

## Ethikos Volume 36, Number 3. July 02, 2022 Pioneers in business ethics: Nancy Higgins

Nancy Higgins (<u>nmhiggin@bechtel.com</u>), JD, is recently retired from her position as Chief Ethics and Compliance Officer for Bechtel in Reston, Virginia, USA. Higgins was interviewed by Joan Elise Dubinsky, JD.

A note on this series: In the last 40 years or so, an entirely new academic and occupational niche for practicing ethics in business has emerged. Many of the original academic business ethicists came to the field through philosophy, then brought their thinking and research into business schools. Many of the original practitioners came to the field through the law and remain close to the practice of law.

In an effort to preserve and share this knowledge and practical experience, the Center for Professional Responsibility in Business and Society at the University of Illinois Gies College of Business has filmed and transcribed the oral histories of these pioneers and early adopters. To date, almost 50 academics and practitioners have been interviewed, each with 25 years or more of experience in the field of business ethics. This series aims to provide a better understanding of how the business ethics field and profession have evolved over the decades, through the interviewees' own experiences. For more details on the series, contact Gretchen Winter (gwinter@illinois.edu), JD, the Center's Executive Director. This interview was condensed for clarity and brevity.

JD: You have had quite a career. Let's start as you share some of the highlights of your journey.

**NH:** I recently retired from my role as the chief ethics and compliance officer for Bechtel, which is a global engineering, construction, and project management company. This is the fourth major company that I've done this job for, and I've been doing it since 1994 or so.

I was in private practice in law in New York and Seattle for about 10 years, when I went to The Boeing Company to manage their litigation. And after a while, I came to the realization that litigation is a horrible waste of society's assets. It would be a heck of a lot more fun to keep people from getting into trouble in the first place, rather than getting them out of trouble once they were already there.

Boeing had created a part-time job in the legal department called "director of ethics policy." My boss, the General Counsel, wanted to get me into Boeing's executive management, and a prerequisite was to have a "director" title, so when my predecessor left the legal department, he offered the job to me. That's how I got into the field of ethics and compliance. I managed ethics policies—mostly about government contracting compliance —and worked with the Ethics and Business Conduct Committee. We had ethics advisors in each operating organization, but they didn't really work together. My predecessor had told me it was time to schedule an All Ethics Advisors meeting so, I thought, well, let's get them together to figure out what should be on the agenda. What are the issues they're dealing with? I remember having us go around the room introducing ourselves and one of them saying, "This is the first time we've ever been together in the same room, except for this 'annual' meeting that happens every couple of years."

The ethics job was supposed to take about 20% of my time, but gradually, I started spending more and more time doing ethics and less time doing litigation—it was so much more interesting. A short time later, the decision was made to merge three distinct compliance initiatives into one companywide ethics and business conduct program, and I was asked to become the first director of ethics and business conduct. I remember going with the General Counsel to propose the plan to the CEO of Boeing, Phil Condit, and thinking, "This is my chance to get that

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executive title. It will be just wonderful!" The General Counsel explained the plan for this new ethics organization structure and how I would report to Phil on a dotted-line basis for the ethics role but continue to do work in the legal department reporting to the General Counsel. Then the CEO leaned back in his chair and said, "Well, we could do that..." Then he paused, and I thought, "There goes my opportunity; he's not going to approve this." Then he continued, "But I think people have a hard time understanding these dotted-line things. I think Nancy should report to me, and you can borrow her back, you know, if she has time when you need her." So, it turned out even better than I'd hoped for. And that's really how it started out. It was Phil Condit's idea to distinguish ethics and compliance from the practice of law and have the chief ethics and compliance officer report to the head of the company—not the General Counsel.

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