Telling the Truth: PR Ethicist Tchividjian on the Edelman Fake Blog Scandal, Transparency and Why Current Ethics Codes Lack Bite

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This week's spotlight: Emmanuel Tchividjian, Executive Director of Ruder Finn's Ethics Consulting Practice

"I don't think I'm an ethics 'specialist,'" says **Emmanuel Tchividjian**, a senior VP at **Ruder Finn** where he serves as executive director of the agency's ethics consulting practice. "I don't think there can be any. When people ask me if I am the conscience of the company, I reply, 'No. You are!" stresses Tchividjian, who is also a member of the Ethics Officers Association, the national professional association for managers of ethics and compliance programs, and past president and ethics officer of the New York Chapter of the Public Relations Society of America as well as a member (ex-officio) of PRSA's National Board of Ethics and Professional Standard.

"We are each a struggling soul with a conscience," he elaborates. "There are no easy answers and sometimes, there are no right or wrong answers. You do the best you can with the information and options you have—all while trying to honor or respect your values," Tchividjian says.

So what does this humble PR exec whose ample honors, titles and experience connote expertise if not outright "specialty" in ethics think of the state of the same in PR—starting with last week's flap over "flogs" (i.e., fake blogs) and accusations that one of the industry's pre-eminent agencies practiced deception in promoting a key, often besieged, client? The answers—and plenty more:

What ethical underpinnings lay at the heart of the Edelman/Wal-Mart blog story last week?

The issue here is one of integrity, honesty and transparency. The PRSA code of ethics stipulates that the guiding principle is to build trust with the public by revealing all information needed for responsible decision making. Specifically, it reads that, "A member shall: Be honest and accurate in all communications. Act promptly to correct erroneous communications for which the member is responsible. Reveal the sponsors for causes and interests represented. Disclose financial interest (such as stock ownership) in a client's organization. Avoid deceptive practices."

Why did this story capture so much attention on- and offline?

It became a big deal because the issue of transparency is becoming more important—particularly in this industry. We've had previous incidents in PR of deceptive practices. This is deceptive, and PR can't be that way. So stories like this one give credit to the bad reputation we have in certain circles as spin doctors.

What did you think of Edelman's response?

When you look at Edelman's statement about the blog, I think it was a proper response. " For the past several days, I have been listening to the blogging community discuss the cross-country tour that Edelman designed for Working Families for Wal-Mart," the statement said. "I want to acknowledge our error in failing to be transparent about the identity of the two bloggers from the outset. This is 100% our responsibility and our error; not the client's."

The response was along the lines of one we would advise our clients, for two reasons: First, they issued an apology. And second, the CEO of the company apologized, not an AAE—which means that the company was concerned and at the highest level. That is a good message internally, as well as for the public at large.

Do you think the response was too cursory?

Not when the CEO says, "We're 100% responsible. The client had nothing to do with it." They said it was their error. There's no need for him to go into a mea culpa with tears in his eyes and his wife sitting next to him.

Fair enough. So what lessons does this "flog" drama pose for PR practitioners considering blog outreach or other new media applications?

Technology and science are making progress in an incredible speed. Often, our legal system trails behind in addressing issues presented by such progress. For example, you have this in the medical field, with various discoveries but no codes or ethical guidelines established around issues like cloning, decisions about prolonging life and other areas. The laws aren't there, or can't be applied. I think it is true for the ethics and compliance world as well. We should think seriously about creating some new guidelines on communication and technology. The principles are the same, but the applications of those principles are new.

Beyond that, there is something new at work when it comes to the Internet, in terms of morality and ethics. The big element here is that of anonymity. When we complain that someone lied to us, we say, 'He lied to my face. He looked at me and lied.' That factor of human interaction is gone when it comes to the Internet. You can use an assumed name and nobody can trace you. This goes to the whole issue of transparency. If you follow the PRSA code, for example, you wouldn't do that.

This reminds me of a study in France. French people are usually very sociable and polite. They typically follow etiquette. But they don't when driving. Someone once suggested that to change that, the name of the owner should be on the car. How would I drive if my name were on the car? This is how we need to practice ethics and PR.

What ethical lessons or guidelines does the Wal-Mart blog example offer us?

The main lesson is that sooner or later—and most often, sooner—deception will be uncovered. I often marvel at the stupidity, more than the moral lapse, of those involved in wrongdoing. Did they really think that their actions would go unnoticed?

Do blogs inflate these stories into bigger issues than they might be to the public or mainstream media?

If that is true, it won't last. Blogs are becoming mainstream. I think the intensity is different and maybe the life span of a story shorter. But we will have to see. Either way, wrongdoings or lack of transparency can quickly become the talk of the town—whether

it's over the phone, through blogs or in the newspaper.

What role does—or should—communications play in driving corporate ethics?

Communications plays a crucial role in driving ethics. We need to think "ethics" and often we have not been trained to do so. We make hundreds of decision in one day. Some of them have an ethics component that we may not recognize.

The Conference Board conducted a survey of 225 companies. The survey indicated that 70% of the respondents reported training more than 90% the workforce in their code of conduct. The Revised Federal Sentencing Guideline mandates ethics training throughout the company, including boards of directors. Based on the guidelines, a judge may reduce the fine by as much as 80% if the company has an "effective" ethics program. However, if the company does not, the judge can increase the fine by 400%. The point is that ethics are going mainstream, and we need to be a part of that.

Is trust in corporate America rebounding?

I believe that trust is more and more recognized as having a direct impact on the bottom line. We can now measure more precisely the importance of reputation in creating a loyal workforce, reducing turnover, in creating loyalty from customers, and, yes, in improving sales. There is a greater expectation from the public today that companies behave honestly and justly. As companies meet that expectation, trust will increase.

Who currently tops America's corporate hall of shame?

I would rather not comment, except by saying that we are all redeemable.

Then who currently tops America's hall of ethical fame—and why?

Again, no comment, except to say that we are all fallible. Remember the quote: "Pride precedes the fall."

Can you think of an exemplary ethical company?

Maybe the best way to answer is that it would be a company whose ethics values are clearly understood by the people. In situations like that, the people feel they own part of the company. The secretary of labor under Clinton said that when he visited companies, he would always wait for the "they" or "us" when people spoke of management. When you hear that "we"—it means that the company's code is integrated. A good measure of knowing that your ethics values have trickled down to staff is when you hear someone say, "This is the way we do it here." That's the sign of success. That's what we should all be looking for, not any one company to hold up as a good or bad example.

Why the disconnect between brand promises and reputation these days—does PR play a part?

I think we share responsibility. We are to be counsel to our clients and it is our job to communicate the importance of trust and reputation. However, ultimately, the client decides on the course of action.

What if the company doesn't act ethically—should the PR person leave?

Looking at it from the point of view of an ethics officer, if the company is doing something absolutely wrong, you must say that you don't want part of it. That may come to the

ultimate solution of leaving. But there are many more intermediate steps and solutions for convincing and getting the client to do the right thing before it comes to that.

What are some of the most common ethical challenges faced by agencies these days?

I think that creating a culture of ethics is crucial. A culture is not created overnight. It has to come from the top and be real. People have to see that the company practices what it preaches. A code of ethics or a mission statement has very little value if it is not applied in day-to-day activities.

What are some common ethical challenges faced by in-house departments?

Corporate politics probably creates stronger pressure for in-house PR executives. However, in-house PR executives do not face the pressure of having to meet the numbers. Such pressure, we have witnessed, creates the sense that one should "do what it takes" and often "what it takes" leads to shortcuts and ethical lapses.

Are the PRSA and IABC codes of ethics, for example, sufficient enough to guide ethical practice in this industry?

Obviously, they are not. A code often stays on your bookshelf gathering dust until something bad happens, but then it is too late. We refer to our ethics document as a guideline.

What of those who say these codes have no teeth?

PRSA revised its code of ethics recently to remove the elements of censure and replace them with education. We want to be counselors—teachers not policemen.

Enron had a code of ethics that was four inches thick. But it was not part of the culture. It was paid lip service. It didn't translate into the real life of the company—so that is where we need to focus, not on the codes themselves. However, codes can be improved, and our Ruder Finn Ethics Practice offers that service to clients. But a code will not necessarily prevent wrongdoing. You need to develop a culture of ethics.

Why didn't PRSA say anything last week about the Edelman blog?

There is a discussion about this now, and about what our public stance should be.

What are your "commandments" of practicing ethical PR?

Ethics is all about values and conflict of values. It is rarely a matter of right versus wrong—that is the legal aspect—but rather of right versus right. We should all think about our personal and company values and make sure that whatever we do, we do not violate them.

How important are CSR programs and campaigns today?

CSR is taking a very important role in the corporate world. I think that because of globalization, we are more aware than ever that we have to be good corporate citizens and that our actions have dramatic repercussions in the lives of a great number of people.

Does the public trust PR—why or why not, and what can we do about it?

The profession does poorly in polls on trust. We should not worry about our image, but about our actions. It is our actions that will eventually create the image.

What's your advice to senior PR practitioners about the need to practice ethical PR?

Someone asked in a public forum: "Can you make a business case for ethics?" The reply was: "If you have no ethics, you will end up having no business." Trust is at the base of any relationship. Once you loose trust, you lose everything.

What can entry level PR practitioners do to ensure they're practicing ethical PR?

The most important thing in ethics, I believe, is to ask questions. Ask questions to yourself and to your colleagues and supervisor. Some of the questions you should ask include:

0. How would I feel if what I am about to do was printed in *Bulldog Reporter* tomorrow morning?
0. What would my mother say? Mothers often represent our conscience.
0. Am I applying the Golden Rule of doing unto others what I would like them to do to me?

We have a rule at Ruder Finn that we make clear to every executive trainee. If you are asked to do something that makes you uncomfortable: a) don't do it, and b) tell us about it. It is possible that you will bring to our attention something we missed and that requires a corrective action. Or, we may disagree with you, but in that case, we will remove you from the account and assign you to another account.

Should readers set up ethics committees? How does it work at Ruder Finn?

I am both proud and sad to say that we are the only PR firm, to my knowledge, with an ethics committee. We had a committee since the early 1950s. We hold regular "Ethics Luncheons" that are open to all the staff. We also have an outside ethics advisor who helps us think through issues and dilemmas we are facing.

What resources can you point readers to for further ethics research?

I belong to an organization called the Ethics and Compliance Officer Association. They have a very good website (www.theecoa.org). It was created about 12 years ago with 12 members. Today, we are more than 1200. Each member is the ethics "officer" of a corporation, most of them Fortune 100 companies.

How can I know where I stand ethically—is there such a thing as an "ethics" test?

I do not believe there is one test. The test is you! Ultimately, it comes to your values and how committed you are to abiding and respecting them in your actions more than in your words.

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