

**Alan Hall**, Contributor

Speaker, author, investor and catalyst for entrepreneurial growth.

Subscribe

207

ENTREPRENEURS | 6/05/2012 @ 3:00PM | 1,656 views

Good News or Bad? Ethics Causing a Rise in CEO Exits

In 2011, 42 CEOs were forced out of their jobs due to breaches in ethics, according to research by [Challenger Gray and Christmas](#). Even more will be removed in 2012. In fact, current pressure and scrutiny on performance has shortened the tenure of the average CEO from approximately 10 years to about 5 1/2 years since the 1990s, [CEO John A. Challenger says](#).

The good news: Boards are getting tough. Shareholders and employers are demanding – or finding, due to social media and increasing media scrutiny—the information un-ethical executives have formerly been more easily able to hide. Increasingly strict disclosure rules and public scrutiny are forcing more executives to behave in a way that is ethical or to face the increasing reality of being removed from their jobs.

The bad news: Dishonorable behavior is more prevalent than ever. A quick summary in a recent USA Today gallery of famous dishonest executives includes no fewer than 23 names in its ranks. This is a dismal statement on the current business economy.

Today I issue a personal call to entrepreneurs, business leaders, managers and workers to turn the epidemic around—to behave honorably in business, as well as in life. I issue a call for superior ethical behavior, for one and all.

Every day I note the tales of fellow Americans who have chosen to lie, cheat, betray, deceive or harm someone at work; a client, a vendor, investor; or even a close family member. As the sordid histories unfold, we witness the rapid disintegration, destruction and loss of relationships, corporations and personal lives.



Author and Entrepreneur Alan Hall - Making an Unforgettable Ethical Choice

Employees lose jobs, leaders go to jail, families are crushed, lives are broken, misery rules. No institution is safe from a lapse of the moral code of conduct.

Has America always been this way? Have we behaved badly forever? Do we not teach the difference between right and wrong any more; at home, at school, at church?

My own first significant and memorable test of ethical behavior came as a second grade pupil—a test I failed and will never forget. I needed praise. I needed to feel important. I wanted my admired teacher to heap attention on me. However, there was one classmate who seemed to receive an inordinate amount of affection from Mrs. Gibson. You see, Jimmy was a very fine artist. Hoping to be as beloved as he, I decided in my heart I could surpass Jimmy if I were to draw something even more excellent.

I had one large obstacle blocking my plan. I couldn't draw. I couldn't even draw stick figures well. What to do? One day, as I rummaged through my parents' drawer, I found the most amazing ink drawing of a famous building. It had been created by an uncle who attended a college art class. Voila! If I could not draw a picture myself, perhaps I could use this one instead.

The next morning I went back to school with deceit in my heart and my uncle's drawing under my arm. When the moment arrived, I happily showed Mrs. Gibson the fine work of art I had created the night before. I waited for a big hug and her smile of approval for my masterful achievement. It didn't come.

Instead, I received a lukewarm pat on the head and a look of doubt. Didn't she believe me? Where was the love? Where was the marching band and parade to honor my excellence? Somehow I knew I had blown it. I felt embarrassment beyond human pain.

Such powerful lessons in moral behavior never fade. To America's leaders and entrepreneurs: We can do better. Let us commit to live a higher standard of ethical behavior. Let us be known by the world for our greatest results—and not for our regrettable behavior.

This article is available online at:

<http://www.forbes.com/sites/alanhall/2012/06/05/good-news-or-bad-ethics-causing-a-rise-in-ceo-exits/>