

URL: <https://stvp.stanford.edu/blog/videos/why-are-ethics-important>

It's often more difficult than it sounds, but it's important to be fanatically ethical when building a company, says Levinson. He believes people understand if it's an ethical environment right away. It is something that people gravitate to, he says, so you just have to build it early and never step off of it.



Transcript

My first company, I founded that company but in the founding of it, I had this sort of well, he was probably 30 years older than I was.. I felt he sort of helped me with a little bit of it.. He smoked really heavily.. He called the ladies, the women that worked for us honey.. He had a bunch of problems but he was loyal.. Ultimately, I got suggested and I accepted the suggestion that we ought to let him go and get a real CFO.. That CFO was dishonest.. It was incredibly painful because he was really smart.. I lived in a really old house about 45 minutes from where the business was and it was built in 1720.. Washington was in the house..

I moved to this house closer to work and it turned out it was the same price but it looked a lot better.. It was a really wonderful house.. He made it look like I had embezzled money from the company to buy this brand new house which was only by the way one minute from work so I didn't spend all this time commuting and I could spend more time at work.. But it wasn't true but that's how I got fired.. It's not why I deserved to get fired.. So was the other person the right person? Probably the loyalty of that person would have been worth holding on to and it was a lesson I learned the hard way.. So by fanatically ethical, there's really no reason to eve compromise on that.. I mean there's a right way to do things.. There's a right way to treat people.. At Finasar, we don't really care if you're gay or straight, black or white, male or female..

We just care for good.. If you are, welcome.. And if you're really good, go ahead and leave.. All of us will sign up for early euthanasia.. Take over.. But it takes that spirit because you want the best for your company.. If you don't, you won't attract the best and so people understand if it's an ethical environment right away.. It's something people innately gravitate to and that's it so you just got to build it early and never step off of it...