The Ethical Imperative

Nine Reminders for Presidents about Compliance and Ethics

by Stephen Pelletier
It may be hard to talk ethics when you are trying to balance a budget, but your institution’s integrity is no less important than your bottom line. Particularly because the buck for institutional ethics stops squarely on the CEO’s desk, presidents should consider proactive strategies for setting expectations for campus behavior.

As the president of West Virginia’s Bluefield State College, Albert L. Walker knows firsthand about some of the potential pitfalls hidden in the broad arena known as “compliance.” Well-intentioned and earnest, Bluefield nonetheless got off track in meeting compliance regulations—and paid a serious price.

Walker and Bluefield’s trustees wanted the college to provide more research opportunities for students and faculty. A Historically Black institution, Bluefield was eventually successful in securing federal grant funds for research on breast cancer, HIV subtypes, and Type 2 diabetes in African-American populations. But as a relatively small, primarily baccalaureate institution, Bluefield didn’t have the grants administration infrastructure that larger universities have.

Routine checks of Bluefield’s grants raised some flags. Subsequent investigations found that, among other compliance issues, the college did not have the requisite institutional review board (IRB) to monitor human subject research. The way Walker describes it, in its “enthusiasm and zest” for bolstering campus research, Bluefield “missed some of the protocols.”

In the summer of 2007, the Feds made Bluefield stop its research. After consulting with AASCU, the college contracted with a vendor that provides IRB services and moved to resolve its compliance problems. In February 2008, Walker received a letter from HHS acknowledging the corrective actions and calling the compliance case closed. The school has used this experience as an opportunity to educate staff about compliance regulations and things like the importance of transparency in grant writing.

Fundamentally, Albert Walker says, it comes down to a question of doing everything possible to preserve the institution’s reputation, integrity and quality.
The lessons that Bluefield learned apply to every college and university. One of the key takeaways is that, in general, universities may need to make compliance a focus of attention more than they probably do. More importantly, though, compliance issues sometimes have roots in ethical problems—that’s a slippery slope than can challenge an institution down to its core. The good news is that conversations around compliance provide an effective platform for schools to do a reality check on ethics.

Gray Areas

Ethical issues, of course, take many forms. Just this summer, for example, two professors at the University of Texas at San Antonio (UTSA) lost their jobs over a land deal that may have violated UTSA policies. In Missouri, prompted by allegations of overbilling in government grants, St. Louis University, a private school, agreed to pay $1 million to settle a whistle-blower’s suit. In Ohio, prosecutors were said to be reviewing the ethics of a land purchase by the University of Akron. And the University of Louisville (Ky.) found that a former dean, under investigation for possible misuse of federal research funds, failed to file required financial disclosure forms that may have revealed possible conflicts of interest.

Whether these cases prove to be ethics violations or not, they underscore the reality that colleges must live with the possibility of ethical misconduct. As many a president has found out the hard way, such instances can take an institution way off its game. Investigations cost mightily in terms of lost staff time and attorney fees. Recriminations can dampen campus morale. Shadows cast on an institution’s integrity can erode public confidence. Loss of reputation can be a shockwave that impacts donations, enrollments, relationships with legislators, and a college’s ability to effectively recruit faculty and staff.

Checklist for Presidents

The public looks to colleges to offer courses in ethics, conduct ethics-related research, and prepare ethical future leaders. Implicitly, society expects colleges to themselves uphold ethical behavior. In practice on campus, one person has the ultimate responsibility for carrying the university’s ethics mantle: the president. It doesn’t matter who on campus errs—when it comes to university compliance and ethics, the issue inevitably funnels to the president’s desk.

The time to prepare for such moments, of course, is well before they occur. To help campus leaders understand and prepare for these issues, presidents and compliance experts offer a host of practical suggestions—reminders that constitute a checklist for presidential consideration.

1. **Write and Update Requisite Policies and Procedures**. Fundamentally, presidents need to make sure their institutions have adequate written policies and procedures to govern compliance and articulate expectations for ethical conduct. Regulations can come from outside the institution, but at the same time, suggests William Cale, president of the University of North Alabama, “each institution has to take the appropriate responsibility for writing regular guidelines on how it’s going to deal with misconduct.”

Writing policies excites few people, and this task can easily get shunted to the bottom of to-do lists. Moreover, the task of auditing compliance policies might not come up regularly on the radar of a school that doesn’t conduct a lot of research. That’s precisely why presidents should exercise their authority to ensure that necessary standards are in place, in advance, to guide behavior and protect the institution. Further, the president needs to ensure that such policies are well publicized, and that they are updated regularly. Experts counsel not to wait until something like an impending accreditation visit triggers a policy.
review, but to revisit this question regularly enough so that policies are always relevant and up to date.

"Sometimes I think we are policy-ed to death," says Joan K. West, director of research, grants and contracts at the University of Tennessee at Martin, "but then someone will say that if there’s no policy then I can do it any way I want to do it." Although policies can never cover every contingency, they need to be designed so that there is as little gray area as possible.

William A. Sederburg reports that when he was president of Utah Valley University—a post he left in August to become Utah's commissioner of higher education—the school benchmarked its policies against those of other schools. "By and large," he reports, "the policy structures at universities are in very poor shape, particularly when it comes to some of the newer areas, such as information technology." The world changes quickly, and even though you may have processes in place to update policies, consider giving this area even closer scrutiny.

Champion the Importance—and Imperative—of Ethics. Presidents have a unique and effective soapbox from which to advocate ethical behavior and set expectations for the university. It's not something to harp on 24/7, but experts suggest that presidents ought to regularly focus campus conversations on ethics. Whether it involves faculty, trustees, community representatives, students, the cabinet or other staff, just about any campus-related meeting is an appropriate venue. The point is to let people know where you stand, and what behaviors you expect. Talk about what you believe it means to work ethically and live morally. Explain how and why upholding ethical behavior is vitally important to the institution's wellbeing.

One of the reasons why presidents need to keep delivering the ethics message is so that it will sink in across campus—and to underscore expectations that every campus transaction and decision be conducted ethically. Unfortunately, you can't assume that everyone will always exercise the best judgment. "You hope that common sense prevails, but it doesn't always," says David Williams, president of the University of Alabama at Huntsville. Periodical presidential messages can be an effective reminder of the simple power of common sense.

There is also a strong educational message to convey to students. "Ethics and integrity are central pillars in establishing leaders," says William Sederburg. Accordingly, hearing presidents talk about the importance of ethics can be a vital lesson for society's future leaders.

Raise the Visibility of Ethics. Presidents are "fundamentally responsible for setting [a university's] ethical standards," William Sederburg says. "That is probably the most critical role that any president has, and it cuts across everything that happens on a campus." By talking regularly about ethics, a president can raise the overall visibility of such considerations, reminding the campus community that ethics need to stay front and center in day-to-day operations. Experts caution, though, that the way the message is carried is as important as the message itself: A steady flow of subtle yet definitive reminders will be more effective than a periodic "thou shalt not" memo.

William Sederburg was one of the original participants in the Oxford Conclave on Global Ethics. An initiative started by Kennesaw State University President Emeritus Betty Siegel, the Conclave has engaged a cadre of AASCU presidents interested in preparing the next generation of ethical leaders. Under the Conclave's umbrella, campus teams—including presidents, faculty, administrators and students—have come together to design ways to develop campus cultures that value such qualities as personal responsibility, citizenship, civic leadership and integrity.
Walk the Walk Yourself. “The core of leadership is strong personal integrity and [a strong] sense of ethics,” William Sederburg observes. It goes without saying that a president who extols ethics needs to make sure that his or her own behavior is exemplary. Campus leaders set the highest standards by living those standards day in and day out.

“The president definitely sets the ethical tone of the campus,” Sederburg says. He suggests that presidents step back occasionally to assess their own words and deeds from an ethical standpoint and also to gauge how well they are ensuring that their school “is known for its ethical behavior.”

“In college presidency work,” Sederburg says, “you’ve got thousands of eyes on you. And they’re looking to see how you make decisions and what those decisions ultimately are.” Presidents should ask themselves a series of key questions, Sederburg suggests: “Is it good for the institution? Is it the right thing to do? Is it fair to everybody involved? Are you making decisions based upon the good of the whole?” David Williams takes a similar approach, suggesting also that presidents keep that kind of inner dialogue going at all times.

Ensure Transparency. Some colleges get into ethical hot water through actions that take place behind closed doors when they should have been more public. Issues of compliance bring such problems to the fore. While research solicits opportunity and financial resources, it also mandates more transparency—from the writing of proposals to administration of grants to final audit reports about expenditures. Much of those processes need to be out in the open—and often it’s up to the president to set expectations that that is how such business will be conducted. In that regard, for example, the West Virginia Higher Education Policy Commission recently sponsored a retreat for presidents, trustees and board staffs to talk about ethics, integrity and transparency.

“I think it’s a question of being aware of these issues, and constantly reminding yourself of where situations can arise,” David Williams says.

Hire Good Staff…But Don’t Abrogate Your Own Responsibility. Today’s university president spends a lot of time off campus. As with other campus operations, you as college leader need to hire expert staff who can manage compliance and ethics issues on a day-to-day basis. Also important is to appoint individuals in positions of authority who can keep ethical considerations part of campus conversations while the CEO is away. That doesn’t mean you can delegate responsibility for championing ethics altogether. Remember that the ethics buck stops ultimately at the president’s desk. Delegate the day-to-day, but reinforce the message with your own perspective as leader.

Show Public Support for Front-Line Compliance Staff. Compliance staff can tend to go about their business without fanfare, but their work is critical to upholding the university’s integrity. Make a point of showing support for campus staff whose job is to ensure colleagues do the right thing—and make sure the campus knows that your compliance people have that support. “We have found that no matter how many times my staff and I go out and talk about ethical behavior, if we do not get support from our chancellor and our chancellor’s cabinet, then our faculty, students and other administrators don’t think it is important. They’ll see it as just more work in their ‘in’ basket,” Joan West says. “There has to be support from the chancellor and upper level administrators for compliance issues and ethical behavior on campus.”

While research solicits opportunity and financial resources, it also mandates more transparency—from the writing of proposals to administration of grants to final audit reports about expenditures.
Make Sure That Staff Have Appropriate Training. “The level of professional development on most college campuses is nowhere near what it should be for employees on a wide variety of fronts,” William Sederbug notes, adding that this includes ethics and compliance. Presidents need to make sure that staff get the training they need, and ongoing updates, so that they can effectively manage these areas.

“I’m a firm believer that you should be a continual learner,” Joan West says. “It does not hurt at all to be reminded of different issues, what you should or could be doing, the things you could be doing better. Even if you think you may know everything, there may be a different twist, a different way to use what you have learned.”

Remember, “The Same Standards Apply.” A common misperception is that regulations that apply at larger schools do not pertain to smaller schools. Joan West has found that faculty sometimes believe they are exempt from reporting requirements because their research is not, for example, in biomedicine, or does not involve human subjects. Moreover, she has found faculty sometimes balk at necessary regulations, seeing them as a barrier to their creativity or plans for the classroom.

Apart from specific requirements tailored to particular types of research, however, many grants share similar reporting requirements—no matter what the research topic, and no matter what they type of institution. “We’re all under the same guidelines of being fiscally responsible,” West says. She observes that every grant holder needs to abide by a level of ethical standards equivalent to those that apply in the classroom or other campus activities. And she thinks that better reliance on plain common sense would also be to the good.

Still, West says, her office has to be vigilant about constantly educating both faculty and administrators about the various laws that govern grants and contracts—“those things that can trip you up sometimes,” as West characterizes them, “even when you think you are going along the right path.”

Gradually and Then Suddenly

In The Sun Also Rises, one of Ernest Hemingway’s characters asks another, “How did you go bankrupt?” To which the other replies, “Two ways. Gradually and then suddenly.” A similar slide seems to apply to colleges that find themselves in ethics trouble. Programmed to do things right, institutions nonetheless sometimes see things go wrong. The crossing of that line generally takes place slowly, over time, often under the radar—but then boils suddenly over into crisis. But when ethical lines are crossed, consequences can be severe. “Most people are not out to be unethical. Sometimes it just happens,” Joan West says. “I think sometimes you get so caught up in your work, or focused on the results you are seeking, that you don’t pay attention to other things.”

Without question, the president has a key role to play in making sure that everyone on campus is thinking—about what they need to do to remain compliant and, more broadly, about whether their actions meet the university’s standards for ethical behavior. And it’s up to the president to see that the university as a whole knows where blunders can occur, takes aggressive steps to make sure that they don’t, and has a plan of action in case things go awry.

“We have found that no matter how many times my staff and I go out and talk about ethical behavior, if we do not get support from our chancellor and our chancellor’s cabinet, then our faculty, students and other administrators don’t think it is important.”

— Joan West

Stephen Pelletier is a writer and editor based in Rockville, Maryland.