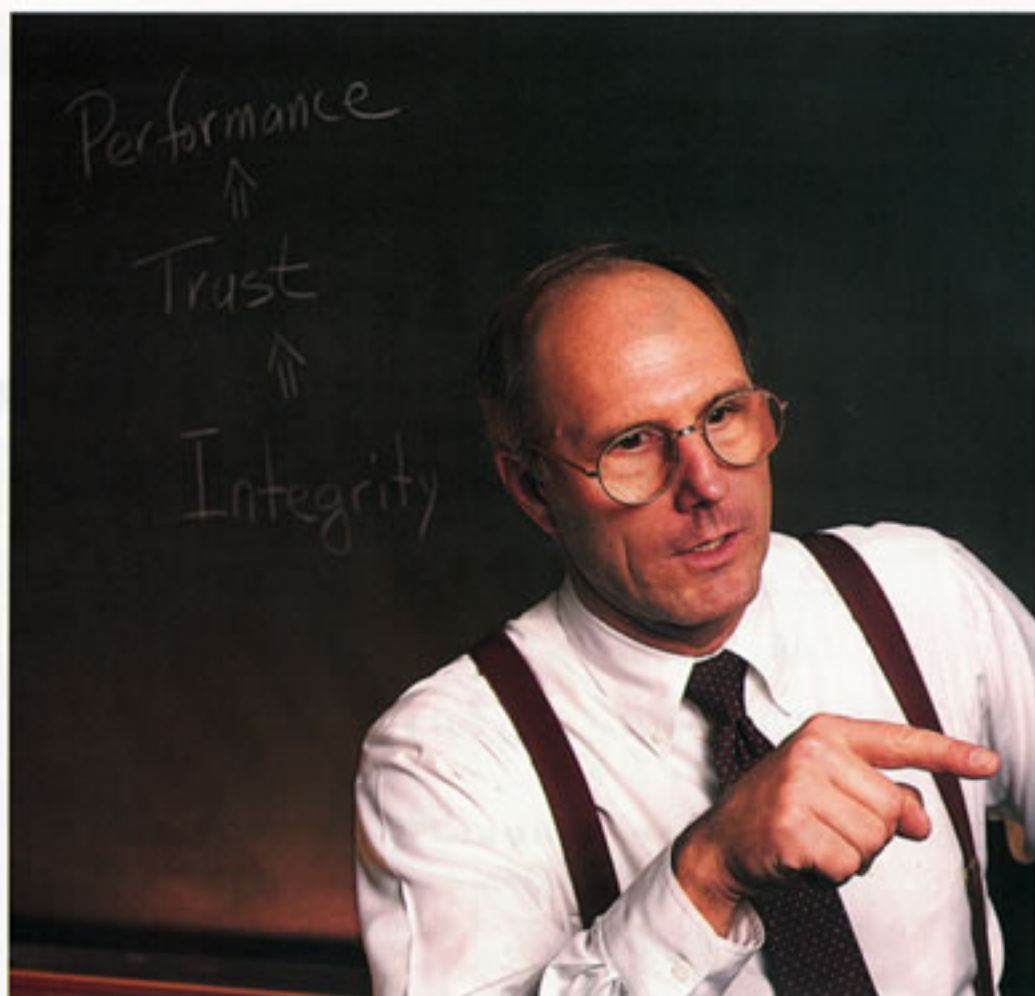


**DO THE RIGHT THING** He believes that the CEOs and chairmen who plot daily strategies in boardrooms around the globe are not inherently evil. He believes it is possible to operate a major corporation that is profitable and also governed by the highest standard of ethics. And he is not alone. During the past five years, Charles E. Watson, professor of management at Miami University and member of the **Bankers Club in Cincinnati**, has interviewed 125 CEOs of major U.S. corporations. Many of those executives echo the beliefs of Richard L. Gelb, chairman and CEO of Bristol-Myers Squibb Company, who observed: "To be successful you don't have to resort to all sorts of things. You can be successful and stand for the *right* sorts of things."

Watson first became interested in the connection between business and ethics in 1984, after reading an editorial in a local newspaper lamenting a dearth of positive character models for youth. Watson agreed. "I decided to document the finest qualities in action in the business world — to provide models for students they could use in their future lives in business." The



ANDY SNOW

**"The best-managed companies are also the ones that are committed to doing the right things," says Charles Watson (above).**

result, *Managing With Integrity: Insights from America's CEOs*, published in 1991, was a hit, contrasting conventional portrayals of business and demonstrating that many corporate officers value ethics over what may be more expedient ways of doing business. During a commencement address at Tulane University, Willard C. Butcher, retired chairman and CEO of Chase Manhattan, stressed the importance of integrity: "Ethical decision making isn't an option. It's an obligation: in business, in education, in government, in our daily lives." Edmund T. Pratt Jr., former chairman and CEO of Pfizer, Inc. agrees. "We've got so much at stake, you don't *dare* not have a high standard," he says in Watson's book. "You can't afford to play fast and loose."

Watson sees education and the media as the primary culprits for the lack of corporate and individual integrity. "In the schoolbooks of the '20s and '30s there was a great emphasis on virtue," he says. "This is not true today." And the moral vacuum extends beyond the classroom. The media seem to focus instead on the Ivan Boesky's and Michael Milken's of the world, finding their sensational stories somehow more worthy of attention. "In the media the successful person has all the answers, all the wealth," says Watson. "There is a smugness that there isn't anything called 'right' or 'wrong.'"

And sometimes there are costs to doing the right thing. Nonetheless, Watson is stern: "You

might not get the promotion. You might not get the sale. You might not get the small increment in profits. But if your business is so bad that you have to cheat, then you probably ought not to be in business." Much higher costs, he says, result from unethical and fraudulent policies.

Watson refuses to accept a morally bankrupt future dominated by ethical relativists. "It's important for people and those in business to associate themselves with a larger purpose and a greater good," he says. Positive role models show students and businessmen that there is only one right way to operate a company. "Doing right and doing well in business is neither inconsistent nor unachievable," says Watson.

In addition to providing a better working climate, a high standard of ethics can pay off on a personal level. "Virtue is its own reward," says Watson. "The person who is thinking more about what he is giving to the world than about what he is getting for himself is going to gain a greater sense of significance from the fact that he has made a difference." Ethical people behave as they do because they have habituated themselves to behaving ethically even in small ways. Doing right must become a necessity rather than a choice. If this is the path we choose for our businesses and ourselves, the subjects in Watson's book provide comforting fellows in ethical solidarity. "Right is a fortress we can stand behind," he says. "It will protect us." —

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