



CHEMISTRY, CHARACTER AND COMPETENCE

Insights into what creates the magic of selling: Part 2: Character

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“Be more concerned with your character than your reputation, because your character is what you really are; your reputation is merely what others think you are”. John Wooden

More and more society is demanding that organisations do the right thing. They are expecting ethical and transparent behaviours – behaviours that lead to trust. They put in place the rules and practices that prevent such events occurring they still do. Too often the problem is due to selection and reward on the basis of performance character strengths and get miffed when they discover flaws in the moral character strengths.

And, in today’s digital, fast moving world events can go viral in a Nano-second: from WikiLeaks political scandals to low-cost undercover audio/video exposing unethical treatment of college prospects, workers in a developing country or cruelty to animals.

We can take this further with some noteworthy public examples. Bernie Madoff. Core leaders at WorldCom, Enron, Adelphia, Arthur Andersen, the Nixon White House, etc. What did they all have in common? They all suffered from a decided lack of moral character strengths.

But what else?

They had teams of people with an impressive list of individual performance character strengths. Strengths such as Perseverance, Focus, Resiliency, Self-discipline, etc.. You can’t achieve mastery and excellence without these traits.

Sales is no exception with unethical practices in admissions by some colleges, causing pain to the many good colleges who work hard to ensure their Admissions Reps do the right thing.

Understanding and forging character

The Webster dictionary aptly defines character as *“the complex of mental and ethical traits marking and often individualising an individual, group or nation”*. It is our character that shapes our vision, values and attitudes. We are only as strong as our character allows us to be however most of us can be much stronger than we allow ourselves to be. We build and forge our character and in effect its making is our legacy in action.

A number of the organisations I work for have the motto (or variants on the theme) of *“Hire for Character, Train for Skill”*. This is reinforced by General Norman Schwarzkopf who

asserts, “Good leaders are men of competence and character. Many times character is more important than the competence side of the house”. Schwarzkopf elaborates when explaining his Rules 13 and 14 of leadership. These rules are simple yet effective and leave a leader in no doubt as to Schwarzkopf’s intent. The first is about assuming responsibility when given it- take the leadership and make decisions - and Rule 14 provides the boundaries: do what is right, ethically and morally. Things that we know inherently but often fail to deliver on due to self-interest (such as fiscal or other gains) and/or self-indulgence (for example, holding on to power)¹.

As mentioned above, character has two aspects: performance and moral. In our experience, most organisations focus on performance characters and give lip service to moral character. An Admissions rep who repeatedly excels in being above budget but is a bit of a workplace bully or engages in a few shady activities that don’t meet the organisations’ values is more likely to be tolerated than an underperformer.

When working with organisations to improve transparency and ethical behaviour, we use the character strengths outlined in the following table. In setting the scene, we like to ask:

- What 3 performance character strengths will assist in achieving our organisational goals?
- What 3 moral character strengths will grow internal cohesion and reduce the risk of any unethical behaviours?

Performance character strengths	☐	Moral character strengths	☐
Effort Investment		Love for Others	
Perseverance		Care for Others	
Self-Discipline		Kindness	
Constructiveness		Honesty	
Capacity for Hard Work		Truthfulness	
Optimism		Integrity	
Determination		Humility	
Concentration		Gratefulness	
Wisdom		Justice	
Hope		Fairness	
Love of Learning		Generosity	
Creativity		Compassion	
Critical Thinking		Loyalty to Others	
Humour		Patience with Others	
Confidence		Respect for Others	
Focus		Honour	
Best Energy Investment			
Commitment			
Seeking Challenges			
Resiliency			
Self-Control			
Ambition			
Adaptability			
Resourcefulness			
Reliability			
Courage			
Positivity			

¹ Interview: Norman Schwarzkopf (June 26, 1992), Commander, Operation Desert Storm. <http://www.achievement.org/autodoc/page/sch0int-1>

Competitiveness			
Responsibility			
Punctuality			
Decisiveness			
Mental Toughness			
Bravery			
Self-Compassion			
Patience with Self			
Diligence			
Source: Loehr, J., "The only way to win".			

Values and behaviours that demonstrate character

1. Alignment of personal and organisational values

If your values don't align with the organisation's then there will be conflict. Stephen M Covey, in "The Speed of Trust", suggests that ethical outcomes begin with the inner YOU and are rooted in integrity (do you do what you say?) and Intent (do you have a hidden agenda?)

Integrity includes:

- *Congruence.* Your personal beliefs and values align with those of their organisation and they are congruent - in private and in public
- *Humility.* You are more concerned about what is right than being right
- *Courage.* You have the intestinal fortitude to do the right thing, even when it's hard and may have some kind of personal cost involved in one way or another.

"I look for three things in hiring people. The first is personal integrity, the second is intelligence, and the third is a high energy level. But, if you don't have the first, the other two will kill you." Warren Buffett, CEO, Berkshire Hathaway

Intent is:

- *Making and then keeping personal commitments to yourself.* You make less commitments, not more. And you treat each as an important undertaking
- *Standing for something bigger than yourself.* You are clear on what you want to be known for
- *Being candid and open.* You are never be afraid of looking at new and different ways to get the right things done. You have the humility and courage to admit you don't know everything and learn from others

However personal integrity and intent is not enough. There has to be a collective process to ensure the linkage between performance and moral character traits.

2. What's the glue that makes ethics a reality?

It is common place to have clear organisational ethics statement and values these days. Sadly however they are not integrated into the day-to-day operations of the organisation. Lets go back to Enron for a moment. The company's failure in 2001 represented at time,

the biggest business bankruptcy ever while also spotlighting corporate America's moral failings. It's a stark reminder of the implications of being seduced by charismatic leaders, or more specifically, those who sought excess at the expense of their communities and their employees. In the end, misplaced moral character killed the company while it injured all of those who had gone along for the ride.

Take their Code of Ethics:



To: All Employees
From: Ken Lay
Subject: Code of Ethics

**INTEROFFICE
MEMORANDUM**

Department: Office of the Chairman
Date: July 1, 2000

"As officers and employees of Enron Corp, its subsidiaries, and its affiliated companies ("Enron" or collectively the "Company"), we are responsible for conducting the business affairs of the Company in accordance with all applicable laws and in a moral and honest manner."

And their values:

- *"Respect. We treat others as we would like to be treated ourselves. We do not tolerate abusive or disrespectful treatment. Ruthlessness, callousness and arrogance don't belong here.*
- *Integrity. We work with customers and prospects openly, honestly, and sincerely. When we say we will do something, we will do it; when we say we cannot or will not do something, then we won't do it.*
- *Communication. We have an obligation to communicate. Here, we take the time to talk with one another and to listen. We believe that information is meant to move and that information moves people.*
- *Excellence. We are satisfied with nothing less than the very best in everything we do. We will continue to raise the bar for everyone. The great fun here will be for all of us to discover just how good we can really be."*

Again, we suggest that performance character traits were consistently rewarded and moral character traits (which were repeatedly stated in the 64 page Code of Ethics) were blatantly ignored. Indeed, research has shown that most Codes of Ethics are an "artifact; something external to the culture and existed because companies like Lehman Brothers needed a code for public relations purposes and to protect themselves from conduct against the firm." (Stevens and Buechler, 2013)².

² Stevens, B. and Buechler, S. (2013), *An Analysis of the Lehman Brothers Code of Ethics and the Role It Played in the Firm*. Journal of Leadership, Accountability and Ethics vol. 10(1).

As Lickona and Davidson conclude in *Smart & Good High Schools*, “Whereas moral virtues are intrinsically good, performance virtues can be used for bad ends.”

The glue is behaviour recognition and reward

We suggest ethical organisations consistently display, discuss and reward on Covey’s 13 Behaviours, each of which can be learned and then applied by everyone in order to generate ethical behaviour and, just as importantly, an environment that is pleasant to work in.

We have examples of sales companies who have taken on board the principles of these behaviours and they live them in their daily and weekly team meetings. They are not hollow statements filed away. More importantly, these organisations we are working with are assimilating moral character traits into their daily actions through positively linked behaviour acknowledgement. This supports research that shows communicating the facts (safety, ethical behaviours, etc.) fail when not linked with transformational and visionary information that helps individuals and teams deal with difficult or potentially compromising situations.

Behaviour	Good	Poor	Your organisation's Rank 1=low: 10=high
1. Talk straight	Honest and up-front. Tell the truth and let people know the whole truth. Be genuine without hidden agendas. Don't manipulate or distort facts.	Lie, spin, tell half-truths, double-talk, flatter.	
2. Show Respect	Show respect for everyone you come into contact with. Saying "please" and "thank you" are factors. Be genuine and consistent, don't fake caring for people.	Don't care or don't show you care; show disrespect or show respect only on those who can do something for you.	
3. Create Transparency	Being open with facts builds trust. Offset natural distrust by being transparent. What you see is what you get.	Withhold information; keep secrets; create illusions; pretend.	
4. Right Wrongs	Acknowledge any errors, accept responsibility and apologise. Work hard to make things right and offer restitution.	Don't admit or repair mistakes; cover up mistakes.	
5. Show Loyalty	Give credit where credit is due. Discuss concerns openly and candidly, don't criticise. Never disclose private information of others.	Sell others out; take the credit yourself; sweet talk people to their faces and bad mouth them behind their backs.	
6. Deliver Results	Be proactive in making things happen. Be known as someone who gets things done. Do what you were hired to do.	Fail to deliver; deliver on activities, not results.	
7. Get Better	Keep upping your game by increasing personal capabilities. Learn more. Thank people for feedback and continuously improve.	Deteriorate; Don't invest in improvement; force every problem into your one solution.	
8. Confront Reality	Take ownership of your actions and performance and acknowledge the truth about yourself. Address the tough stuff directly. People will respect your willingness to conform to the realities of uncomfortable facts.	Bury your head in the sand; focus on busy work while skirting the real issues.	
9. Clarify Expectations	Don't assume your expectations are clear or shared unless you have discussed. Ensure common understanding and alignment.	Assume expectations or don't disclose them; create vague and shifting expectations.	
10. Be Accountable	To be trusted, accept that the buck stops with you. Hold yourself just as accountable, as you would want to hold others. Take responsibility for the good, the bad and the plain ugly.	Don't take responsibility: "it's not my fault!"; don't hold others accountable.	
11. Listen First	Trust grows when you make a habit of listening before you speak. Never assume you have all the answers, ask lots of questions and seek clarification. Listen with your ears, eyes and heart.	Don't listen; speak first, listen last; pretend to listen; listen without understanding.	
12. Meet Commitments	Say what you are going to do and follow through. Make keeping commitments the symbol of your integrity and honour. Be careful and deliberate in what you commit to.	Break commitments; violate promises; make vague and elusive commitments or don't make any commitments.	
13. Extend Trust	To earn trust, demonstrate trust in others. Extend trust abundantly to those who have earned it. Extend trust conditionally to those who are earning your trust. Err on the side of being too trusting rather than withholding your trust in others.	Withhold trust; fake trust and then "snoopervise;" give responsibility without authority.	

Source: Adapted from Covey, SM, "The Speed of Trust"; A bigger Game and Odeum Farms.

In summary

We like to think of character as a muscle that is developed through exercise: exercises that ensure behaviours that are congruent with both performance and moral character traits. These desired behaviours are upfront, identified and rewarded. As a muscle, it is strengthened by use, however it can also atrophy through neglect.

Behavioural research shows people respond positively to:

- Corrections on behaviours that are concrete (ie. we can see and/or hear)
- Transparent and visible corrections (ie. are frustrated or become cynical when behaviours violate codes and nothing is done about it)

Character in action is your legacy unfolding. If both performance and moral aspects of character are not integrated deeply into cultural roots beware of the consequences!