Avoiding Complicity—and Building More Ethical Organizations

When we think of wrongdoing, the cases that come to mind include the Enron accounting scandal, Elizabeth Holmes’s fraudulent claims about Theranos’s technology, and Purdue Pharma’s OxyContin crisis, to name a few. Harvard Business School (HBS) professor Max Bazerman explains we don’t have to be consummate wrongdoers to cause harm. We just have to act in ways that enable and perpetuate the harm.

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Max H. Bazerman
Jesse Isidor Straus Professor of Business Administration
During a career that has spanned four decades, Max Bazerman, the Jesse Isidor Straus Professor of Business Administration at HBS, has researched and written about a wide range of subjects including decision-making, negotiations, experimentation—and ethics. In his most recent book, *Complicit: How We Enable the Unethical and How to Stop*, Bazerman defines the many types of complicity and explains how leaders can avoid becoming complicit in wrongdoing and can help their employees to do the same.

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**OBVIOUS COMPLICITY VS. ORDINARY COMPLICITY**

The first step in reducing complicity is to recognize just how ubiquitous it can be. When we see a story in the news about a significant act of wrongdoing, we often ask ourselves, “How could this have gone on so long? Didn’t anyone notice the problem or try to stop it?”

The answer is not simply that there was one bad actor to stop. Other individuals were complicit in the wrongdoing.

Bazerman defines complicity as “being involved with others in an illegal or unethical activity or wrongdoing” and has identified two broad categories—obvious complicity and ordinary complicity.

Obvious complicitors are either true partners in the wrongdoing, by sharing the goals of and working in harness with the core wrongdoer, or collaborators, by assisting the wrongdoer because they are getting something they value in return, even though they may not share the wrongdoer’s goals. For example, obvious complicitors in the Purdue Pharma OxyContin crisis include McKinsey, which provided the advice on turbocharging opioid sales to patients who would be harmed; pharmaceutical distributors; and physicians who over-prescribed OxyContin for their patients.

While Bazerman acknowledges the culpability of obvious complicitors, his work is more concerned with ordinary complicity—the actions (or inactions) of ordinary people who may not even realize that they are complicit in wrongdoing.

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**Five Types of Ordinary Complicity**

1. **Benefiting from Privilege**
   - **Believing in a False Prophet**
     - Charismatic leaders often persuade people to accept lies and ignore wrongdoing.

2. **Deferring to Authority and Prioritizing Loyalty**
   - Loyalty can lead us to ignore wrongdoing by a person or organization. When we do not take action out of loyalty or give the excuse “I was just following orders,” we are making an ethical choice.

3. **Trusting in Relationships**
   - We can be overly trusting of others and ignore the harm that they are creating.

4. **Creating and Accepting Unethical Organizational Systems**
   - Many leaders participate in creating structures that lead to predictable harm. While the leader may not cause the harm directly, their actions in developing and maintaining the structure make them complicit.
“Those who create great harm always depend on the complicity of ordinary people,” explains Bazerman. In the book, he provides many examples of ordinary complicity drawn from business, sports, government, and other realms—and even offers examples of his own complicity with wrongdoing in the past and his efforts to correct it.

THE RISKS OF AUTHORITY

Complicity is often hard to see because we tend to like simple explanations for wrongdoing. We look for one person or organization to blame, but the reality is usually much more complex. In fact, many people are complicit because of what they don’t do or say. Perhaps they see wrongdoing as it is happening, but go along with it because others do, or because the risk of speaking up is too high. In other cases, they may be uncertain that the action they’ve observed is wrong. For example, Elizabeth Holmes may have been the one who made false claims about Theranos’s technology, but individual investors, employees, and partners were complicit in bringing this nonworking technology to patients, even though they suspected problems. Enron may have generated corrupt and misleading financial statements, but their supposedly independent auditor, Arthur Andersen, was complicit by certifying these statements year after year.

HOW LEADERS CAN REDUCE COMPLICITY

While everyone is responsible for their own complicity, leaders have a special obligation and opportunity to confront complicity and reduce it in themselves and others. Bazerman explains, “Too many employees accept wrongdoing within their organization and become complicit, and too many leaders allow their organizations to develop cultures that enable and encourage complicity.” One example: Highly focused, quantitative goal-setting can cause employees to ignore ethical considerations in pursuit of an all-important metric, as was the case when Wells Fargo employees created many new accounts without customers’ knowledge.

To address this issue, leaders must identify problematic behavior their organization currently enables and find ways to prompt more ethical behavior. The key is mechanisms that encourage employees to band together to stop unethical action.
Bazerman identifies several ways leaders can make it easier for themselves to avoid complicity:

- **Reduce the risk of speaking up.** Make a contingency plan, analogous to developing your Best Alternative To a Negotiated Agreement (BATNA) in a negotiation. If you envision potentially losing your job, develop an alternative. Find ways to increase your value to the organization—and increase your power. If you’re a highly valued team member, your colleagues will be more willing to listen. Use collective power by teaming up and comparing notes with others who share your concerns.

- **Deliberate in advance.** In the face of uncertainty, don’t look away—find out more. When people ask you to suppress your logical analysis and deliberation, be suspicious. Think more deliberately about your moral code. Thinking through values and scenarios in advance increases the likelihood that you will reject and confront unethical behavior.

- **Acknowledge your own blind spots.** Avoid single sources of blame. Recognize that inaction is action, and question authority. Acknowledge that you have a moral responsibility to speak up when you see wrongdoing. If you are an influential advisor or consultant, consider how your advice might harm others.

- **Enlarge the circle.** Consider the people who may be harmed by an action. Enlarge the scope of the collective when considering the collective good. By doing this, you will also see your privilege more clearly.

According to Bazerman, we should all be motivated to avoid complicity. Those who have the privilege of leadership must take steps to prevent wrongdoing, including by helping those they lead avoid complicity.

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**A Fresh Look at Your Organization**

After considering their own actions in the context of complicity, leaders can take steps to fix organizational structures that may facilitate wrongdoing.

- **Develop mechanisms** that make it safer for whistleblowers to report wrongdoing.

- **Create a reporting system** that will lead employees away from complicity in various types of unethical behavior.

- **Look for opportunities to increase diversity and inclusion**—and reduce the harm to marginalized groups.

- **Be on guard against failed or inadequate solutions**, such as simple disclosure of conflicts of interest.

- **Punish acts of omission as well as acts of commission**.

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