

# **Ethics and the Assessor: Doing the public's business with transparency and integrity**

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**Kirk O. Hanson ([kohanson@scu.edu](mailto:kohanson@scu.edu))  
Markkula Center for Applied Ethics  
Santa Clara University**

# Overview

- **Ethics for Assessors – the key concerns**
- **Discussion – unavoidable ethical dilemmas**
- **Cases**
- **Creating and sustaining an ethical culture**

# Ethics for Assessors – the key concerns

- **Structure of the Job**
  - What role does an Assessor play
  - What constituencies and stakeholders does the Assessor manage
  - What tasks does an Assessor and his or her office perform
- **Unavoidable Ethical Conflicts/Dilemmas**
  - Appraising your own home
  - Hearing an appeal regarding a friend's home, etc.
- **External Ethical Environment**
  - Heightened pressures on the Assessor – economic, political, and media
  - Latest scandals and sensitivities
  - Emerging and new issues
- **Managing the Ethical Culture**
  - Ethical principles and procedures for the office
  - Timely messages for things to watch out for
  - Measures and indicators of office ethical behavior

## Topic for Discussion

- **What are the most common and unavoidable ethical dilemmas an Assessor and his/her office face?**

## Case for Discussion – All in the Family

- **Jack Smythe, county assessor, and his family owned various residential and business properties in the county. Some were held by Jack alone, some by he and his wife, some by his wife and her brothers, and some by Jack's cousins. In addition, Jack was an officer in a land owning company in the county, and Jack's wife worked for another large local employer.**
- **Where do I draw the line, Jack asked, regarding these appraisals. When can they be done in my own office? When can I hear appeals? And by the way, can I continue my own property development business in the county?**

## Case for Discussion – Staffing Up

- Sarah Francis, newly elected Assessor, was pleased to find that she had several positions to fill in her office. A long time resident of the county, Sarah had many friends and many relatives who were eager to work for her. Among those seeking a position was her campaign manager who had just helped her get elected.
- Who can Sarah consider for employment in the Assessor's Office? If she has a previous relationship with someone, should she change the hiring and vetting process?

## Case for Discussion – Getting Re-elected

- **Bill Lippert, County Assessor, was looking forward to his reelection campaign.**
  - As he sought endorsements from various local officials, he wondered if he needed to be concerned about how the properties of those endorsees were being appraised?
  - As the start of the campaign approached, he wondered where to draw lines for political activity by his campaign manager, who still held a salaried position in the Assessor's office.
  - Bill wondered whether he could make political use of some of the excellent public data bases his office maintained. The databases were public information, though he knew them better than any challenger and could make better use of them.

## Ethical Environment 2008

- Homeowners in trouble – responsiveness to declines in value
- Budget pressures on Assessor's Office – crunch points?
- Increased sensitivity to conflicts of interest
- Increased expectation of transparency and disclosure
- Increased concern about data held by the county
- New national administration – 63 questions!

# National Trends in Managing Ethics in Local Government and Special Districts

- Ethical failures getting more press and public attention
- Voters and citizens care more about integrity
- Focus equally on local as well as state and national government
- Substantial focus on public spending and contracting
- Much more focus on conflicts of interest
- Adoption of codes of ethics more common
- Moving from compliance to ethics and values
- Mandatory ethics training more common
- National movement for model ethics code and program

# Emerging Themes of Conflict of Interest Rules

- Financial, relationship and ideological self interest all important
- Higher standards for public trust than for private or personal
- Lower tolerance for any size conflict
- Higher standard for remedy for conflict of interest

# Remedies for Conflict of Interest

- **ROLE ORIENTED SOLUTIONS**

- Avoiding the role; resigning the role
- Redesigning role of agent
- Accepting conflict as inherent to role

- **INTEREST ORIENTED SOLUTIONS**

- Divesting the interest if possible
- Forfeiture of benefits
- Blind trust
- Permitting but limiting conflicts

- **ACTION ORIENTED REMEDIES**

- Recusal from decision, from voting
- Assignment of specific decision to another official
- Transparency on every vote and conflict involved
- Watchdog review of decisions made under conflict

# Creating a Culture of Integrity

## FOUR BROAD ETHICS STRATEGIES

1. RELIANCE ON EMPLOYEES' CHARACTER
2. COMPLIANCE
3. ETHICS EXHORTATION/ EDUCATION
4. MANAGING VALUES AND BEHAVIORS

# 1. RELIANCE ON CHARACTER OF EMPLOYEES

- **Everyone here is ethical and honorable**
- **Expect ethical behavior and you will get it**
- **Any ethics effort demeans employees**

# 1. RELIANCE ON CHARACTER OF EMPLOYEES

- **Risks of relying on character of employees**
  - Not everyone thinks of the same things as ethics
  - Not everyone is ethical or ethically strong
  - Not everyone shares the same ethical values
  - Not everyone is sophisticated enough to see and resolve ethical issues which arise

## 2. COMPLIANCE

- **Establish standards of minimum behavior, usually based on the law**
- **Write detailed standards of conduct covering dozens of topics (i.e. don't steal from city)**
- **Establish severe penalties for violating these minimum standards**

## 2. COMPLIANCE

- **Risks of compliance approach**
  - **May give the signal that the law is all that matters**
  - **May give signal the organization wants only minimum behavior**
  - **May give some the impression that rules are window-dressing**
  - **Gives no guidance for most difficult value choices**
  - **May imply lower level employees are the target of the system**
  - **Enforcement can be perceived as selective and unfair**

### 3. ETHICS EXHORTATION/EDUCATION

- **Exhort employees to act ethically**
- **Remind employees of the trust citizens place in them**
- **Train employees to identify ethical dilemmas**
- **Train employees to ask good questions about ethical decisions**

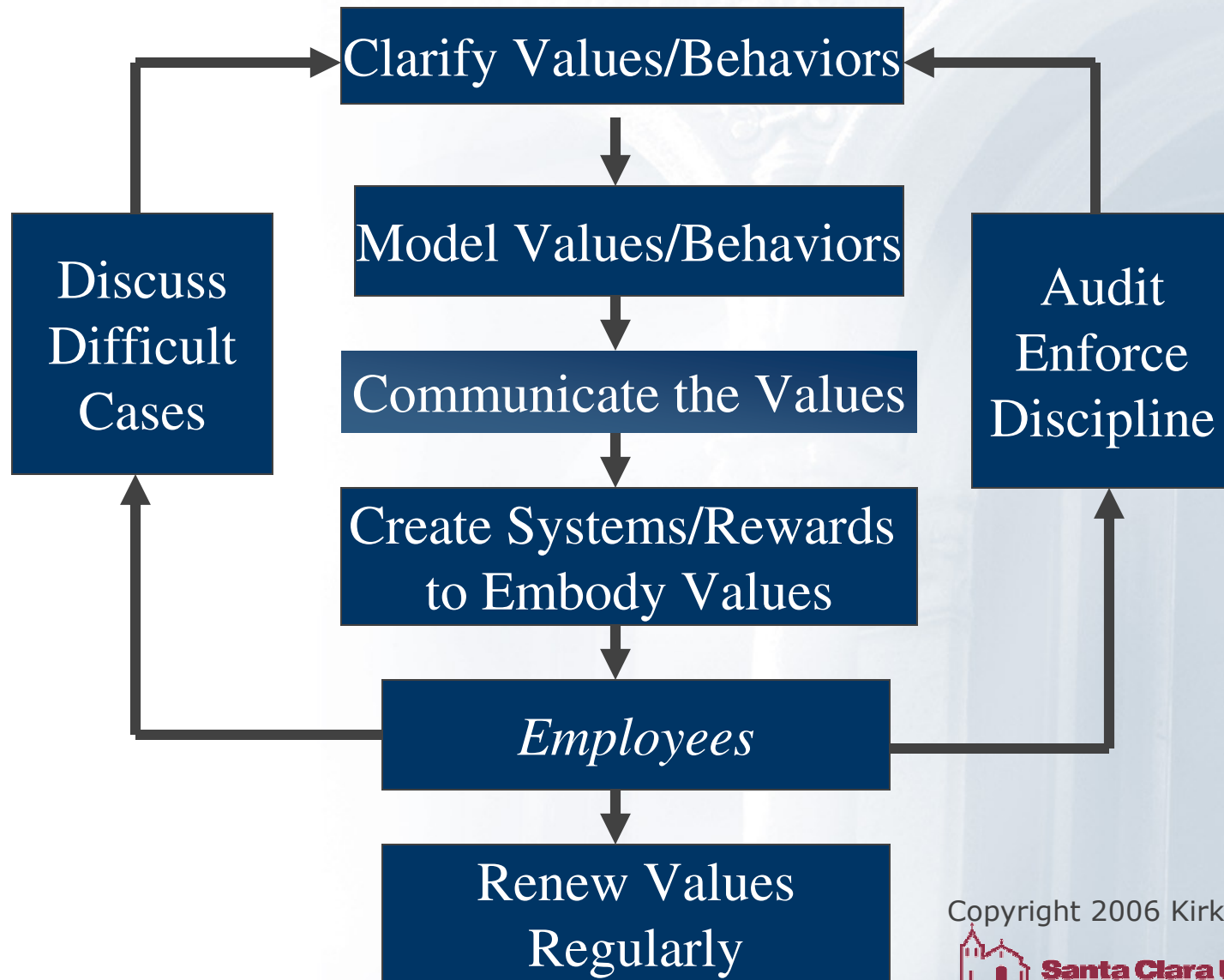
### 3. ETHICS EXHORTATION/EDUCATION

- **Risks of ethics exhortation/education approach**
  - What is “ethical” remains vague in employees’ minds
  - No help in identifying desired ethical behaviors
  - No guidance on complex ethical choices
  - May come across as creating deniability for senior managers (i.e. “we told you to be ethical”)

## 4. MANAGING VALUES AND BEHAVIORS

- **Define organizational values (aspirations) as well as ethical standards (minimums)**
- **Define desired behaviors to implement the values**
- **Educate employees to values, standards and behaviors**
- **Communicate top management commitment to values**
- **Create systems that embody the values and standards**
- **Reward behavior consistent with the values and behaviors**

# Leadership Tasks to Manage Values & Behaviors



# **General Ethical Behaviors of Managers....**

## **Can this be said about you.....**

**Talks about the importance of ethics**

**Considers ethics when making decisions**

**Sets a good example of ethical conduct**

**Is transparent about office operations and issues**

**Keeps promises and commitments**

**Emphasizes ethical behavior even under pressure**

**Supports employees' adherence to ethics standards**

## **Ethical Behaviors You Want of All Employees....**

**Anticipates ethical issues in their area of responsibility**

**Asks questions when ethical action is unclear**

**Reports concerns about unethical action of others**

## **Conclusion: Management of Ethics Must Be Deliberate**

- **What roles do we play**
- **What unavoidable ethical dilemmas do we face**
- **What particular pressures from the external ethical environment**
- **What policies, structures, and actions will manage ethics effectively**

# RESOURCES

- [www.scu.edu](http://www.scu.edu)
  - Markkula Center Website – Government Ethics
- [www.ca-ilg.org](http://www.ca-ilg.org)
  - CA Institute for Local Government