

Video Transcript: "Giving Voice to Values"

<https://www.cfainstitute.org/en/ethics-standards/ethics/giving-voice-to-values>

John Stokes: [00:00:00] Thank you for participating in this presentation from CFA Institute on Giving Voice to Values, putting ethics into action. My name is Jon Stokes, Director of Ethics, Education, and Professional Standards at CFA Institute, and I will be leading you through this program.

Giving voice to values is a unique way of thinking about and acting on our ethical values in our professional lives. The Giving Voice to Values or GVV approach and methodology, was developed by Dr. Mary Gentile, professor at the Darden School of Business at the University of Virginia. Her work is synthesized and presented in her book, *Giving Voice to Values: How to Speak Your Mind When You Know What's Right*. Since her book's publication in 2010, Dr. Gentile has been teaching and promoting giving voice to values to numerous businesses and entities globally. GVV has had over 1,000 pilots in educational and business settings on all seven continents. Some of the many companies and organizations that have piloted or are considering piloting the [00:01:00] approach include Lockheed Martin, Unilever, Prudential, Northrop Grumman, the National Investment Company Service Association, and the World Bank. CFA Institute has worked closely with Dr. Gentile to incorporate GVV into our ethics education offerings to bring GVV to our membership and the investment profession, generally. Details on the CFA Institute Online GVV course will be available at the end of this presentation.

The presentation today will provide you with some basic insight into GVV in the hope that you will want to learn more about how to be empowered to voice your values in the workplace. Much of the ethics education in the investment industry today focuses on awareness and analysis. It teaches you to identify ethical issues, and determine the ethical or appropriate course of action. It is very compliance oriented. The central teaching premise is focused on what rules to follow in a particular situation. These are, in fact, very important questions.

CFA Institute [00:02:00] has developed the code of ethics and standards of professional conduct to guide members, candidates, and investment professionals behavior. The organization has a number of resources to help spot ethical issues and determine how to respond. But GVV is something new. It is an action-oriented approach to leadership. Rather than focus on trying to figure out the right thing to do in a particular situation, GVV wants you to ask yourself different but equally important questions. Once I know what I think is right, how do I get it done? How can I voice and act on my values in the workplace, and do so effectively? When people encounter a values conflict and are asked to respond, they usually respond in one of two ways. An idealist would say, "Oh, no question. I would do the right thing." But research has shown that people often don't act as they say they would when it comes to ethical challenges in their lives. It is not that easy and simple. A skeptic might take a more cynical position, arguing that it's not possible to [00:03:00] do anything but just go along with the pressures. A skeptic might say, individuals are powerless to make a difference in the face of overwhelming structural or institutional pressure. My hands are tied. My employer or the markets, in general, prevent me from implementing my values. We abandon attempts to follow our values because we believe it is not possible to do so. We fear the price we may pay from social disapproval to negative career consequences and financial disruptions. We don't want to be seen as naive or less committed to doing what it takes to succeed. Some might even try to rationalize away the issue, and say that the situation is not really a problem. We may focus our energy on rationalizing what we say and do so that it appears consistent with our values. When we internalize the view that it will not be possible to raise a concern or

change the situation, we can subconsciously begin to craft ways of seeing the situation to obscure the values conflict; a preemptive [00:04:00] rationalization.

Giving Voice to Values first asks, what if you are clear on what the ethical course of action is in a particular situation, and want to do the right thing? How would you get it done effectively? This approach is the GVV thought experiment. It is not about analyzing a situation to determine the right thing to do. The thought experiment assumes that you know what you want to do, and want to figure out how to make it happen. The discussion does not start with, Can I do this, but with, How would I do this? It sidesteps all the preemptive arguments and rationalizations about how impossible the task may be. For many of us, this space is more comfortable, and will trigger the can do attitude that exists in all other aspects of our professional lives, but seems to become peculiarly disabled when the issue becomes implementing our ethical values. Attacking the values conflict in this way can greatly enhance our confidence and capacity to voice and act on our [00:05:00] values. It enables creativity, experimentation, and skillful execution that we use in all other aspects of our professional lives. This approach leads to a whole different set of questions. To act on my values, what should I say, and to whom? What information do I need to gather to be persuasive? How can I frame my position in order to appeal to my audience? What are the objections I can expect to receive? How do I respond to those arguments?

GVV is all about taking an enabling stance, rather than a preaching or persuasive stance, to show how it can be done. This approach frees us to create strategies, solutions, and implementation plans that we might otherwise never even attempt. Developing a well developed strategy or plan becomes a counterpoint to the default of non-action, or even complicity. But before we get into the specifics, let's examine some basic assumptions that are important to recognize that will [00:06:00] allow us to set the stage for using the GVV approach to putting ethics into action.

The first assumption, I want to voice and act on my values. Most of us want to find a way to voice and act on our values in our professional lives, and do so effectively. We can often get stuck on the idea that others do not want to act ethically, and then conclude that any effort we make would be pointless. But start from the premise that most people want to act ethically if they can, and by helping them to do that, we can create a critical mass of people that can enact change. What options does this simple reframing begin to open up? Try to approach the values driven position as you would any other business objective, and look for the path forward.

Second, I have voiced my values in the past and would do so again in the future if I can do it effectively. Most people have, in fact, chosen to voice their values in the workplace on some occasion. [00:07:00] Few people are truly unethical. Most of us want to act ethically if given the chance.

Third, I can voice my values more often and more effectively. It is like learning a new physical skill or a new sport. Voicing your values is a competency that can be learned. You learn how to engage in the activity by breaking it into its component parts, and practicing to get good at it. This creates moral muscle memory so that the approach will come more naturally and skillfully.

Four, my example is powerful. If we can demonstrate credible responses to frequently heard reasons for not voicing and action on our values, we will likely encourage and empower others to join us. Developing and practicing responses to frequently heard reasons and rationalizations for unethical behavior are intended to strengthen our confidence in voicing and acting on our values. And as a result, our behavior can influence others to act [00:08:00] the same way, but who have been reluctant to do so.

Finally, we do not always achieve what we set out to achieve. There are no guarantees or riskless actions around voicing values. GVV is about building the skills and awareness to increase the likelihood of success. We are more likely to voice our values if we know that the benefits of trying are important enough, even though success is uncertain. The effort itself is worthwhile. Still, it is important to reflect on the risks with voicing values to prepare for the possible implications.

So with those assumptions in mind, let's examine what it would take to actually give voice to our values. There are seven principles that support the Giving Voice to Values process. These are values, choice, normalization, purpose, self-knowledge and alignment, [00:09:00] voice, and finally, reasons and rationalizations. Let me explain these foundations in a little bit more detail.

The first pillar is values. Know and appeal to a short list of widely shared values. A common view is that values are relative, there is no clear right or wrong. Everyone sees things differently depending on how they were raised or their culture. Therefore, it is hard to have a conversation about how to incorporate values in the workplace, especially in a large global organization. This is the relativistic point of view. An opposing perspective is the absolutist point of view, which says that there are, in fact, clear universal values that are easy to know and understand. Cultural, political, and religious differences do exist, but if you think about it, there are a set of widely shared universal norms. Values shared by most people across time and culture. [00:10:00] Honesty, compassion, respect, fairness, this list is not only useful because of its commonality, but it also gives us a manageable foundation because of its brevity. So ask yourself, when you think you have encountered a values conflict, does it rise to this level? Make sure the conflict is not just a matter of personal style or preference or comfort, but rather be sure it is a true ethical core value that is at stake. Once you are satisfied that there is a fundamental values conflict, frame the approach to appeal to core values others are likely to share. Rather than frame a business ethics issue in terms of how it affects ourselves, address how a decision affects others; customers, employees, and the community. Talk about different perspectives. This will implicitly appeal to shared values.

The next pillar is choice. Believe that you have a choice about voicing your values. Know what has [00:11:00] helped you to do this in the past, and know what has hindered you so you can work around these factors. I didn't have a choice, is a common reason for not acting on values, but GVV recognizes that we all make a choice to act or not on our values. Think of a time when you voiced your values. Now think of a time when you failed to do so. It's important to note that failure to act in some situations does not necessarily mean you will not be able to act ethically in the future. You may have felt more positive about your chances of success in one situation, but not in another. When you reflect on these times when you did not act on your values, there are a number of things that likely hindered you from doing so. You could make a list of factors that discourage you from voicing your values, which would be called disablers. For instance, you could have been under time pressure or financial pressure, or a person close to you, either [00:12:00] personally or professionally, asked you to do something in conflict with your values and you didn't feel you could say no without damaging the relationship. Anticipating and understanding these pressures can provide you the opportunity to craft ways, to respond to them, or neutralize them, in the future. You can also probably list factors when you did act on your values that made it easier to do so. These would be called enablers. For instance, you may have voiced your values to an understanding superior or in an environment where open discussion was encouraged. Let's talk briefly about some common enablers that can facilitate a values discussion. Allies create a network of allies in advance when responding to a values conflict, that is endemic or repeated in the organization or industry, enlist others to help you form and advocate for your position. It does not have to be a one on one exercise. It is helpful if you can point to others in your organization who implicitly or explicitly

agree [00:13:00] with your position. This will make it easier so you don't feel like you're on an island. Sequencing the discussion or audience.

It is common to feel that if we fail to raise our values based concerns, when the conflict first reveals itself, then we have lost the moment. But even if we do not engage with values conflicts right away, we can go back later to articulate our beliefs. Having an effective voice often involves careful planning. Who do you approach first and how should you open the conversation? It may be most effective to have a one on one conversations with select people, such as senior colleagues, to gain insight and credibility or it may be more appropriate to have a group discussions to inspire supporters. Information, do your homework, gather data. In the face of a sometimes emotionally charged values conflict, it is important to take a deep breath and spend time gathering data. More information leads to more confidence in your position. Ask questions. [00:14:00] Open a discussion with questions rather than arguments and assertions. Express concern. This approach will encourage the person on the other side to identify and explain their assumptions and positions. Allowing you to prepare responses. You don't need to have all the right answers and pertinent responses right away. You can keep the dialogue going, giving you time to reflect, research, and respond when you are ready. Know your audience. When you're trying to persuade and change behavior, understand the personal and professional attributes of your audience. Some like to take time to consider and change their mind in private, or your audience may want to communicate in writing, when addressing the conflict may be less embarrassing rather than in person or spur of the moment. Take incremental steps, map out a series of steps that will occur over time. It may be necessary to work over time to uncover facts, build allies, develop alternatives, and change policy. You don't need to have values, conflict, discussion all in [00:15:00] one sitting. Build coalitions and arguments for change. Look for shared purposes and objectives to help you motivate allies framing. One of the most powerful enablers is the ability to reframe a position. For instance, an opportunity to gain by acting unethically can be reframed as a risk to be avoided. Or you may want to reframe seemingly self evident truisms as debatable or patently false beliefs. Take time to frame the issue in a manner that is less adversarial and involves a more long term perspective. Organizational, characteristics. Finally, there are a number of enablers that are identified as organizational characteristics. These include a culture of openness and integrity, ethics codes and policies, and a strong reputation for values. These are not necessarily something you can control once you are in a professional situation, but you can be on the lookout for them when you are moving between jobs as your career progresses [00:16:00] aim to work in organizations that maximize enablers. It is important to note that the absence of enablers, such as these in an organization, can be a disabler. It is important to understand disablers and practice your responses in advance. When you, yourself are in a position of leadership, even if it's only with a few people, you can seek to promote these organizational enablers.

The third pillar is normalization. Expect values conflicts so that you can approach them calmly and competently. Overreacting to a conflict can limit your choices unnecessarily. Many people think of values conflicts or ethical challenges as aberrations, exceptional situations that they hope they never have to encounter. But thinking of values conflicts as outside the norm, will leave us unprepared when we confront a conflict. This view can cause us to be overly emotional in responding or to freeze when someone asks us to do something unethical. If we are surprised by the conflict, we are more likely to go along [00:17:00] with whatever it is being suggested, even though it might go against our ethical values. We are left in the position of hoping we either won't get caught or that we won't face the situation again. Values conflicts are normal, predictable part of business, commonly anticipate and prepare for the types of situations you are likely to encounter, which can often be anticipated, be armed and prepared to respond. Examples include pressure to overstate or understate billable hours, adjust economic forecasts, adjust earnings reports, change research, inflate product capabilities, or understate

costs or resources needed. In the context of investment management, you could be asked to act for the benefit of your employer over the interests of clients. This could happen when an employer implicitly expects or explicitly demands that investment advisors push firm investment products, even though they might not be the best option for clients. You can anticipate that this [00:18:00] type of conflict may arise, and may come up repeatedly. If you are prepared to address it the first time, and you correctly act at the outset, it gets easier to do it again and others will know and expect your response. The reasons given for making unethical requests are predictable. Rehearse or practice your response before you are in the high pressure choice situation, so that you are ready when the situation arises. You don't want to be caught off guard when circumstances arise. This can lead to stress, emotion, accusation, and blame. Anticipation and preparation allow you to remain calm, avoid overreaction, and be confident in your response. In this way, you can influence others without shaming or blaming.

Next is purpose. Define your personal and professional purpose explicitly, and broadly before conflicts arise and appeal to this sense of purpose in others. Those who voice their values effectively are often those who have really [00:19:00] thought in advance about what they are trying to accomplish. They are self aware of the meaning and impact that they want to have in their work and career. Broad thinking gives you language and arguments to persuade others to act ethically. Limited short term thinking comes from being busy, overworked, and narrowly goal oriented. Take time to think about the meaning of your work. Find the confidence and strength to act and serve as an inspiration by appealing to the sense of purpose and others. Broadly defining and explicitly naming our professional purposes and goals gives us a broader platform to stand on when we voice our values. Although it does not necessarily remove the conflict, an examination of purpose allows us to reframe the discussion, to make the values behind our goals more transparent and more open for discussion. Instead of assuming we have to check our values at the door when we enter the corporate world and normalize the loss of our values. We can normalize the fact that we will be called on to persevere in the face of a predictable [00:20:00] challenge. Reflect on the positive influence by you or on you by others. What type of purpose drove these influential behaviors? Engage in long term thinking about purpose explicitly and broadly and ask yourself what impact you want to have. Doing so strengthens, resolve, and gives you energy and language that will allow you to promote your values and appeal to the sense of purpose and others.

Next is self knowledge and alignment. Voice and act on your values in a way that is consistent with who you are and builds on your strengths. It is tempting to think that only a certain type of person can act on their values. That you have to be bold, assertive, a risk taker, or an extrovert, and a good debater. The flip side is the view that those who are cautious, conservative, risk averse or introverted are not able to voice/ and act on their values. That those who fit into this personality type lack the moral courage to act on their values. However, the truth is that all types of people can [00:21:00] and have acted on their values effectively. What they have in common is that they understand who they are and act in a style and an approach that is most comfortable to them. They frame the conflict in a way that plays to their strengths and abilities. If you are a risk taker, why not take a risk in the service of ethics and values? If you are a risk averse, frame the challenge in a way that makes acting ethically feel like the safer route. If you believe you are quick on your feet and clever and you like to debate, you can plan to engage one on one with those who create ethical conflicts. If you're shy and need time to think, it may be more effective to write a memo, bring others into the debate, or both, reflect on who you are and how and when you are most effective. Play to those strengths and understandings. When faced with ethical dilemmas, be yourself. Don't impose an uncomfortable or unfamiliar identity on yourself when facing challenges. If you know you tend to act in the spur of the moment or are emotionally driven, you may want to purposely [00:22:00] delay engaging when an ethical conflict arises. In this way, you can take time to think and calmly engage. You will be more likely to act skillfully and effectively because you are

playing to your strengths and preferences rather than trying to push yourself into doing something you are not comfortable with or being someone who you are not.

Pillar 6, voice. We are more likely to speak up and say the things that we have thought about and prescribed, some are more likely to voice their values with scripting and practice. Think about it. It's easier to say things you've said before. Reflect back on a speech you have given several times, or a work presentation you have made repeatedly. Each time we run through what we have to say, we know where we need to improve, what topics we should emphasize, and what areas we need to make more clear. Effective speakers write out notes to help them create a clear message and allow them to stay on track. Scripting and practice fosters confidence. To be most effective in voicing [00:23:00] our values, we need to rehearse our response to an ethical conflict. Practicing will help us express ourselves effectively, and more importantly, help us be more likely to take the opportunity to speak up. We will be less intimidated because we know what we want to say and how we want to say it. The reality is that we already do spend a great deal of time practicing and prescribing the reasons and rationalizations for not acting on what we think is right. It is important to spend the time to rehearse the countervailing scripts and the most effective ways to promote values driven action. It is also important not to assume audiences are uninterested. Frame your perspective to appeal to values that you share with your audience. Also, think about the context of what you want to say as well as the substance of the points you want to make. It is important to have the discussion in a way that allows the audience to be most comfortable and most receptive. Everyone has heard the old joke about a tourist in New York City who stops and asks a local resident directions to a famous concert venue. "Excuse me. [00:24:00] Can you tell me how to get to Carnegie Hall?" And the New Yorker responds, "Practice, practice, practice." We are more likely to express what we've heard ourselves say. Practice, in front of an audience, which can be as simple as running your message by colleagues to see what they think. Voicing our values out loud to someone else makes the decision feel more real, less hypothetical, and less easily avoided. Talking about it also makes you more likely to act on it. Be careful not to slip into adversarial role playing, which can be counterproductive. Create opportunities to practice arguments in front of your peers who assume the role of coaches. Work cooperatively to experience the physical and emotional act of voicing your values. Make sure your message is articulate and clear and not emotional and as we discussed earlier, know your audience and anticipate the challenges. Practice makes you steady and confident.

Finally, Pillar 7 reasons and rationalizations. By anticipating the typical reasons and rationalizations [00:25:00] given for ethically questionable conduct, you can identify and prepare well reasoned responses, reasons and rationalizations are objections from colleagues when we point out ethically questionable practices. Or they could be the unspoken assumptions of an organization. Those that question these objections or assumptions assume they are in the minority or are unheard. But that is not necessarily true, if we do not voice our concerns, others may assume we have none. In the face of the reasons and rationalizations you may encounter, you do not want to present ideas that are not thought out or for which you have not taken the time to prepare a fully cogent response or argument. Try to anticipate the arguments you are likely to get when you challenge unethical activity. Prescript, persuasive and well reasoned responses. Become fluent in ways to address the arguments for unethical behavior. As I said earlier, the types of conflicts are fairly predictable. Crafting arguments to explain or justify questionable behavior are similarly predictable. Rationalizations [00:26:00] can include, this is just standard operating procedure, this is what we have to do to succeed. I know it's wrong, but it's not a big deal and doesn't affect anything. It's not my responsibility. I don't want to be disloyal or get someone into trouble by reporting. I'm just a junior employee. These types of rationalizations are all subject to a counter argument and therefore surmountable. If someone says, well, it's not my responsibility or I don't want to be disloyal, it at least acknowledges implicitly that there is a problem. You can engage

with them in the thought experiment and brainstorm ideas for how the situation might be addressed. Once they think through ideas, motivating action will be easier. Arguments just have to be credible and logical, not foolproof. You cannot change the world overnight, but you can take it one step at a time to achieve individual change. The decision to voice and act on our values is not so much a matter of goodness or how ethical we are, but it is more a matter of our perception of our confidence [00:27:00] and skill we have in doing so.

Giving voice to values empowers us to do the right thing. The focus of GVV is planning and scripting, not preaching. Create the most effective action, plan to make it happen. Think back to when you have had the confidence to voice your values in the past and what enabled you to do so. If it's easier, think back on times when you have made your points and acted effectively, even if it was not necessarily an ethical issue at stake. Identify and use enablers to implement your action plan. Did you have allies? Did you gather overwhelming data? Did you take a step by step approach? Were you curious and did you ask questions rather than make arguments? Did you know your audience well? Did you select and sequence your audience, with their organizational attributes that facilitated your voice? Know yourself and your purpose. Use your strength skills and experience when thinking through what you will do and say to enhance your chances of acting effectively [00:28:00] To resolve the values conflict. Anticipate challenges from reasons and rationalizations, prescript your arguments.

Practice is powerful. Practice allows us to create a default behavior, a habit, or a moral muscle memory that will make it easier and more likely that when challenged, we will act in alignment with our ethical values. In summary, don't abandon the creativity and skill that makes you so successful when approaching a business problem or conflict when you are confronted with an ethical conflict. You can become just as skillful and practice at voicing and acting on your values within your organization as you are in engaging in your professional responsibilities. Whether it's in investment analysis, asset management, trading, or any other aspect of the investment industry. That does not diminish the importance of selecting and developing organizational cultures, policies and incentives that encourage ethical conduct. But you can make change within an organization [00:29:00] through problem redefinition, creative problem solving, constructive engagement, persuasion, reasoning, leadership, and personal example. Play to your strengths. Don't feel like you have to be someone else. All types of people and personalities can voice their values and lead to effective change. As we have seen, giving voice to values is more than just voice. It involves activating enablers like gathering data, reframing conflicts, building a set of allies, launching an annoying dialogue, while at the same time, countermanding disablers or factors that preclude you from voicing your values. This is all part of the planning and implementation around values driven action.

The giving voice to values approach empowers you to engage in values driven leadership that can transform the investment industry. For those that want to learn more about giving voice to values, CFA Institute has partnered with Dr. Gentile and Nomadic Learning to create an online course [00:30:00] that teaches the GVV methodology and is innovative in both content and delivery. Traditional ethics education involves awareness, analysis, and application. Awareness of the ethical principles and standards that apply to the investment profession, an analysis of how these principles are applicable in real world situations. CFA Institute has a number of ethics education resources that cover this important material, including online courses, webinars, and cases to use for practicing your ethical analysis skills. But the giving voice to values course takes the next step to help prepare you to take values driven action based on ethical principles. You know the right thing to do, and the GVV course helps you make it happen within your work firm or organization. The course creates an in person type experience on a digital platform by using a cohort based approach that allows you to interact with others that are going

through the session at the same time. It also incorporates many interactive components where you [00:31:00] were asked to contribute your input, share your experiences, and reflect and comment on the thoughts and experience of fellow participants. It also includes a level of competition to introduce an element of challenge and fun. I encourage anyone interested in becoming proficient in using the giving voice to values methodology to sign up and take part in a session. Go to CFAInstitute.Nomadic.FM to register. Thank you, for participation in today's program.