



Business Learning Institute

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Solving Difficult Decisions — Ethics and Critical Thinking in the “New Abnormal”

Karl Ahlrichs

Business Learning Institute Provider

PRESENTED TO

HFMA of Kentucky

Virtual

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Karl J. Ahlrichs, CSP, SHRM-SCP, SPHR

Karl Ahlrichs, CSP, SHRM-SCP, SPHR, is a national speaker, author and consultant, presenting on the people issues in all industries, and is often quoted in the local and national media. Karl's experience is perfectly suited to times of great organizational change. He has decades of strategic consulting to all industries, using risk management and good organizational development theories to bypass "best practices" and move directly to "next practices". Karl is a CPE presenter for the Business Learning Institute, and for more than a decade he was the Program Chair for the Indiana Society for Human Resources Management annual conference. He is a regular contributor to The Journal of Accountancy. For more than 20 years he has facilitated an invitation-only CFO Roundtable for Central Indiana.

He is a member of SHRM, the American Society of Training and Development, the Association for Psychological Type, and the National Speakers Association. Karl joined Gregory & Appel in 2010 after serving as a founding partner of ExactHire, a human resources services firm.

Prior experience was as a Senior Consultant for Professional Staff Management, and earlier he was a Consultant in the Indianapolis office of Marsh & McLennan, and Vice President of Right Management Consultants. At those firms, his clients included Roche Diagnostics, Boeing, Apple Computer, and Frito Lay.

Karl has been named the SHRM Human Resource Professional of the Year for the State of Indiana. He has presented at the Annual SHRM Conference every year since 1997, and holds the Certified Speaking Professional (CSP), SHRM Senior Certified Professional (SHRM-SCP) and Senior Professional Human Resources (SPHR) certifications.



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ADDITIONAL MATERIALS FOR YOUR STAFF

Pam Devine, Customized Learning Manager

800-782-2036, ext. 321 | pam@acipa-cima.com

Anticipate Change: Avoiding Ulcers in the New Normal World

Anticipate Client Needs: Beyond Best Practices in Client and Customer Service

Anticipate Development: Moving From Employee to Manager to Leader

Anticipate Engagement: Motivating the Next Workforce

Anticipate Greatness: Building a Productive, Resilient Workforce

Anticipate Inclusion: Building a Sustainable Culture of Diversity

Anticipate the Future with Karl Ahlrichs

Anticipate the Next Generation: A Different Take on the Generations

Anticipating the New Client - Customer Services Pivots to Customer Experience

Applying "Lean" Thinking to Making Employees Your Competitive Advantage

Beyond the Buzzwords with Hiring: Apply "Lean" Processes and Fix the Way Your Organization Hires

Blue Oceans and Clean Paper – Using the ACA and Wellness as a Catalyst to Move Organizations

Building a High Performance Culture – Human Capital as a Competitive Advantage

CFO versus HR - Thinking Inside the Box

Conflict and Communication – You vs. Me vs. Them

Conflict, Communication and Critical Thinking in a Modern Organization

Critical Thinking for Accounting and Finance

Diversity, Ethics and High Performing Cultures - Using Ethics as a lever to build a culture of Diversity and Inclusion

Finally Fixing Performance Management Using New Tools

Finally Fixing Turnover and Employment Engagement

Hire the Lucky Ones - How to Improve Retention and Productivity by Selecting Fortunate Employees

Make it Happen! The Art of Discipline and Getting Things Done

Managing Change

Managing Multiple Generations: Next Steps and New Surprises

Next Steps in the New Normal World

Out of Office - Managing Remote Employees for Productivity

Respect, Safety and Ethics - The Next Step in Harassment Avoidance - Executive Briefing

Respect, Safety and Ethics - The Next Step in Harassment Avoidance - Employee Training

Scary Thoughts and Silver Linings; What is



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Institute**

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Known and What is Probable for 2017 and
Beyond

Sexual Harassment - The Current Landscape and
the Way Forward

Solving Ethical Dilemmas - A Real World Guide
to Thinking Critically

Talent Management - People as a Competitive
Advantage in "Not Normal" Times

The New Workforce - New Data, New Ideas,
Aging Baby Boomers

*Solving Difficult
Decisions - Ethics
and Critical
Thinking in the
"New
Abnormal".*

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Today's Agenda:

Define the problem -

Scary predictions and silver linings

Sustainable answers –

Leadership with ethical awareness

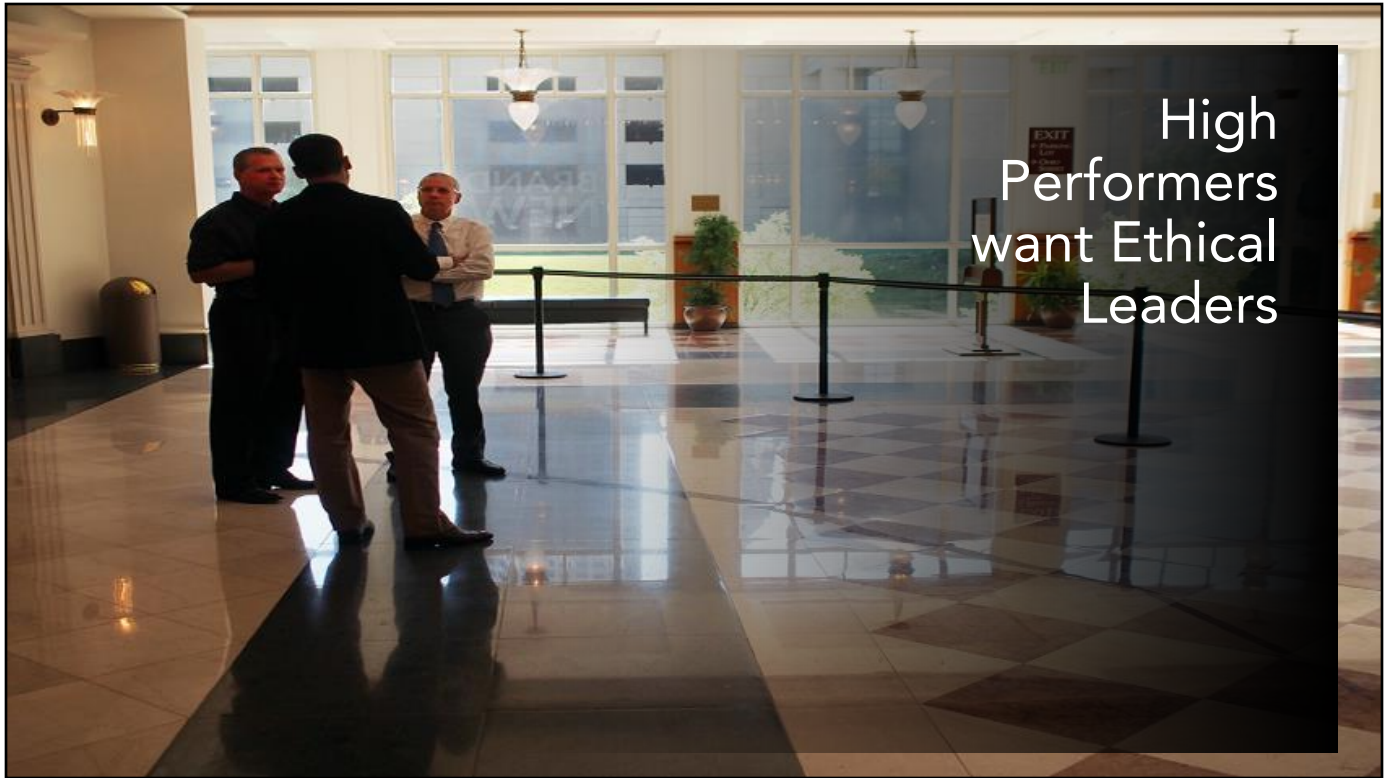
Mentoring and Coaching Ethics

Advanced strategy –

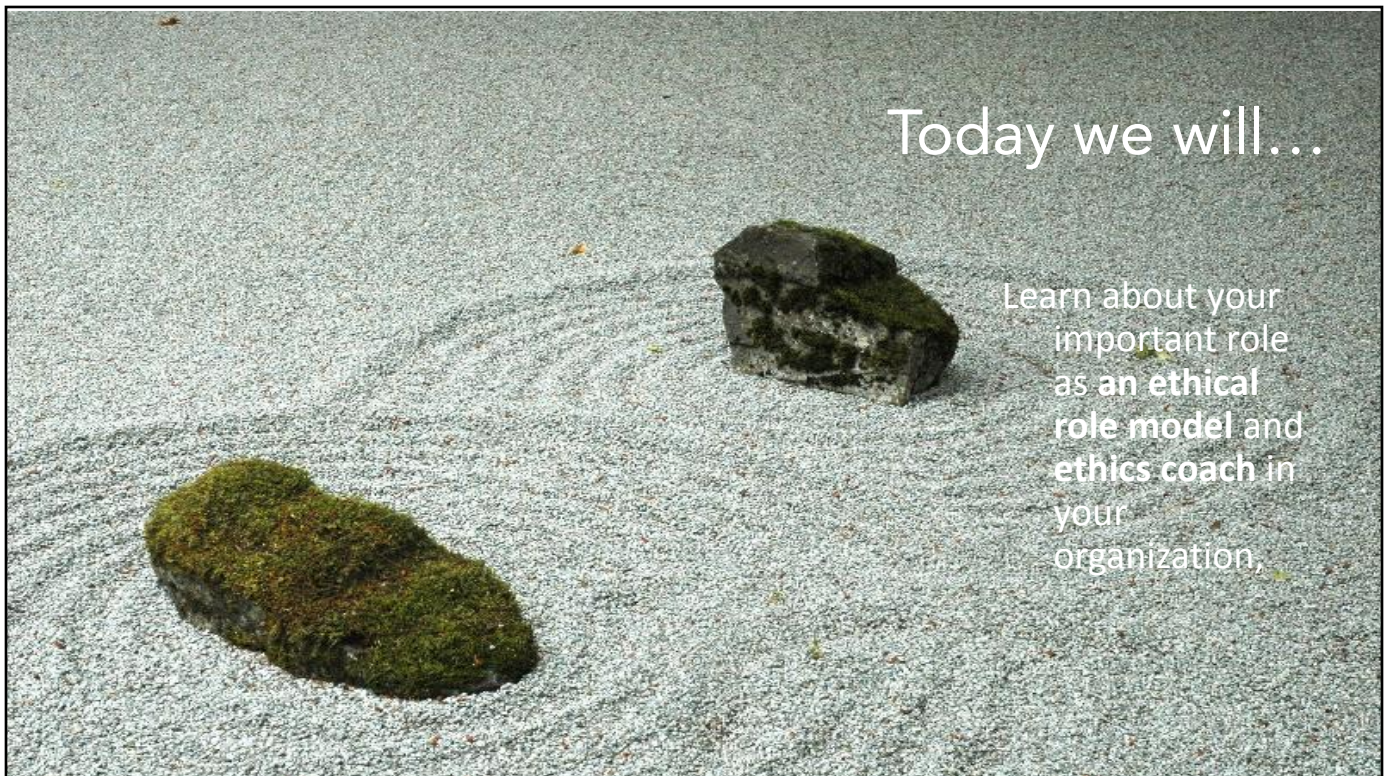
Teachable Moments vs. Ending Careers

Building Critical Thinking Skills



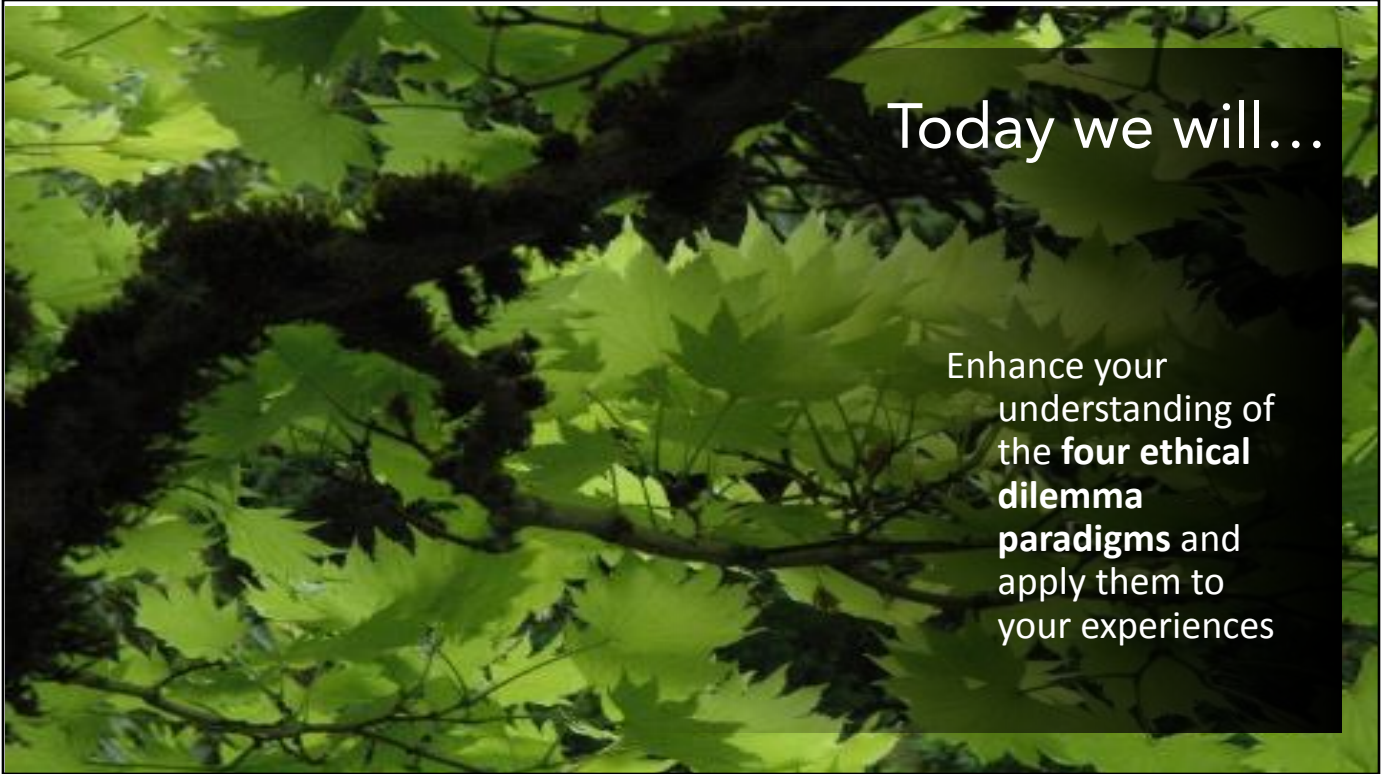


High
Performers
want Ethical
Leaders



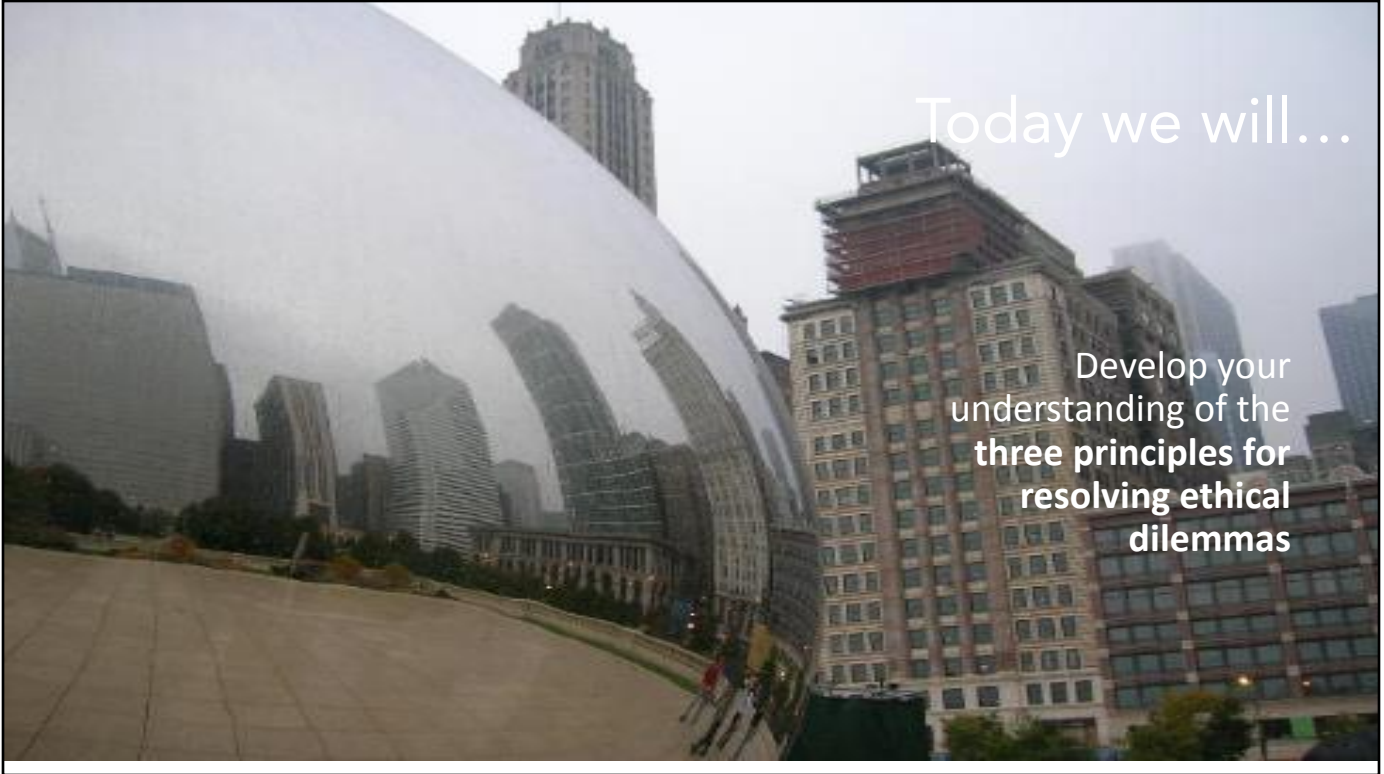
Today we will...

Learn about your
important role
as an **ethical
role model** and
ethics coach in
your
organization,



Today we will...

Enhance your
understanding of
the **four ethical
dilemma
paradigms** and
apply them to
your experiences



Today we will...

Develop your
understanding of the
**three principles for
resolving ethical
dilemmas**



What is ethics, anyway?

An ethical problem occurs when you must make a choice among alternative actions and the right choice is not absolutely clear.

Often that choice affects the well-being of other persons.

Ethics

Ethics is a higher standard of conduct which guides an individual and an organization in their interactions.

It is a matter of conscience about what is right or wrong in the interaction we have with one another.

Layers of Ethics



The latest ethical challenges (again...)

COVID Pressure
Olympic Skaters
College Admissions
Election Interference
Etc.
Etc.
Etc.



EDITOR'S PICKS

Our best, right now.

Patients facing forced medication have right to counsel, Md. high court says
by Steve Lash | Dec. 21

Baltimore man exonerated in 1991 murder after 30 years in prison
by Madeline O'Neill | Dec. 21

As Maryland sets one-day COVID-19 case record, emergency measures loom
by Bryan R. Sears | Dec. 21

Baltimore County NAACP sues over redistricting map
by Madeline O'Neill | Dec. 21

Ravenell will not testify as

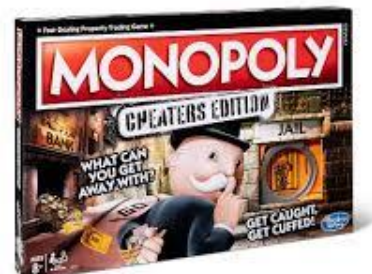
Law-related app violated legal ethics, state court says

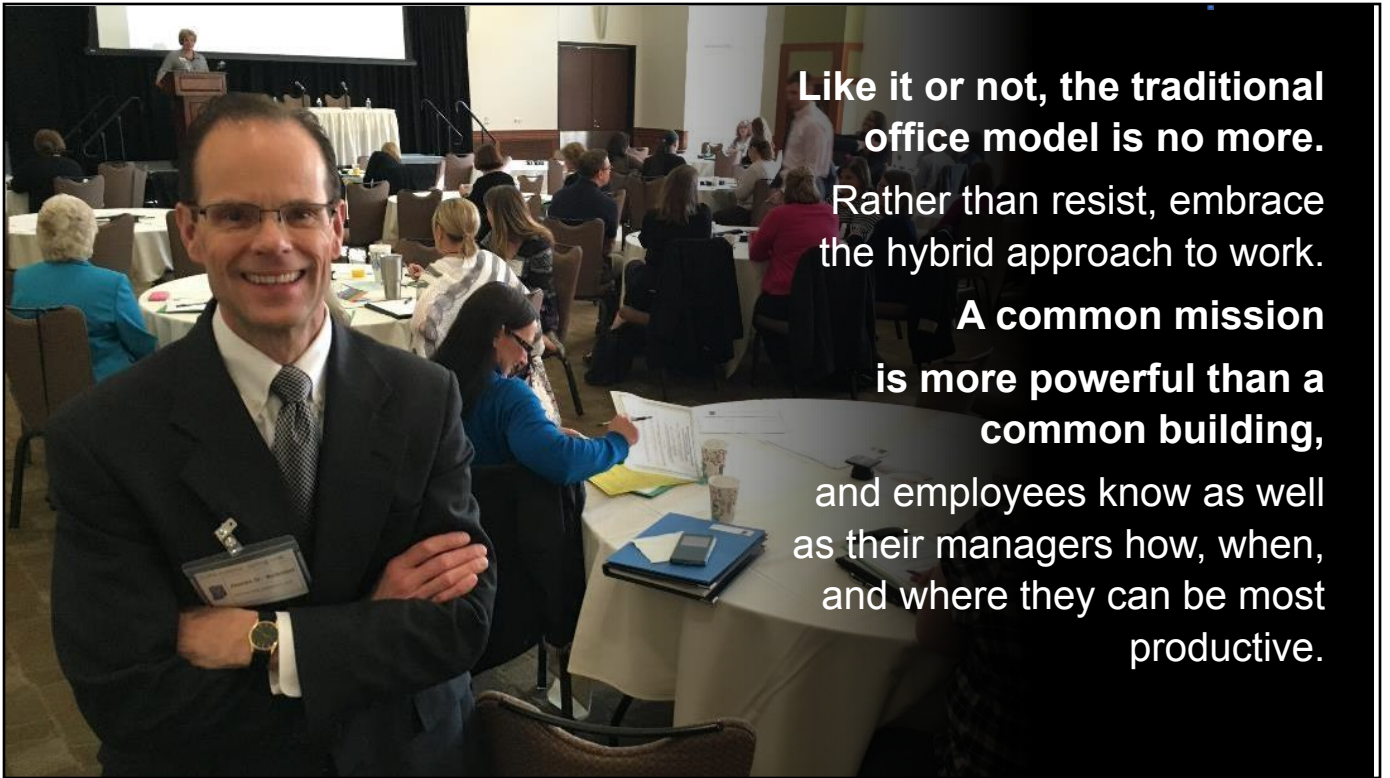
Haitians, ivermectin, GOP attorneys general round out roundup

By: Steve Lash | Daily Record Legal Affairs Writer | October 18, 2021

Welcome to Monday, the 90th anniversary of sentenced to 11 years in prison. Here are son Cellphone app engaged in unauthorized pract rights group files complaint over detention co ...

Complete access to news articles on th
Subscribers may login at the login tab,
successful Marylanders with a subscrip





Like it or not, the traditional office model is no more.

Rather than resist, embrace the hybrid approach to work.

A common mission is more powerful than a common building, and employees know as well as their managers how, when, and where they can be most productive.

The rules have suddenly changed

- Social distancing – limited physical contact
Social distancing does not mean social disengagement
- Distributed workforce - Teams gathering around their laptops
- Everyone under stress – and fraud becomes more likely
- Clients with unusual demands
- The rules are changing daily
- Ethical standards are shifting



Fair and Consistent

- Establishing a fair and consistent experience regardless of an employee's location is challenging but not impossible.
- **Doing the right thing** - take tactical steps to ensure every employee is supported equally and empowered to succeed.



A dilemma – Who do you pay?

You run an outdoor furniture store going bankrupt due to COVID.

Most of your organization's debts will never be paid.

Would you use the organization's few remaining resources to:

Pick only one...

**1. Refund
client
deposits**

**2. Refund
suppliers**

**3. Pay
employees**

Does being a Finance and Accounting professional hold us to a higher ethical standard?

"Yes. I believe ethics holds us to a higher standard.

Compliance should be well-defined in codes of conduct and company policies.

Acting ethically takes courage. Ethical individuals often find themselves as a party of one. "

- Cindy Morrison, Post Holdings



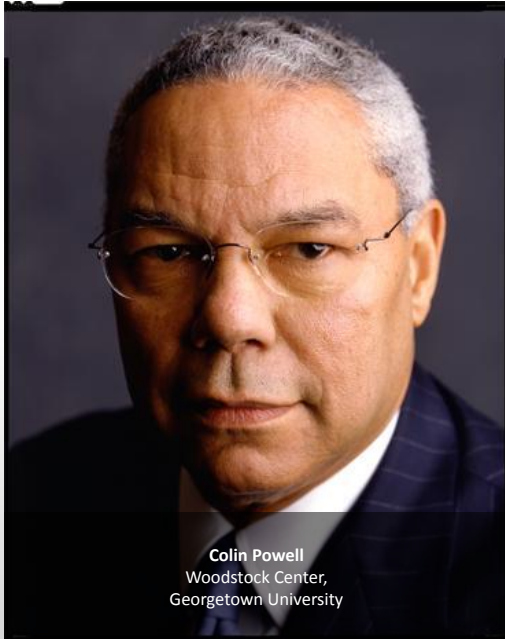
Does being a Finance and Accounting professional hold us to a higher ethical standard?

"Ethics is harder to define than compliance because it involves abiding by one's personal code of conduct.

Everyone has their own ethics. There isn't a universal rule, if you will, for ethics. But ethics, in essence, is about doing the right thing."

- Gerry Zack, SCCE

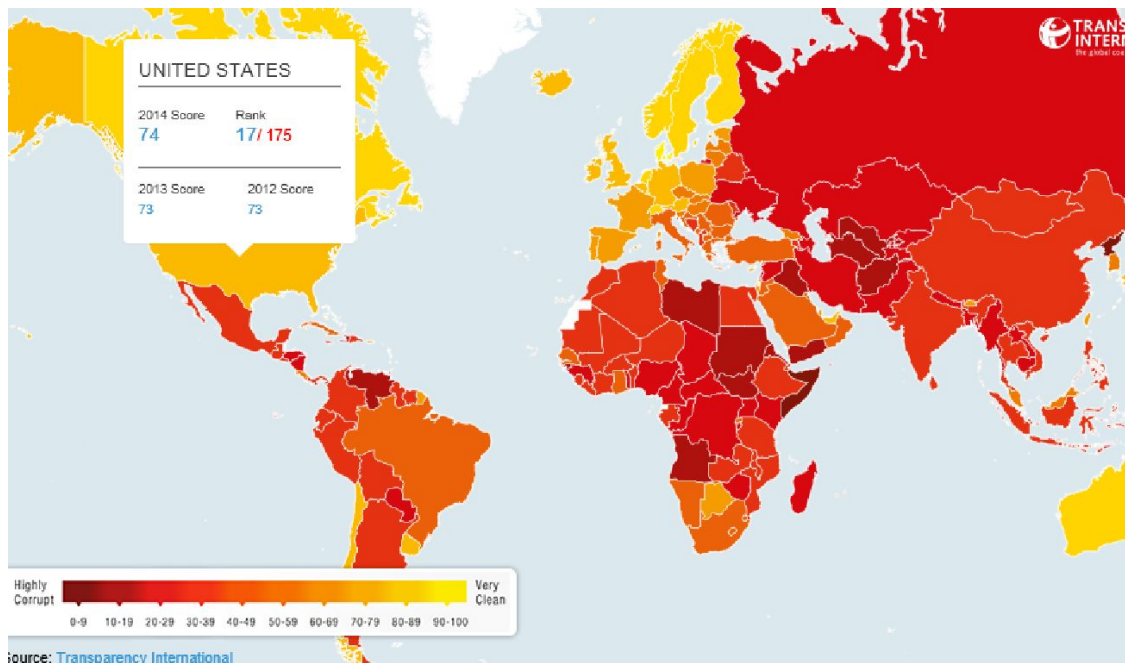




"An ethical climate is either developing or deteriorating, enriching itself or impoverishing itself."

"It needs constant care and attention."

Global Corruption Index



CITIZENS STRUGGLE AS PROMISED COVID-19 AID GOES MISSING

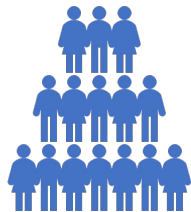
Corruption claims critical humanitarian and economic aid meant to help those most vulnerable

Translations: [EN](#) [FR](#) [ES](#) [AR](#)



Illustration by Sheyda Sabetian

Two Simple Truths



1. All people value belonging to a group, high integrity leadership, and being rewarded for getting it right



2. Poor ethics quickly disrupts a high performing culture



Top Performers

- Learn quickly and do not get caught up in the wrong details
- Take personal accountability and responsibility for their own actions
- Have a sense of humor that defuses stress and conflict in the workplace
- Fit with the team – shared values
- **Want an environment of accountability**



Stress

Early research suggests that stress exposure **influences neural circuits involved in reward processing and learning**, while also biasing decisions towards habit and **modulating our propensity to engage in risk-taking**.

[Stress and Decision Making: Effects on Valuation, Learning, and Risk-taking \(nih.gov\)](#)

US Mental Health Landscape

More than one year into the COVID-19 pandemic, U.S. workers say burnout persists.



41%

*feel burned out from their work, **the same** as in May 2020.*

48%

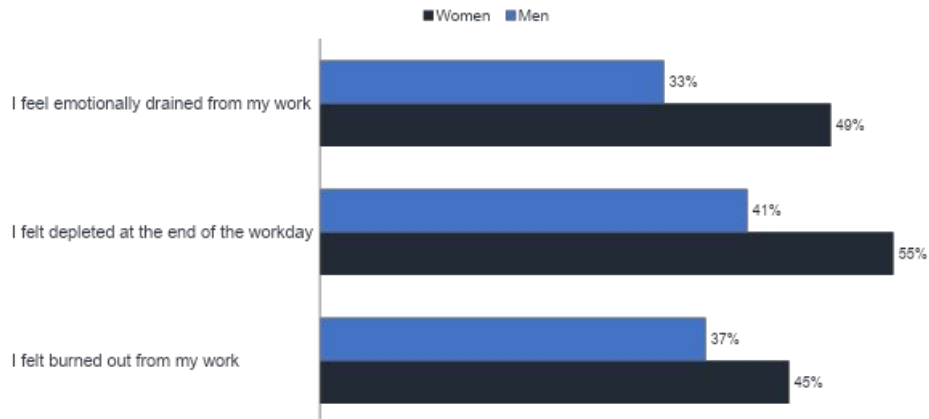
*feel depleted at the end of the workday, **up 3%** since May 2020.*

41%

*feel emotionally drained from their work, **down only 2%** since May 2020.*

Gender Differences in Burnout - US

Women report symptoms of burnout at higher rates than men.

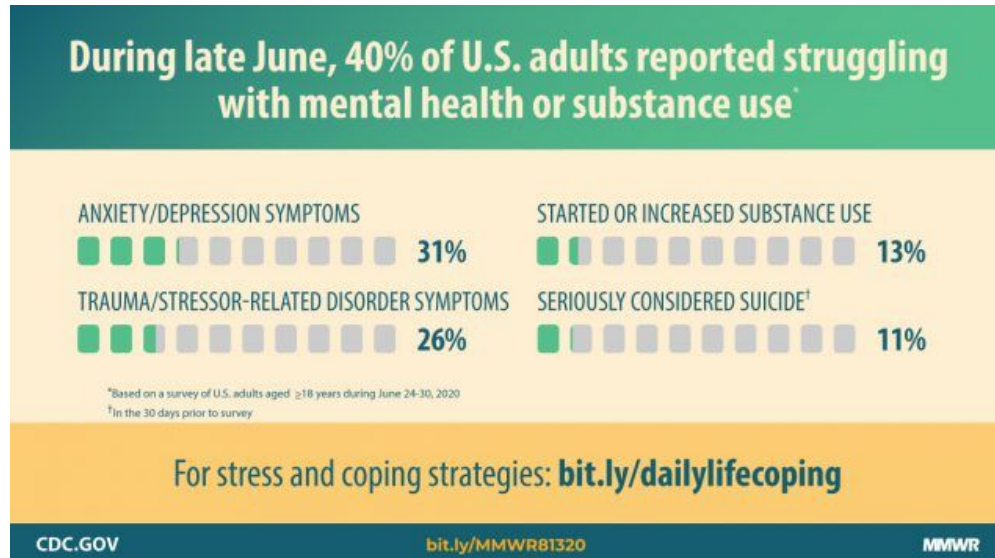


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How did the Media respond to Mental Health in Sports?
Did we do the ethical thing?

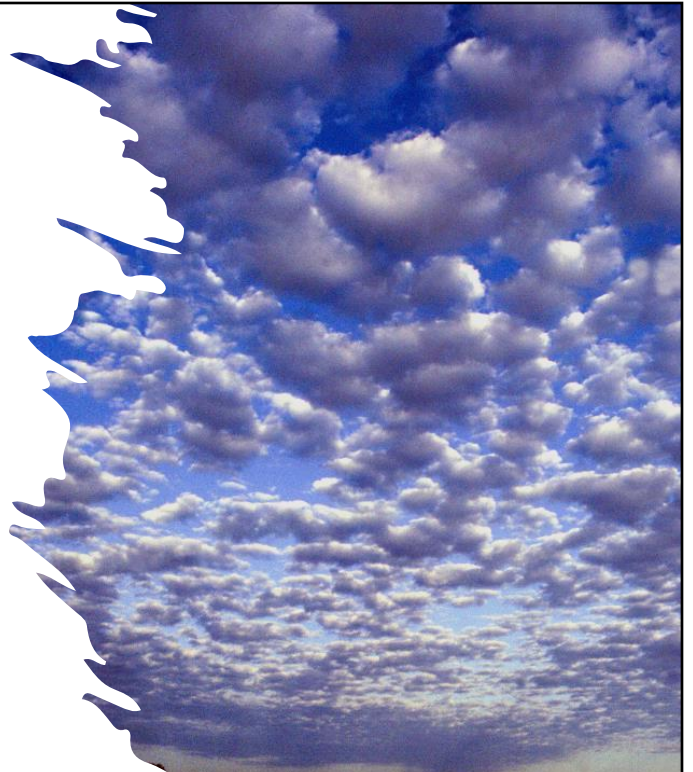
Mental Health & The Pandemic



Mental Health Actions

Promote transparent communication

A career development study by Doodle found that **40 percent of respondents noted impersonal or less engaged relationships with team members or bosses,** and **66 percent reported challenges scheduling one-on-one meetings with their bosses.**





Mental Health Actions

Reduce meeting overload

According to research by the Harvard Business School, the pandemic drove a **13 percent increase in remote meetings** and **extended the average workday by 8.2 percent.**



Personality types

Conscientious becomes	compulsive
Confident becomes	pushy
Risk taker becomes	rebellious
Sensitive becomes	overwhelmed
Devoted becomes	dependent
Private becomes	isolated
Eccentric becomes	bizarre

Misconduct employees personally observed in their organization

21% observed abusive or intimidating behavior towards employees.

19% observed lying to employees, customers, vendors, or the public.

18% observed a situation that places employee interests over organizational interests.

16% observed violations of safety regulations.

Why bother?

Living in our world requires trust.

Would you work if you didn't trust your employer to compensate you?

Would you shop on the Web if you didn't trust that your financial information would be secure?



Without trust, fair dealings,

and honest communication

commerce would grind to a halt

**Our topic is
Ethics**

**Ethics is a higher
standard of conduct
which guides an
individual and an
organization in their
interactions.**

**It is a matter of
conscience about
what is right or
wrong in the
interaction we have**

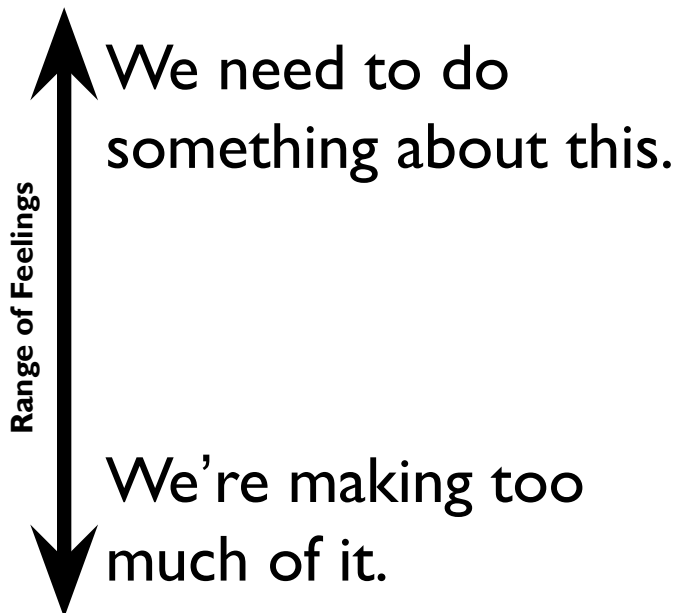
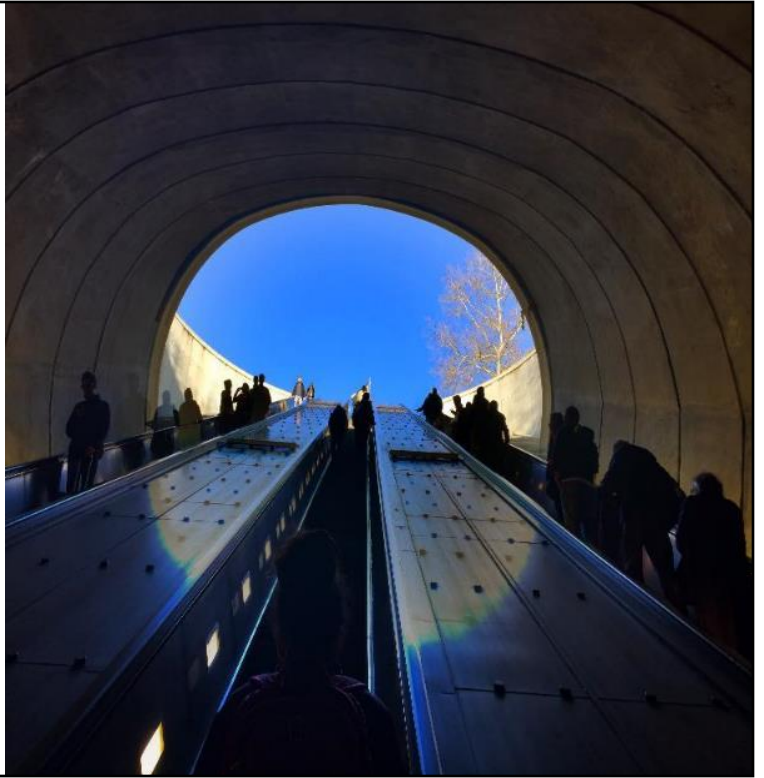
The future is already here

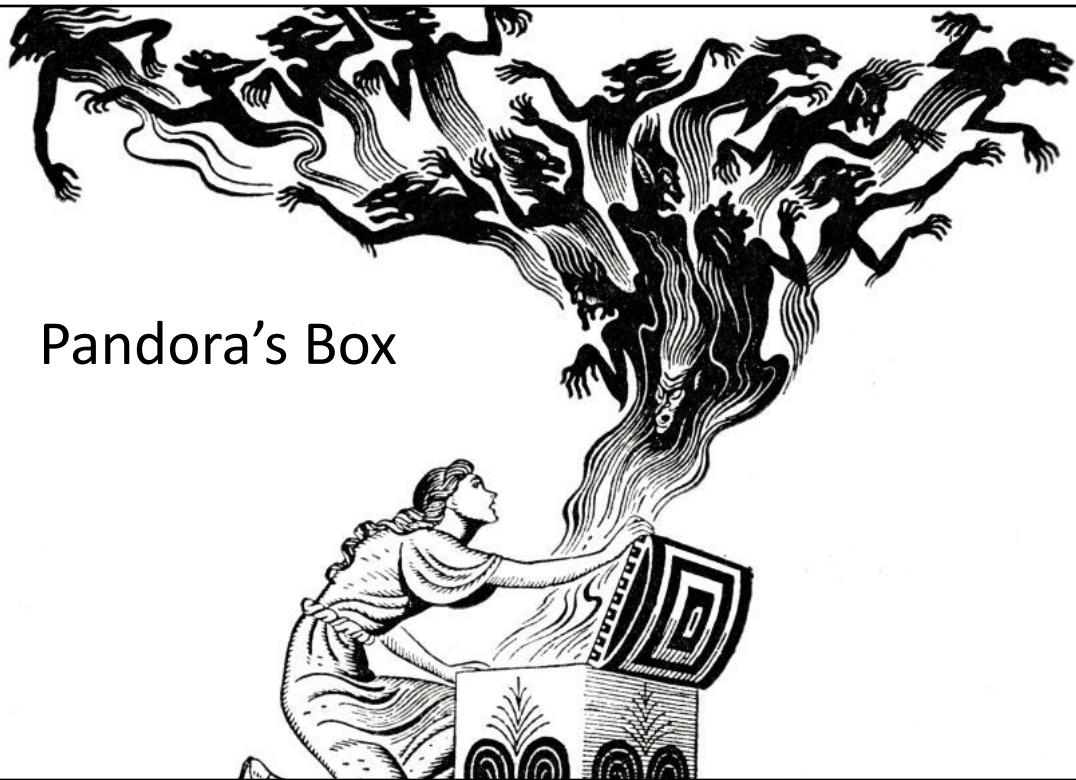
...it's just applied unevenly.

Do you remember the good
old days...

- when we could hold a
meeting in a meeting room?

- when banks didn't allow
masks inside a branch?





Pandora's Box



- 5 - I am always ethical
- 4 - I am mostly ethical
- 3 - I am somewhat ethical
- 2 - I am seldom ethical
- 1 - I am never ethical

- *"Ethics 101, What Every Leader Needs to Know" by John C. Maxwell

When you drive, you trust other drivers to obey traffic laws and stay on their side of the line.

Ethics is like that.

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**Good People
Make Tough
Choices...**

**...and
sometimes
they make
bad ones.**



Morality

The motive is earning a profit within legal and ethical boundaries

Immorality

The **deliberate violation** of laws, moral standards, and ethical principle where the motive is greed.

Amorality

Passive indifference towards laws, moral standards, and ethical principles where the motive is profit

"Effective Small Business Management, An Entrepreneurial Approach",
by Scarborough, Wilson, & Zimmerer

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Truth versus loyalty

Honesty & integrity versus commitment & responsibility

Justice versus mercy

Even handed application of law versus compassion

Short-term versus long-term

Immediate needs versus future goals or prospects

Individual versus community

Self versus others...small group versus the larger group

*"Good People Make Tough Choices"
by Rushworth M. Kidder

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*“Good People Make Tough Choices”
by Rushworth M. Kidder

Ends-based Thinking

Utilitarianism - the best choice is the one that provides the greatest good for the most people.

Rules-based Thinking

Categorical Imperative - the best choice utilizes the principle that you expect everyone to follow.

Care-based Thinking

Golden Rule - do to others what you would like them to do to you.

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*“Good People Make Tough Choices”
by Rushworth M. Kidder

1. Recognize that there is a moral issue.
2. Determine the actor.
3. Gather the relevant facts.
4. Test for right-versus-wrong issues.
5. Test for right-versus-right paradigm.
6. Apply the resolution principles.
7. Investigate the “trilemma” options.
8. Make the decision.
9. Revisit and reflect on the decision.

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1. Recognize that there is a moral issue.

- First, confirm this is an issue that needs attention
- Second, it elevates issues that are truly dealing with a moral issue, rather than just manners or social conventions. Also, watch out for confusing morality with economic, technological or aesthetic issues that are more superficial.
- Must balance – too hypervigilant and we become the morality police, too little and we become apathetic

2. Determine the actor.

- If this is a moral issue, whose responsibility is it?
- On a basic level, we are all responsible at some level – we are all part of a community, and communities depend on ethical interrelations.
- Are you morally obligated and empowered to act?

3. Gather the relevant facts.

- Ethics does not happen in a vacuum, it happens in the jumble of real life.
- Good decision making requires good reporting. You need to know what has happened to get to the present situation – How have events unfolded, who said what to whom, who held back what information, who was innocently ignorant, etc.
- Be aware of your biases as you investigate.
- Also, peer into the future and gather the possibilities that are a part of any decision.

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The first picture
is rarely the
full story.

4. Test for right-versus-wrong issues.

- Does the case at hand involve wrongdoing? There are several tests.
- **The legal test** – if so, this is a legal issue, not a moral one.
- **The regulations test** may kick in, even where the law is silent. Are there widely shared codes of conduct in the profession?
- **The “stench” test** – A gut-level check on moral intuition. Does this have an indefinable odor of corruption? Does this go against your moral principles? (rule-based)

4. Test for right-versus-wrong issues.

- Does the case at hand involve wrongdoing? There are several tests.
- **The Front-page test** – How would you feel if what you are about to do showed up on the front of the *News Register*? (ends-based)
- **The “Mom” test** – If I were my mother, would I do this? (care-based)

5. Test for right-versus-right paradigm.

- If the issue passes the right/wrong test, then what sort of dilemma is this? Try analyzing it with the four dilemma paradigms –
 - **Truth vs. Loyalty**
 - **Self vs. Community**
 - **Short Term vs. Long Term**
 - **Justice vs. Mercy**
- Confirms **this is a dilemma with two core values pitted against each other.**

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6. Apply the resolution principles.

Now use one of the three Resolution Principles –

- **Ends-Based** (Utilitarian) – for the greatest good
- **Rule-based** (Kantian) – how should everyone act?
- **Care-based** (Golden Rule) – how would you like to be treated?

You are finding the reasoning that seems most relevant to the issue at hand

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7. Investigate the “trilemma” options.

- Is there a third way? A compromise?
- Sometime that middle ground is the best compromise between the two rights that are at odds.
- Sometimes there is no middle ground.

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8. Make the decision.

- This requires moral courage – the attribute essential to leadership, and one that distinguishes humanity from the animal world.

9. Revisit and reflect.

- Circle back after the drama has died down, and go back over the process and learn and re-learn the lessons from the event.

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Set a good example

Ask ethical questions:

Even if it is legal, is it moral?

Is this the right thing to do?

Would you want it done to you?

What would your mother think?

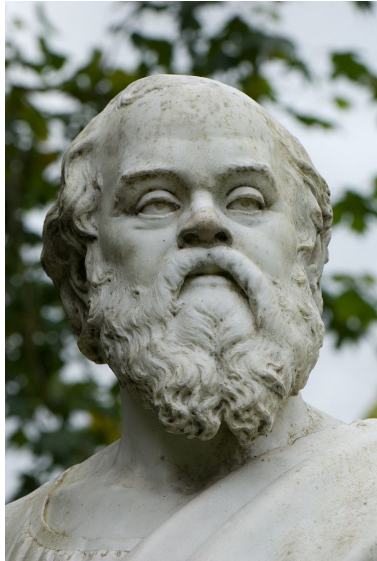
Could you defend yourself if investigated?

Training is a legal defense

You can reduce your organization's fines by showing that you have established an effective compliance and ethics program in your organization.

According to the Federal Sentencing Commission, an organization that has an effective compliance and ethics program can reduce its fines for a criminal conviction by as much as 90 percent.

Okay, Let's go back to Socrates



Plato (Aristocles)

Allegory of the Cave

Plato distinguishes

between people who mistake sensory knowledge for the truth
and people who really do see the truth.

Imagine a cave, in which there are three prisoners. The prisoners are tied to some rocks, their arms and legs are bound and their heads are tied so that they cannot look at anything but the stone wall in front of them...

Plato (Aristocles)

Allegory of the Cave



Begin Your Journey to Wisdom



What did we learn?

Reflect on the 3 things that you are going to implement.

Want to continue the journey we started today?

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Resources

- “Business Law: The Ethical, Global, and E-Commerce Environment” 15th Edition, Miller/Barnes/Bowers/ Langvardt, 2012
- “4 Kinds of Fraud That Could Destroy Your Business” by Matt Garrett, August 2013
<http://www.entrepreneur.com/article/27689>
- AICPA Code of Professional Conduct:
<http://www.aicpa.org/Research/Standards/CodeofConduct/Pages/default.aspx>

What is the Business Learning Institute?

BLI is a training affiliate of the AICPA-CIMA. BLI's mission is to deliver competency-based courses, content and community that enhance learning and foster organizational and executive leadership.

BLI has grown into the largest provider of on-site training in the country. Pam and the Customized Learning Solutions team have grown the business in three core segments – Corporate, Firm and Government.

The BLI Curricula

Today's business environment demands the need to gain competencies and share strategic knowledge. BLI delivers competency-based curriculum, courses, content, and community to enhance learning and grow intellectual capital for organizational and executive leadership.

These soft skills are essentially people skills – the non-technical, intangible, performance skills that determine your strengths as a leader, manager, and team member.

STRATEGIC MANAGEMENT

Strategic conversation reflects the dynamics between the organization and its environment. The closer the language reflects current and potential customer dynamics, the higher the company's profit potential.

LEADERSHIP DEVELOPMENT

Great leadership is one of the most valued of all human activities. Modern myth holds that "leaders are born not made," but leadership is a set of observable and learnable practices - it is the process people use when they bring out the best in others and themselves.

BUSINESS MANAGEMENT

As the business world moves at an incredible pace, keeping up is a key to success. Today's financial managers must be able to translate strategy to operational and corporate growth.

TECHNOLOGY AND COMPUTER SKILLS

Harness the technology you use every day to make your business life easier and allow you to work smarter.

PERFORMANCE MEASUREMENT MANAGEMENT

Executives and managers must effectively transform their firms or companies into high performance organizations and progressively identify and develop the appropriate core competencies and link them to their business strategies.

COMMUNICATION SKILLS

Many people in the business field cannot communicate effectively and, even more damaging, don't realize it. Success is not defined solely by a product line or service - it relies on relationships formed and maintained through skillful communications. Your competitors know this. Do you?

TECHNICAL EXPERTISE

Keeping up with technical competencies is a core business requirement for financial professionals. Staying attuned to the latest changes, updates, and regulations are necessary components to staying competitive in an ever-changing business environment.

Please note that many programs in this catalog are available in webcast format. Contact a BLI Customized Learning consultant if you are interested in a webcast.