent years at a rapidly growing number of institutions—differ from traditional codes in at least two ways.”

The first major difference they noted was that unproctored exams are used only at an instructor’s option. What does that mean? Usually people come in and take exams and there is a proctor there. Well, for them to have an unproctored exam, it has to be the choice of the instructor. The second difference is that students are generally not expected to report cheating that they might observe.

Back to the Air Force Academy Cadet Honor Code, “We will not lie, steal, or cheat, nor tolerate among us anyone who does.” The students, the cadets, at West Point and at the Air Force Academy, have an absolute obligation to report any cheating on the part of anybody that they see. If they do not, that is a violation as dominant and as impactful as if they lied or cheated or stole themselves. To resume the quote of the article, “However, modified codes do call for significant student involvement in promoting academic integrity and in adjudicating allegations of academic dishonesty. They also impose strict sanctions for academic dishonesty (like suspensions
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or transcript notations), but do so in a context where education and prevention take priority over the threat of punishment alone. Neither traditional nor modified honor codes eliminate all cheating, even serious cheating. However, the Center for Academic Integrity survey showed that only 23 percent of students at colleges with traditional honor codes reported one or more incidents of serious test or exam cheating in the past year, contrasted with 45 percent of students at colleges with no honor code.” Now is that number significant? The difference between 45% and 23%? It is significant. Honor codes work. Do they work perfectly? No, they do not work perfectly. Nothing in this way of addressing behavior works perfectly, but if it works and has an impact on students’ and graduates’ attitude toward honor, then it is important to consider.

Becoming men and women of honor is the goal. That is why I say that it is critical that you address this in your own personal development, in your own educational development, if you would. As I researched the topic of honor, I found that the Scout Oath is a great and really singular beginning. What does the Scout Oath say? I am going to quote it. “On my honor I will do my best to do my duty to God and my country and to obey the Scout Law; to help other people at all times; to keep myself physical strong, mentally awake, and morally straight.” The elements of the Scout Law are significant to consider. What does the Scout Law say? “A Scout is trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean, and reverent.” Those are strong character words. I think it is important that the first concept of the Scout Law is that a Scout is trustworthy. What does trustworthy mean? It means honest, filled with integrity and honor. That is my definition. Trustworthiness is honor, which is the first element of the Boy Scouts of America Scout Law. If you are not committed to honor and honesty, stay out of important leadership positions. People expect and even demand honesty from the top.

My frame of reference, some would say, is out of date. As I mentioned, I served as the executive for honor and ethics at the Air Force Academy. The code is simple but powerful, in the lives of both cadets and graduates. “We will not lie, steal,
or cheat, nor tolerate among us anyone who does.” At that time, cadet violators of the code were expelled. It has been softened a little bit by congressional pressure and so they are not automatically expelled now, but often are. Several years after leaving, I returned to the Academy to talk about the Cadet Honor Code. I talked about the absolutes of not lying, cheating, stealing, and not tolerating violations, as well as my observations of honor expectations in the United States Air Force. The cadets informed me I was behind the times, that modern young people were not founded in religion, morality, and ethics, and could not be brought up to the same standards in a two-month summer honor training program. I was disappointed that some could think that concerns for lying, cheating, stealing, and toleration would shift so much over 15 years. The American people still expect military officers and government and business leaders to be honest and honorable.

Let me repeat that. The American people still expect military officers and government and business leaders to be honest and honorable. The penalty flag voters and the media throw the quickest is for cover-ups. President Nixon’s great crime for which he was threatened impeachment was not breaking into the Watergate Apartment, but lying during the investigation. President Clinton admitted infidelity and voters seemed willing to forgive him and overlook it, but his presidency will always be clouded by his lying during the investigation. You say, “This is business ethics, not government ethics.” There is really no difference. The customer expects what the voter expects, what the investor expects: honesty, fair treatment, and their money’s worth, however you want to put it. When I worked at US Airways, they regularly reviewed customer complaints and comments. This message came through constantly, “Treat us fairly and honestly or we will not come back.” And they did not.

With all the talk today on customer identification and service, it should make ethical treatment easier to justify and sell. This is not brain surgery. There are some time-tested rules that are useful to consider in leadership. The Golden Rule: do unto others as you would have others do unto you. That is an ethical statement. Honesty is the best policy: an ethical, practical, pragmatic statement. The worker’s contract: an honest day’s work for an
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honest day’s pay. Or the employer’s contract: an honest day’s pay for an honest day’s work. Honorable, good treatment of customers and employees is just good business. Now yes, there are people or businesses who make money dishonestly, but this is a bad long-term approach and generally does not go on indefinitely.

Let us discuss for a few moments the notion that character counts. It does not sound particularly insightful, but I found that cadets seemed to develop a cynicism about the applicability of idealistic moral codes to the real world of large organizations. I believe this cynicism is ill founded. From my experience in a wide variety of organizations, I am confident in saying that character counts, and honesty and integrity are occupational plusses. They do not fit on a resume, but anything negative in that respect will certainly be destructive on a resume. Nonetheless, the occupational plus is they contribute to success in most organizations. It is quite logical. Who would not want a factory or an office full of employees who believed in an honest day’s work for an honest day’s pay? Who would not want employees who respect the company’s property, including pencils and paperclips; employees who are really sick when they call in sick, employees who are willing to take responsibility for their failures, along with their successes; in short, a factory or an office full of employees who could be labeled “honest”? This may not strike you as profound, but it is very important from the point of view of a junior employee as well as that of a senior corporate leader. As a junior employee, one should expect to be expected to be honest and of high character. Despite all the talk about declining morals or values, most people have high integrity expectations for those people with whom they associate, especially for people on their payroll. From a senior manager level, character consciousness is even more important.

First, and most obvious, the importance of setting high integrity standards by personal example cannot be overemphasized. People watch carefully and follow the character example of the boss, the person they feel to be responsible for establishing the integrity tone of the organization. That same tone cuts across all the company interfaces. The CEO of US Airways when I was there, early on established a reputation within
the company and beyond for keeping his word absolutely. When you are negotiating new labor contracts, new airplane acquisitions, or new financing arrangements, set your reputation, for integrity can prove to be of remarkable worth. Besides that, it feels good. Not so obvious, but equally important, is the necessity of demanding honesty from all employee groups. Sounds simple. Sounds trivial even. Let me give a couple of examples. For sick leave, many labor contracts will include annual days allocated for sick leave. For example, the airline pilots used to get about 12 days a year for sick leave. If you do not institute effective controls and attitudes, people will soon develop the philosophy that sick leave is just more vacation, a general entitlement. If that happens, your labor costs have jumped 6% with no increase in productivity. Corrupted morality will feed over into other areas like late arrivals to work, early departures from work, and even more insidious things such as certifying work that has not actually been completed, and so on. For an organization and for an individual, honesty is not just the best policy, it is the only policy. Character does count.

But ethics is really bigger than just honesty. Ethics is the key determinant in how we treat people, how we treat them fairly, honestly, justly, and with trust. All groups of people—customers, contractors, employees, bosses—demand honest treatment. When I was a U.S. Air Force commander in Europe, we experienced the very tragic Army helicopter shoot down by an Air Force airplane. It was in Iraq with a significant loss of life. My investigation instructions were, “Get all of the facts and do the report.” I assigned an Army colonel as deputy team chief for the investigation. We disclosed all, the bad and the ugly. There was no good to disclose. Still, cries of cover-up appeared in the media and in U.S. Congress. There was no cover-up. People expect, and even demand the truth. As I have said before, untruthful cover-up will get you every time. Years ago, some may remember this, in Las Vegas, there was an incident of sexual abuse at the Annual Tailhook Association Symposium. Heads rolled over the seeming cover-up, or at best, a lack of vigor in pursuing the culprits. Several years ago, a New York Times article alluded to maintenance shortcuts, insinuating that a financially troubled
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Airline would shortcut maintenance. I was the senior vice president for safety and attention to compliance. Would you expect me to tolerate the director of maintenance buying uncertified spare parts or eliminating some inspection to enhance company profits? Of course you would not. That would be dumb and dishonorable. My family and friends fly on those airplanes.

There are examples from all levels of organizations of the destructive, disastrous results of dishonest behavior, and we do not have to reach back very far in history to find them. I do not know if anyone ever calculated the total cost of the Enron financial fiasco based on leadership lies. Today, I am sure we could find an article in today’s newspapers about the Volkswagen computers. They are still running to count the cost of a decision to cheat on the pollution reporting software of its diesel engines. All I know is that the Volkswagen CEO lost his job immediately over that problem. Honorable people have to be concerned about the integrity of the entire organization, not just their own behavior. I have just been reading Civil War history lately. Many Civil War generals were fired by President Lincoln because they said they would get moving, and they did not. As I read it, it looked to me like they never intended to get moving. Subordinates quickly lose respect for leaders who do not follow up on plans and promises.

I attended a funeral a few weeks ago in Provo for the father of one of my daughters-in-law. His name was Lee Allen and he lived in Provo. One of the speakers was Craig Colter who knew Lee since high school. He stated something that I thought was very important at the funeral. Craig said, “I am going to say something about Lee that you can’t say about many people. Lee never told a lie.” This was a lifetime friend that would stand at his funeral and say that he never told a lie. How outstanding it would be to have someone say that about any one of us. What a legacy to leave to one’s family. It is important to always be honest, honorable.

In summation, good grades in finance, production, personal management, marketing, accounting, and so on, are all valuable and important, but none are as critical as core dedication to honorable, honest behavior, always. I would like to close with two quotes. The first is from Donald T. Phillips’ book, Lincoln on
Leadership. He said in that book, “The architecture of leadership, all the theories and guidelines, falls apart without honesty and integrity. It’s the keystone that holds an organization together.” He went on to say, “[The well-known writer on leadership.] Tom Peters reported in his research that the best, most aggressive, and successful organizations were the ones that stressed integrity and trust. ‘Without doubt,’ Peters stated, ‘honesty has always been the best policy.’ ‘Managers do things right, leaders do the right thing,’ wrote Bennis and Nanus. James MacGregor Burns warned: ‘Divorced from ethics, leadership is reduced to management and politics to mere technique.’” If you would succeed in leadership and management endeavors, build on a foundation of honor and honesty. The second quote I would like to leave with you comes from comments Warren Buffett made some time ago. Buffett said, “We look for three things when we’re hiring people. We look for integrity, intelligence, and energy.” He went on, “If the person didn’t have the first one, the latter two would kill them, because if they don’t have integrity, you want them dumb and lazy. You don’t want them smart and energetic.” I love that. You think it through and it has meaning. If somebody does not have integrity, I want them to just sit in their office and just sleep and not be out making trouble for the rest of the organization. That is a great summary on a key topic from a most credible commentator. Character counts.

Notes
6. Ibid.
8. Ibid.
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