In my last column, I introduced the issue of data authenticity and linked it to moral integrity. Today I add several more examples of inauthentic representation and end with a practical ethical credo for corporate policies.

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Misrepresentation through dishonest packaging was a strategy proposed some years ago to a good friend of mine who was looking for investors for his startup company. One of his investment advisors told him to spend a fortune buying an expensive, ostentatious car to impress the investors. He said that investors wouldn’t even look at my friend’s business plan if he drove up in an old car or even in a modestly priced new car.

This kind of advice bespeaks a dishonest mind. My friend was not in fact wealthy at that time, and pretending to be wealthy was a ruse – a deceptive move typical of confidence tricksters, who often adopt the guise of wealthy businessmen to trick their marks into giving away money for nothing. At the time, my friend commented, “If this guy is telling me to be dishonest, why on earth would I trust him to help me?” He also wondered about the intelligence of investors who could be tricked into investing by superficial cues such as a brand of car: would these people actually be serious enough to bother with? To his eternal credit, my friend stuck to his standards of integrity and refused to waste his money and his credibility for short-term gain. He is now a successful CEO of an established company.

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This last story reminds me of yet another dear friend who founded a company more than 20 years ago. Misrepresentation through dishonest packaging was a strategy proposed some years ago to a good friend of mine who was looking for investors for his startup company. One of his investment advisors told him to spend a fortune buying an expensive, ostentatious car to impress the investors. He said that investors wouldn’t even look at my friend’s business plan if he drove up in an old car or even in a modestly priced new car.

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This last story reminds me of yet another dear friend who founded a company more than 20 years ago. I remember well telling my wife how impressed I was by his insistence on not wasting money. He and his wife lived in a hovel – a well kept hovel, but a hovel – and they drove well-maintained but elderly small cars. Once, they were offered a contract by a person who turned out to be selling pornography; they turned him down immediately. Ten years later, they were multi-millionaires. They refused to sacrifice their moral values for short-term and illusory gains.

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Finally, I remember working for a security consultancy startup many years ago. The company managers ordered all employees to fly to headquarters a few months after the company was funded. I protested, arguing that flying dozens of people thousands of miles was a complete waste of money: we would do much better using teleconferencing services. Nothing doing: we had to fly in.

When I arrived, I was horrified to discover that upper management had opted to furnish the office with completely new fancy furniture costing thousands of dollars per person (a single chair, for example, cost them over $500). In my typically diplomatic way, I said, “Are you nuts? We are a consultancy: we do our work at the client site. Nobody has to visit a consultancy’s main office! This is a complete waste of money with no reasonable return on this expenditure.” No luck there either.

About 18 months later, the company had burned through $65 million and was sold cheap to another company.

* * *

So my message to readers is to stick to your principles: don’t lie, don’t cheat, don’t misrepresent. Incorporate an explicit standard in company policies:

* We will do only what we would be proud to see on the front page of the national newspapers where our parents and loved ones could see exactly what we are doing.

As for what Wikileaks has revealed about US government behavior, that’s a story for a later column.

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