Point of Intersection: Honor

• Honor
  • Honor preserves the moral authority and trustworthiness leaders must earn to effectively influence others. People of honor lead with integrity and conduct themselves with the knowledge of being part of something larger than they are. A person of honor does the right thing the right way—even when no one is watching or when a personal cost is incurred. This value begins with personal adherence to the letter and the spirit of the Honor Code that “a cadet does not lie, cheat, or steal, nor tolerate those who do.” In its more advanced stages, honor includes forging a unity of values that guides the action of all members in the organization. (LDP, page 4)
Point of Intersection: Character

• Character
  • The concepts undergirding this pillar represent a consistent thread that runs through all aspects of The Citadel Experience. This functional area instills the high moral standards represented by the college’s core values and the key behaviors manifested by principled leaders who act accordingly. Such leaders demonstrate integrity, truthfulness, and transparency in word and deed, building trust in those around them. Such leaders hold themselves and others accountable for these moral and ethical standards. Such leaders consistently uphold these standards into every aspect of problem solving and decision-making, avoiding merely temporary, pragmatic, or convenient solutions (LDP, page 8)
Point of Intersection: Leadership

• Leadership
  • Principled leadership puts the leader’s character into action, guiding thoughts, words, and deeds to produce outcomes consistent with the core values of the organization. While principled leaders must reject any decisions, priorities, or actions counter to the organization’s core values, or inconsistent with their own moral and ethical standards, principled leadership represents a particularly empowering form of leadership that allows the freedom to develop creative and adaptive solutions that meet the demands of fluid and complex situations. (LDP, page 5)
The Johnson & Johnson “Credo”

• Robert Wood Johnson was the chairman of Johnson & Johnson from 1932 to 1963

• In 1943, he crafted the Johnson & Johnson “Credo”
  • The company website summarizes the Credo as challenging “us to put the needs and well-being of the people we serve first.”
  • According to the Credo, the company is responsible first to its customers, then to its employees, the community and the stockholders, in that order.
  • “The values that guide our decision-making,” the introduction continues, “are spelled out in Our Credo.”

• What is The Citadel equivalent of the “Credo”?
The Johnson & Johnson “Credo”

• James Burke became CEO of Johnson & Johnson in 1976, and quickly embarked on a campaign to make the Credo the heart of the corporate culture.

• Before becoming CEO, Burke was President of Johnson & Johnson, and discovered a rather lackadaisical attitude toward the Credo in many sectors of the company.

• As one labor leader told him, “We talk about the Credo but a lot of our people aren’t behaving by.” Burke decided to resolve this inconsistency by a series of high-level “challenge” meetings in which executives wrestled with the decision to live by or abandon the Credo.
  • “If it doesn’t mean anything,” Burke explained, “we should really come to that conclusion and tear it off the walls because it’s an act of pretension to leave it up.”
  • In 1979, he brought together the company’s global management and challenged them to increase the practical relevance of the Credo within their organizations.

• Are there any parallels between what you have observed at The Citadel and what Burke observed at Johnson & Johnson about the degree the Credo had a practical impact on individual and organizational behavior?
1982 Tylenol Poisoning Crisis

• In September 1982, the first of seven people died in the Chicago area after consuming Tylenol capsules that had been laced by cyanide by an unknown perpetrator.

• Burke acted swiftly, ordering the withdrawal of Tylenol from store shelves everywhere; not just in the Chicago area.

• A 14:30 minute reflection of the crisis is available at “The Chairman: James Burke,” Canal de IAETA.
  https://www.youtube.com/watch?v=N2MSmOqcQb4
The Impact of the Credo on Principled Leadership

• **Principled leadership “guides thoughts, words, and deeds to produce outcomes consistent with the core values of the organization.”**
  - Burke notes that the groundwork for this positive outcome was laid by the Credo. “All the previous management who built this corporation handed us a silver platter in the most powerful tool you could possibly have.” The internalization of the Credo had established a culture of “This is the way we think and behave, and we won’t tolerate behavior different than that.” According to Burke, “having a corporate ethic, a corporate set of principles, a corporate soul if you will, makes it easier.”
  - Brian Perkins, who at the time of the poisonings was a product director with McNeil Consumer Products, the Johnson & Johnson subsidiary that was the maker of Tylenol, recalled, “whenever we were faced with a really hard decision, [Burke] would always point to the [C]redo for guidance.”

• “**Principled leaders must reject any decisions, priorities, or actions counter to the organization’s core values**”
  - Because of the Credo, Burke notes the decision “was made not only simple but there wasn’t anything else I could have done.”

• Who does a predetermined commitment to The Citadel’s core values help you make decisions? What are examples of courses of action that would automatically be rejected as a result of the commitment?
The Impact of the Credo on Empowerment

• “Principled leadership represents a particularly empowering form of leadership that allows the freedom to develop creative and adaptive solutions that meet the demands of fluid and complex situations.”
  
• Rather than being restrictive, Burke found the corporate principles to be expanding. “I have no question in my mind that the Credo is a document that liberates creativity,” he reports. “It helps people to do things better than they would do if it wasn’t there because they aren’t hamstrung by thinking what is expected of me. ‘Do I have to cheat to deliver profits?’ That’s a very good question. The document suggests you better not. What the Credo says is you better understand your customer in exquisite detail.” So long as a Johnson & Johnson member is operating within that framework, many options are available.

• How does this empowerment help you resolve “right versus right” ethical dilemmas?
The Impact of the Credo on Honor and Character

• “A person of honor does the right thing the right way—even when no one is watching or when a personal cost is incurred.”

• A leader of character “consistently upholds... standards into every aspect of problem solving and decision-making, avoiding merely temporary, pragmatic, or convenient solutions
  • The recall caused Johnson & Johnson $100 million

• What are some decisions to “do the right thing the right way” at The Citadel that may come with personal cost?
The Impact of the Credo on Honor

• “Honor includes forging a unity of values that guides the action of all members in the organization.”
  • As the events unfolded “hundreds of people made thousands of decisions,” and Burke reports “those thousands of decisions all had a splendid consistency about them and that was that the public was going to be served first.” “The Credo,” he says, “ran that because the hearts and minds of the people who were Johnson & Johnson and were making the decisions in a whole series of disparate companies-- we organized every company in the United States to help solve the problem-- they all knew what to do.”

• To what extent do you think there is a “unity of values” at The Citadel that guides the action “of all members”? Think about this in the context of the previous LTP on “character and loyalty.”
The Year in Review

• This is the last of four classroom character LTPs you have had this year
  • Honor code basics and the response exercise
  • “Request better judgment”
  • Character and Loyalty
  • Character and Honor

• That sequence took you from basic compliance with the technical aspects of the Honor Code to personal decision-making in focused, interpersonal encounters to reconciling competing loyalties to organizational behavior

• What observations did you make along the way?