



# GREASING THE *wheel*

## The Right Thing To Do — Using Your Ethical Compass

BY SCOTT WHEELER

**Businesses are built upon integrity,** reputation and the ability to provide value to their customers and other business partners. As such, business ethics are of paramount importance. Having strong ethics does not mean that individuals won't make mistakes. However, strong business ethics can be measured best by how individuals react to difficult situations.



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**T**he vast majority of individuals are honest and want to do the right thing. However, desperate people do desperate things and desperation is one of the greatest causes of unethical behavior. These days, we constantly read sensational articles or news releases of how businesses and business people have taken advantage of society or others who are less fortunate.

There is an inclination to conclude unethical behavior is the norm in the business community and more specifically, in the leasing/financing industry. I strongly disagree with this unfounded conclusion, and want to be counted as one who knows our industry survives because of the trust and honesty, which is shared by the majority of individuals who are engaged in our industry. Some individuals who participate in unethical practices bend the rules way too far on a regular basis. However, as an industry, we are quite good at identifying unscrupulous behavior and barring those individuals and organizations from the mainstream.

Lease originators and brokers are trusted to be the conduit of information between funding providers and business clients. Their services are very valuable and necessary to allow businesses access to much-needed capital to sustain and grow their operations. The free flow of information is often measured by speed and the ease of the process, in reality the effectiveness of the flow of information and the effectiveness of the originator should be primarily measured by the accuracy and thoroughness of information, which is communicated between all parties. The originator is managing a two-way speedway of information with many interchangeable parts and players. The process at times can be challenging and, in order to keep the process moving forward, it is tempting for some, especially less experienced originators, to manipulate or eliminate information and necessary verification processes.

The manipulation of information in our industry is not a gray area; it is unethical and wrong. Business ethics are not about various degrees of being allowable or just. Ethics are defined by what is "right" and what is "wrong" and the line is quite thin. Successful and strong veterans in our industry consistently offer their valuable

services by conducting themselves well within the boundaries of what is "right" every time. These veterans have lost transactions to less scrupulous individuals over the years, however they are well aware that their reputations and insistence on providing excellence will always win out in the long term. Being ethical and doing business the "right" way is tremendously more profitable and rewarding in the long run. The unscrupulous ones will come and go, but the majority, who consistently offer strong, honest services, will persevere.

Moreover, business reputations take years to build and only minutes to destroy. During these more challenging times, when profits are depressed, it is even more important to act above board and to be extremely diligent with regard to the actions of others within our organizations, within our business communities and most importantly, with regard to our own individual actions on a daily basis. No transaction or small commission (fee income) is worth jeopardizing one's career. Our business is not built with smoke and mirrors — it is dependent upon transparency and accuracy at every level.

Everyone possesses an ethical compass — trouble arises when there is a failure to follow the internal conscience and ignore that "gut feeling," which so strongly indicates warning alarms. Prior to being involved in a questionable situation, it is always best to walk away if the circumstance doesn't feel right. However, when circumstances occur and an individual finds himself/herself involved in a questionable situation, the only course of action is to immediately inform all parties of your concerns and to take responsibility for whatever your involvement has been. From this point on ignorance is not an excuse and silence is not an option. Silence creates immediate knowing participation in an unethical situation and any and all participation is wrong. Ethics are the key to short-term and long-term success for all individuals and organizations. ■

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### EDITOR'S NOTE:

We at the *Monitor* found the NAELB's Summer 2010 issue of *Leasing Logic* to be comprehensive on the all-important topic of business ethics. The article appearing here, in edited form, is a sample of what the issue offers. As such, we encourage readers to view the entire issue, which can be accessed via [monitordaily.com](http://monitordaily.com) in November and December.