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# **The Ethical Executive**

## **Becoming Aware of the Root Causes of Unethical Behavior: 45 Psychological Traps that Every One of Us Falls Prey To**

Robert Hoyk and Paul Hersey  
(Stanford University Press, October 2008)

"Drs. Hoyk and Hersey have provided highly practical ways of achieving sustainable profitability through building a solid ethical foundation for your business. You will find their suggestions will create a climate of cooperation and mutual trust that will make every employee in your firm willing to achieve their very best."

—Dewey E. Johnson, Professor Emeritus, Craig School of Business, California State University, Fresno

Hundreds of companies have been investigated by the SEC over fraudulent behavior; now Apple is the newest high-profile company to be scrutinized for possible criminal violations. As MSNBC recently reported, a former top attorney at Apple has been fined \$2.2 million for improperly backdating stock options for senior executives including Steve Jobs.

Though newsworthy enough to make headlines, scandals in the upper echelons of business are hardly shocking. Recent history is riddled with similar ethical transgressions. Between the winter of 2001 and the summer of 2002 alone, Enron and Adelphia Communications filed for bankruptcy, and Tyco International was accused of evading sales tax totaling \$1 million.

History begs the question: are leaders of high-profile companies unusually corrupt?

The disconcerting answer, say Bob Hoyk and Paul Hersey in *The Ethical Executive*, is "No, these leaders are probably little different from us." As experts in the field, Hoyk and Hersey argue that even people with good ethical values can become unethical given certain situational pressures. An individual or organization may take a small step out of line and it is not until later that the action turns out to be disastrous without any simple means to reverse course. The essential question to ask is, *what* makes the individual or organization take that first, ill-fated step?

Hoyk and Hersey propose forty-five "unethical traps" into which anyone, especially business leaders, can fall. Their "traps" describe different internal or external stimuli that compel people to begin this movement toward disaster. These traps are divided into three main categories: Primary Traps, consisting of external pressures like the need to obey a corrupt boss; Defensive Traps, consisting of attempts to reverse course after a transgression has

already been made; and Personality Traps, consisting of the psychological factors that make individuals vulnerable to wrongdoing.

According to Hoyk and Hersey, psychological dynamics are the root causes of unethical behavior. In business, people act unethically not because of the conflict between maximizing profits and adhering to laws (as emphasized in most business ethics books) but because of these social-psychological traps. Using examples of experimental research to support the evidence for the forty-five traps, Hoyk and Hersey scientifically demonstrate that anyone subjected to particular roles or situations can become trapped in unethical behavior.

But there is hope for the ethical executive. Taking these realities into account, Hoyk and Hersey offer real-world methods to predict, preclude and (if necessary) undo our wrongdoings. Most importantly: "When we clearly identify danger, we can prepare for it and avoid it. Knowledge of these forty-five traps can give people the awareness that will enable them to make a difference; it will help individuals recognize and stop corruption at its roots – corruption within themselves and their organizations."

*Robert Hoyk is a Clinical Psychologist and has conducted research in several institutions. He has taught communication skills to executives, physicians, and couples. Paul Hersey is Distinguished Professor of Leadership Studies at Nova Southeastern University. He is best known for developing Situational Leadership with Ken Blanchard, with whom he co-authored Management of Organizational Behavior, now in its ninth edition.*

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