

# Integrity in Leadership: The Fundamental Characteristic of Professional Success

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I have been with Hewlett-Packard for twenty-two years now and have always spoken on subjects such as business strategy, performance, results, change management, investments, and industry transformation. But now we are dealing with the importance of ethical principles based on gospel concepts as they pertain to business success in a professional career. I think these two topics are intertwined. It is important to know that the ability to lead from the highest level of integrity is essential for both personal and professional success, and for me, the teachings of the gospel have been the foundation upon which I've based my own integrity. Stephen R. Covey wrote in his book *Everyday Greatness*: "Some of life's greatest lessons suggest that before we can attain success in the world around us—our communities, workplaces, homes—we must first achieve success within ourselves. The most important element we put into any goal or relationship is not what we say

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or what we do or what we have, but who we are.”<sup>1</sup> To me that statement is profound, and I couldn’t agree more. I want to share a few stories from my career that have been part of my journey in learning the value of personal integrity.

## The Doctor

During the 1970s, while I was in my mid-twenties, I had the opportunity to work for my personal physician. I had been her patient for many years. She had delivered my first child and had cared for her, and at the time I was working for her I was pregnant with my second child. She was a wonderful doctor and an outstanding person. I had tremendous respect for her talents, skills, and abilities.

Over the course of a few months, things started to happen in the office, however, that seemed quite unusual. The other employee who worked with me also started to notice the same things. Eventually, she and I talked privately about our observations and our concerns. We began to see some suspicious people come in for office visits, take only a few minutes with the doctor, and leave with a prescription and a rather abnormal charge of several hundred dollars. But because we both had such tremendous respect and care for this doctor, it was very difficult to imagine that anything unethical or illegal was taking place. Over the next several weeks, the unusual visits continued. Our discussions went from worrying about what might be happening to seriously wondering whether we should talk to the medical board about what we were beginning to suspect might be wrong.

Now, you might think this should have been an easy decision on our part to go to the right people and tell them what we suspected, but it wasn’t. Why was that so difficult, when we were nearly certain that this doctor was writing prescriptions for drugs to be turned around and sold on the street? It was difficult because we had a personal relationship with her. We respected and trusted her and had very strong feelings of loyalty to her. If we turned her in, even when we knew it was the right

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1. Stephen R. Covey and David K. Hatch, *Everyday Greatness: Inspiration for a Meaningful Life* (Nashville: Rutledge Hill, 2006), 119.

thing to do, it felt like we would be betraying her and all she had done for us over the years.

Ultimately, we did go to the medical board. The Drug Enforcement Administration was brought in, and they did an undercover investigation. Charges were brought against her. She was convicted, sentenced to prison, and lost her medical license for several years. But even worse than that, she lost her family. She was married to a prominent veterinarian, and they had three wonderful children. Their marriage ended in a divorce, and the children suffered significantly from the breakup as well as from the humiliation and disgrace that her actions caused the family.

Why would someone who appeared to be so good and successful end up in this situation? I don't know for sure, but even though this doctor and her family had significant wealth, she apparently wanted more. She had gotten herself very involved in buying and raising racehorses, and apparently that hobby somehow overtook her personal integrity, honesty, and values. My belief is that, whatever started her down that road, in the beginning it was not something she believed to be unethical or unlawful. My guess is that she began doing things she thought were perhaps a little off center but not very wrong. Perhaps someone truly needed a prescription for pain, or perhaps someone had lost their prescription while vacationing in our town. Slowly she moved more and more toward providing prescription drugs that clearly were not needed and were being used for nonmedical purposes. Ultimately, the enticement of significant easy money won over her honesty, integrity, and values. She lost the core of who she was as a person.

For me it was a very sad but valuable lesson on how the best of people can be led astray if they are not clearly grounded in personal integrity. C. S. Lewis wrote: "It doesn't matter how small the sins are, provided that their cumulative effect is to edge the man away from the Light and out into the Nothing. . . . Indeed, the safest road to Hell is the gradual one—the gentle slope, soft underfoot, without sudden turnings, without milestones, without signposts."<sup>2</sup>

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2. C. S. Lewis, *The Screwtape Letters* (San Francisco: HarperSanFrancisco, 2001), 56.

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## Negotiations in Japan

Another experience of mine took place in Japan. My team had been working for several months on developing a strategic partnership with a Japanese company. We had worked long and hard with their top executives, and finally we struck a deal. The contract was signed very ceremoniously with the CEO and his executives in Japan, and afterward they hosted a wonderful dinner for us. If you are unaware, the drinking of sake in Japan is a very significant part of their culture, especially as a gesture of goodwill and partnership in deals like the one we had consummated. I knew ahead of time that this would be coming at dinner, and I decided to just fake drinking the sake so I would not offend our new partners. What could this little white lie hurt? So when the toast was made I put the glass to my lips but didn't drink. In my effort to not offend I wasn't honest with our hosts.

Well, as you might guess, as the evening went on they continued to make toasts and wanted to refill my cup. They were quite perplexed when their cups continued to be emptied but mine remained full. I finally had to tell them that I'd had enough (even though it was quite clear I hadn't had any), and they finally stopped insisting. We made it through the evening fine, but it was clear to me that had I been honest before the ceremonial dinner they would have understood and none of us would have been put in an uncomfortable situation. I would not have felt out of touch with my own sense of integrity quite so much.

In subsequent years, when similar situations arose I made sure not only to understand what might be anticipated in each situation, but I also clearly communicated with my hosts *before* the event that I didn't drink, that I didn't go to certain places, or whatever else needed to be dealt with ahead of time. Without exception, my hosts always understood and respected my beliefs, honesty, and integrity. The lesson for me was always to be honest and proud about my values, and I thus learned that people almost always respect me for that.

## The Transfer

The next event happened in the early 1990s, when I was a manufacturing engineering manager. Our business was designing and man-

ufacturing flatbed scanners. One of our key values and competencies was that our products were all “Made in the USA.” This was before most things were outsourced overseas. We had a great product, we were clearly number one in our market, and we made excellent profits for the company. What more could we ask for? We were about to find out.

There was an organizational change in the company, and our business was moved from one management group to another. Soon a new management team began visiting and they questioned our manufacturing strategy, more specifically that our products were manufactured exclusively in the country. We could tell they didn’t agree with our strategy, and in a matter of a few months we were given very clear directions that we were to move all of our manufacturing to Singapore. The organization, including my management team, did not believe this was the right thing to do for our business, our people, or our customers. But it was also clear that if we did not do it, the company would find another management team that would. My direct managers decided to support the strategic change and asked us to implement the transfer to Singapore within six months. I adamantly disagreed with the decision. Not only did I think it was the wrong thing for the business and our people (knowing that many jobs would be lost), but I thought it was fundamentally wrong for our national economy’s future. I was upset with the outsourcing trend that was becoming more apparent to all of us.

I greatly struggled with this issue and seriously considered leaving the company because I couldn’t come to terms with this decision. I had several conversations with my manager about this. He clearly understood my concerns and my position, but he urged me to remain for the good of both the business and our team. After three weeks of personal turmoil, I decided that I needed to stay and help make the transfer successful so that even more jobs would not be lost. However, I knew that I could not stand in front of my organization and tell them I agreed with the decision. That would be a blatant lie, and I would not lie to my people. I went back to my manager and told him that I would stay as long as I could be honest with my people. If asked whether I agreed with the decision I would say, “No,” but I would also be very clear that the decision had been made and that I would do everything possible to make

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sure that we, as an organization, successfully accomplished what we had been asked to do. I was very pleased when he agreed that I should not be put in a position to be dishonest with my people.

That question was asked of me many times over the next little while, and each time I answered it honestly. The result was that people greatly respected and appreciated my honesty, and together we were able to do all that was asked of us. Ultimately the organization was stronger because we were in harmony with our own feelings and were not forced to lie about this difficult situation. The biggest impact of all was not that we moved production to Singapore but that we did it in a way that was consistent with our values. It wasn't just the *what* but the *how* that was most important. President Gordon B. Hinckley frequently says, "It all comes down to personal integrity," and I could not agree more!

By the way, four years later I was the general manager of this same organization, and Taiwan came into our scanner market and quickly drove prices from \$999 to \$99. We had to very quickly do a complete turnaround. If we had not moved all our manufacturing to Singapore four years earlier, we would have lost our market share, our business, and ultimately everyone's job. It turned out that I clearly had been wrong four years earlier, and I learned another lesson in humility.

## **A Moral Compass**

We have all heard of Enron, WorldCom, and other industry scandals. All of these began with senior executives who somehow lost their compasses of right and wrong, which points to what I call "true North." I can tell you personally, as a senior executive, that lots of financial incentives can entice good people to reconsider their values. Recently even Hewlett-Packard has been in the news for an alleged board-level scandal. It is not a financial scandal and it is not on the same scale as Enron's and WorldCom's scandals, but it is still significant. Hewlett-Packard has always been known for its integrity in business practices and with its employees. Hewlett-Packard's integrity was one of the main reasons that I went to work for them and why I stayed for twenty-two years. It is difficult for me to see this kind of press and potential unethical or illegal behavior on the part of our board. Over the years I have had the

opportunity to be with the board on several occasions, and I can tell you that it is made up of good people with the very best of intentions. My observations have been that they are always trying to do what is best for the company. If these charges turn out to be true, then it would be another personal example to me of how good people can somehow lose the center of who they really are, their “true North.” The impact on themselves, their families, and reputation of their company is immense.

In careers you will find many situations where, from a distance, the right decision may seem clear and easy to make. But as you actually get into some of these situations you will find they are not so clear cut. They may involve significant financial gain for you and your family, a promotion you really want, the elimination or creation of many jobs in your organization, visibility for you, or many other things that are important to you. These things can and will cloud the clarity of your vision and impact your decision. At these times it is essential that the foundation of your honesty and integrity be solid and rightly centered. I can think of no better way to ensure that your foundation is solid and rightly centered than to build it from gospel teachings. President Gordon B. Hinckley is very clear on the matter: “Let me say that I still believe that right is right, and wrong is wrong. Thou shall not commit adultery. Thou shall not steal. Thou shall not bear false witness. These aren’t suggestions; these are commandments.”<sup>3</sup> The bottom line is that truth is absolute, not relative.

You have a tremendous gift to be here at this university. Each day you naturally mix educational learning with gospel learning. It is a way of life that is unique to this campus. As in my case, what you experience here is not what most of you will experience once you are out in careers. Yet what you are learning here is truly the foundation for a successful career. Without your education, you will not have the skills to do your job. Without your gospel learning, you will not have the foundation to make the right decisions of the highest integrity at all times. This gospel learning, from my perspective, will do more to help you be successful than anything else. Why? Because the gospel is the critical foundational

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3. *Larry King Live*, CNN, September 8, 1998.

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element of who you are as a person, and who you are as a person will drive your behavior and actions in the best and worst of times. The ability to act clearly and with conviction at the highest level of honesty and integrity is a key to successful leadership today. Whether you are in an entry-level position or a CEO, the ability to be a leader to whom others can always look for both *what* needs to be done and *how* it should be done is essential for both personal and professional success.

I have worked all around the world, and I have been on many campuses. I will tell you that you are unique here at BYU. You truly are different, and I don't mean just that you are a peculiar people. When I am here on campus just walking around, you all look me in the eye and always smile and say, "Hi." In case you don't know, that's not normal on a college campus. Most of you speak a second language. Most of you have already developed significant leadership skills. You have high moral values, and you already behave with the highest level of integrity. These are not skills that most college students acquire, yet they are attributes that businesses are desperately looking for.

As you go out into the world, I urge you to continue to develop the strong foundation of who you are as a person. It will not be as easy as it is here on campus, so take advantage of your time here. It is an exciting world out there, filled with unbelievable opportunities. As you work and gain experiences, the core of who you are as a person—your own personal values and integrity—will grow and continue to strengthen if you stay true to your beliefs and the Lord's teachings. It is a wonderful foundation that He has created for us, and it truly is the key to being successful both personally and professionally.