

ETHICS AND LEADERSHIP IN FINANCIAL AID ADMINISTRATION

VASFAA Leadership
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ETHICS AND LEADERSHIP

ROADMAP

Nature of Leadership

Ethics: Glass is Half Empty/ Half Full? For Whom?

Formal Framework for Ethics

Philosophical Underpinnings

NASFAA Ethical Principles / Code of Conduct

Discussion

Leadership

It is an old prerogative of kings to govern everything but their passions.

~ *The Pickwick Papers* CD

What is LEADERSHIP?

Wikipedia Says:

Leadership is both a research area and a practical [skill](#) encompassing the ability of an individual or [organization](#) to "lead" or guide other individuals, [teams](#), or entire organizations.

US academic environments define leadership as "a process of [social influence](#) in which a person can enlist the aid and [support](#) of others in the accomplishment of a common [task](#)".^{[1][2]}

[Studies of leadership](#) have produced theories involving [traits](#),^[3] situational interaction, function, behavior,^[4] [power](#), [vision](#) and [values](#),^[5] [charisma](#), and intelligence, among others.^[2]

What is Leadership?

What's missing?

Perception

Risk

Creativity

Communication

Leadership and Perception

- Perception of Self (internal)
 - Write your professional autobiography
 - Your background
 - Your values
 - Your accomplishments to date
 - Your goals
 - Keep a personal journal making special note your changing perception of self



- The **Institute for Ethical Leadership** was founded in 1998 to raise awareness of the importance of ethical leadership and to provide opportunities for leaders to come together to discuss and learn how to apply high standards of ethical practice in their work. Through meetings, conferences and seminars the Institute has brought an ethical focus on key issues ranging from the environment to health, business and education. It is now working to bring a stronger focus on teaching and learning through the creation of a new discipline of ethical leadership.\

<http://www.ethicalleadership.com/index.html>

Ethical Competence Scale Personal Record Form

Personal Ethical Competence --- How we maintain our personal commitment to an ethical life

Foundational Characteristics	How we are grounded in thought and action	Always in Place	Usually in Place	Sometimes in Place	Rarely in Place	Never in Place	Chosen Value
Characteristic	Explanation	10-9	8-7	6-5	4-3	2-1	
1. Trustworthiness	Being reliable and dependable Being willing to admit mistakes Being true to your word Being worthy of confidence Keeping promises						

Social Ethical Competence

How we handle relationships

Empathy	How we strive to understand and appreciate the worth of others	Always in Place	Usually in Place	Sometimes in Place	Rarely in Place	Never in Place	Chosen Value
Characteristic	Explanation	10-9	8-7	6-5	4-3	2-1	
13. Understanding Others	<p>Being sensitive to others' feelings and perspectives</p> <p>Taking an active interest in others' concerns</p> <p>Being attentive to emotional cues</p> <p>Listening deeply</p> <p>Being willing to change our mind or direction to accommodate others as long as the ethical foundation remains secure</p> <p>Being able to walk in someone else's shoes</p>						

Social Ethical Competence

How we handle relationships

Social Skills	How we act to induce desirable, ethically grounded responses in others	Always in Place	Usually in Place	Sometimes in Place	Rarely in Place	Never in Place	Chosen Value
Characteristic	Explanation	10-9	8-7	6-5	4-3	2-1	
18.Communication	<p>Sending clear, transparent messages, avoiding mixed messages</p> <p>Seeking to be clearly understood</p> <p>Participating effectively in give-and-take</p> <p>Dealing with difficult issues straightforwardly</p> <p>Welcoming full sharing of information</p> <p>Staying receptive to bad news as well as good</p> <p>Making it a point to keep others informed</p>						

Ethical Leadership Scale Personal Record Form

Relationship to the Whole	Qualities that reveal the ethical leader's sense of connection with a grand design and a higher purpose	Always in Place	Usually in Place	Sometimes in Place	Rarely in Place	Never in Place	Chosen Value
Characteristic	Explanation	10-9	8-7	6-5	4-3	2-1	
38. Tolerates contradiction and anxiety	<p>Is able to live with contradiction</p> <p>Is prepared to wait for closure</p> <p>Is able to tolerate large amounts of anxiety</p> <p>Understands that contradiction and anxiety can be the accompaniments of creative growth</p>						

Ethical Organization Scale Personal Record Form

		Always in Place	Usually in Place	Sometime s in Place	Rarely in Place	Never in Place	Chosen Value
Factor	Explanation	10-9	8-7	6-5	4-3	2-1	
2.Relationships with the workforce	<p>Creates a safe, healthy, attractive work environment for its workforce</p> <p>Treats members of the workforce with dignity and respect</p> <p>Provides fair and equal opportunity for advancement without regard for ethnicity, gender, age or other distinctions</p> <p>Provides physical and mental health support for members of the workforce</p> <p>Provides meaningful work</p> <p>Encourages self-development for members of its workforce</p>						

VIA Classification of Character Strengths



Creativity



Curiosity



Judgment



Perspective



Bravery



Perseverance



Zest



Honesty



Social Intelligence



Kindness



Love



Leadership



Fairness



Teamwork



Forgiveness



Love of Learning



Gratitude



Spirituality



Self-Regulation



Humility



**Appreciation
of Beauty**



Prudence



Hope



Humor

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Leadership and Perception

- Perception by Others (external)
 - Your frontstage and backstage behaviors
 - Your appearance
 - Your position (position power)
- Perception of Reality
 - Respect of others
 - Open to learning
 - Clarify by exchanging perceptions

Leadership and Risk

- Uncertainty is a given...embrace it!
- Nothing ventured...nothing gained
- Situational as well as personal risk
- Risk can be better tolerated with
 - Commitment to personal and professional values
 - Willingness to sacrifice for the cause
 - Encouragement to facilitate
 - Realization of the Human Condition

Leadership and Creativity

- Be flexible and adaptable
- Embrace Risk
- Creativity can be like sculpting
 - Knocking off the excess
 - Shaping
 - Accentuating
- Not only doing what one likes to do, but doing what one does not like to do
- Overcoming self-imposed barriers

Leadership and Communication

- Both written and oral
- Formal as well as informal
- Language usage
- Communication is not 'debating'
- Encourage feedback
- Always two-way
 - Practice active listening

Other Leadership Thoughts

- Decision making (or when not to make a decision)
- Everyone has varied leadership traits
- Leadership is action as well as inaction
- Confrontation is part of leadership
- Complexity and uncertainty are constant challenges
- If leadership happened or occurred, how would you know if it did happen?

FAA ETHICAL BEHAVIOR

The plain rule is to do nothing in the dark to be a party to nothing underhanded or mysterious, and never to put his foot where he cannot see the ground.

-Charles Dickens, Bleak House

FAA ETHICAL BEHAVIOR

If there were no bad people, there would be no good lawyers.



Vices are sometimes only virtues carried to excess!



He would make a lovely corpse.

Charles Dickens

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Ethics (via Latin *ethica* from the Ancient Greek ἠθική [φιλοσοφία] "moral philosophy", from the adjective of ἦθος *ēthos* "custom, habit"), a major branch of philosophy, is the study of values and customs of a person or group. It covers the analysis and employment of concepts such as right and wrong, good and evil, and responsibility. It is divided into three primary areas: *meta-ethics* (the study of the concept of ethics), *normative ethics* (the study of how to determine ethical values), and *applied ethics* (the study of the use of ethical values).

(Wikipedia)

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Framework

Deliberation, Discussion, Circumstances

Situational

Awareness---Intention and Motivation

Don't Know that Don't Know

Know that Know

Decisions' Consequences

For Whom?

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“Students don’t fail...teachers fail.”

(Define FAIL)

When students and their families have
financial aid difficulties,

who’s driving the failure?

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The Simmons Aid Administrator Facilitator-Steward Continuum



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I know no possible way of teaching how to think by the use of formulas or by concise and abrupt shortcuts. I am convinced that anyone who pretends to make this possible is devoid of thought, and is committed to a peculiar doctrine that makes thinking unnecessary.

(Belth, 1977, p.xx)

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Hobbes - Social Contract Theory

views the natural state of things as an ongoing desire and struggle for power and status...**influence (shared values)**

...control. This 'natural state of things' amounts to chaos where all are equal, physically and mentally.

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But humans are also rational, sometimes logical, and thus will more than likely create a 'social contract' (ETHICS) that takes the brutal edge off of the 'natural state of things.'

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***An Idea like a ghost must be Spoken to a little
before it will Explain Itself. CD***

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Ethics are ground rules for seeking influence

Ethics are the glue for achieving personal efficacy

Ethics are control mechanisms

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Jeremy Bentham - Utilitarianism

The greatest good for the greatest number

Martin Buber - Existentialism

I and Thou Experience and Relationship

Inanimate and Animate

Bottom Line - "The Golden Rule"

Are Ethics Situational?

FAA ETHICAL BEHAVIOR

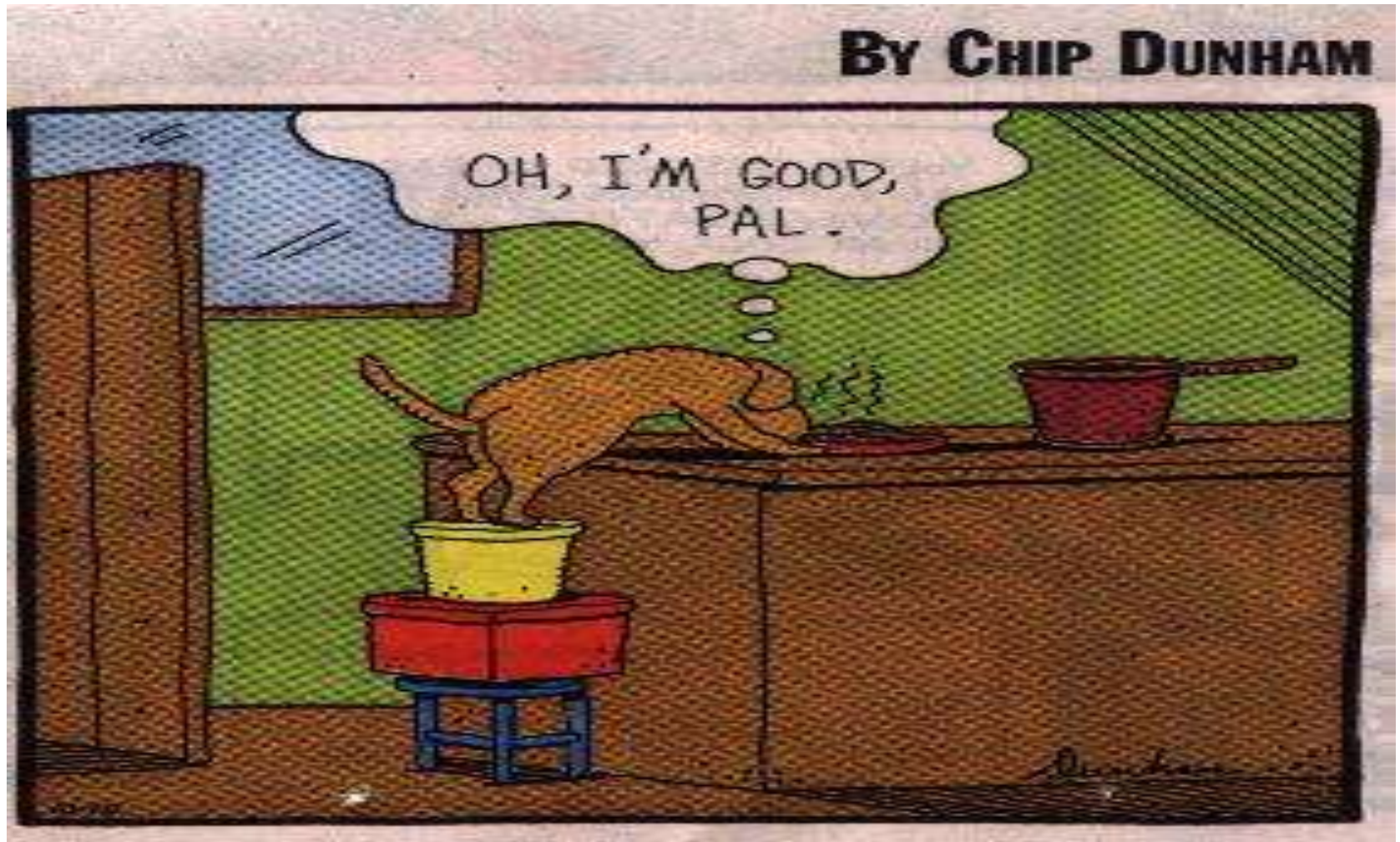
OVERBOARD



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Define “good”!?

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FAA ETHICAL BEHAVIOR

“Transparency is a very trendy word right now but has always been value added both internally and externally Why? Because by letting your staff, your board and your community know what you are doing, you reduce if not remove suspicion, increase trust and increase public input.”

Light Pathways to Nonprofit Excellence

FAA ETHICAL BEHAVIOR

National Association of Student Financial Aid Administrators Statement of Ethical Principles

Advocate for students

- Remain aware of issues affecting students and continually advocate for their interests at the institutional, state and federal levels.
- Support federal, state and institutional efforts to encourage students, as early as the elementary grades, to aspire to and plan for education **beyond high school.**

***National Association of Student Financial Aid
Administrators Statement of Ethical Principles***

Manifest the highest level of integrity

- Commit to the highest level of ethical behavior and refrain from conflict of interest or the perception thereof.
- Deal with others honestly and fairly, abiding by our commitments and always acting in a manner that merits the trust and confidence others have placed in us.
- Protect the privacy of individual student financial records.
- Promote the free expression of ideas and opinions, and foster respect for diverse viewpoints within the profession.

National Association of Student Financial Aid Administrators Statement of Ethical Principles

Support student access and success

- Commit to removing financial barriers for those who want to pursue postsecondary learning and support each student admitted to our institution.
- Without charge, assist students in applying for financial aid funds.
- Provide services and apply principles that do not discriminate on the basis of race, gender, ethnicity, sexual orientation, religion, disability, age, or economic status.
- Understand the need for financial education and commit to educate students and families on how to responsibly manage expenses and debt.

National Association of Student Financial Aid Administrators Statement of Ethical Principles

Comply with federal and state laws

- Adhere to all applicable laws and regulations governing federal, state, and institutional financial aid programs.
- Actively participate in ongoing professional development and continuing education programs to ensure ample understanding of statutes, regulations, and best practices governing the financial aid programs.
- Encourage colleagues to participate in the financial aid professional associations available to them at the state, regional, or national level and offer assistance to other aid professionals as needed.

National Association of Student Financial Aid Administrators Statement of Ethical Principles

Strive for transparency and clarity

- Provide our students and parents with the information they need to make good decisions about attending and paying for college.
- Educate students and families through quality information that is consumer-tested when possible. This includes (but is not limited to) transparency and full disclosure on award notices.
- Ensure equity by applying all need-analysis formulas consistently across the institution's full population of student financial aid applicants.
- Inform institutions, students, and parents of any changes in financial aid programs that could affect their student aid eligibility.

National Association of Student Financial Aid Administrators Statement of Ethical Principles

Protect the privacy of financial aid applicants

- Ensure that student and parent private information provided to the financial aid office by financial aid applicants is protected in accordance with all state and federal statutes and regulations, including FERPA and the Higher Education Act, Section 483(a)(3)(E) (20 U.S.C. 1090).
- Protect the information on the FAFSA from inappropriate use by ensuring that this information is only used for the application, award, and administration of aid awarded under Title IV of the Higher Education Act, state aid, or aid awarded by eligible institutions.

LEADERSHIP AND FAA ETHICAL BEHAVIOR

Steps to Consider

- Be Transparent
- Develop a Culture of Accountability and Transparency
- Adopt a Statement of Values and Code of Ethics
- Adopt a Conflict of Interest Policy
- Conduct Independent Financial Reviews
- Establish and Support a Whistleblower Policy
- Remain Current with the Law
- Maintain Professional Autobiography
- Maintain Personal Journal

FAA ETHICAL BEHAVIOR

Discussion

What are the ethical dimensions of:

- Pursuing rigorous optional verification efforts to identify isolated anecdotal eligibility issues that have no statistical significance?
- Need blind vs. need aware admissions?
- Encouraging a student to attend your institution at great loan expense when you know they have better financial options at other institutions?

FAA ETHICAL BEHAVIOR

What are the ethical dimensions of:

- Encouraging borrowing from for-profit and quasi for-profit organizations rather than from non-profit organizations?
- Imposing limitations on the use of professional judgment because of audit fears/concerns?
- Imposing limitations on the use of professional judgment because of funding concerns?

FAA ETHICAL BEHAVIOR

What are the ethical dimensions of:

- Establishing an unrealistically low cost of attendance so you can tout you meet 100% or a high percentage of need?
- Offering freshmen recruiting scholarships for the freshman year only while students and their families are being asked for a four-year commitment?
- Pursuing optional verification efforts when the final outcome won't change student eligibility?

FAA ETHICAL BEHAVIOR

What are the ethical dimensions of:

- Hedging on dealing with a parent/student because they've been demanding and overbearing or just difficult with whom to work.
- Targeting aid programs?
- Monitoring departmental awarding of need based named scholarships to students with no need?
- Counseling a student without listening to what the student has to say?

FAA ETHICAL BEHAVIOR

What are the ethical dimensions of:

- Counseling a student without searching for options?
- Assuming low-income families are truly economically prepared, even when need is met?
- A fellow worker comes to you and tells you Nancy/Sammy doesn't "Deserve" aid.
- Encouraging uncertified loan products?

FAA ETHICAL BEHAVIOR

What are the ethical dimensions of:

Offering no need based aid – funding merit only?

Granting independent status or extraordinary consideration based on pressure from colleagues/supervisors?

Others?

FAA ETHICAL BEHAVIOR

Suggested Reading

- Alliance for Nonprofit Management www.allianceonline.org
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- Buber, Martin (1958). I and thou. (Ronald Gregor Smith, Trans.) New York : C. Scribner's Sons.
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- Nonprofit Financial Center www.nfconline.org
- Missner, Marshall (Ed.) (2008). Thomas hobbes : leviathan. New York : Pearson Longman.
- Rachels, James (1999). The elements of moral philosophy. McGraw Hill (paperback).
- Shafer-Landau, Russ (2004). Whatever happened to good and evil? Oxford University Press.
- Virginia Business Information Center www.dba.virginia.gov
- Virginia Network of Nonprofit Organizations (VANNO) www.VANNO.org
- War, Mary (Ed.) (2003). Utilitarianism ; and, on liberty : including mill's 'essay on bentham' and selections from the writings of jeremy bentham and john austin. Malden, MA : Blackwell Pub.

FAA ETHICAL BEHAVIOR

***There's a Wisdom of the Head
and a Wisdom of the Heart. CD***

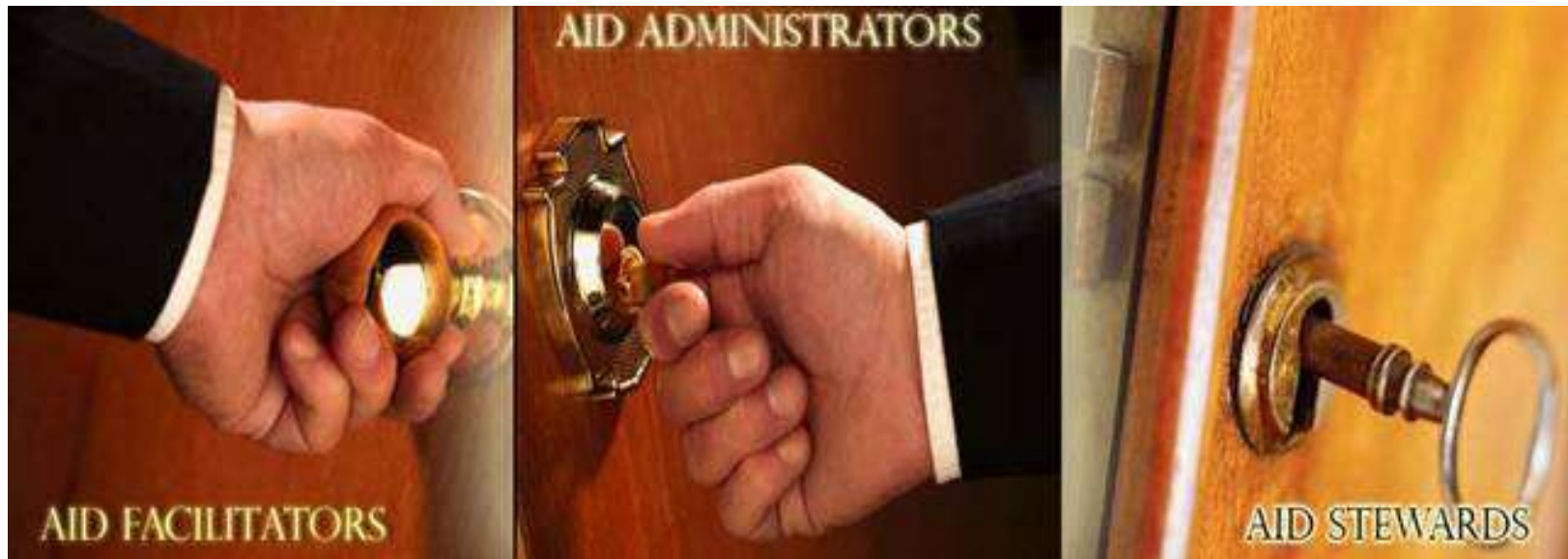
Have a heart that never hardens, and a temper that never tires, and a touch that never hurts. CD

No one is useless in this world who lightens the burden of it to anyone else. CD

FAA ETHICAL BEHAVIOR

Are there Ethical Absolutes?

Are you a Gate Keeper or a Gate Opener?



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