new product. Fragrance development itself takes a tremendous amount of time.

First, the perfumers are briefed about the new project so that they can base their creations on already firm ideas about the end product. Then, for every new project in the department, at least 300 to 400 samples are submitted by the perfumers. The majority of those samples are usually discarded right away after "smelling" for the first time because the scent did not match the concept or simply did not smell good enough. Some are set aside, smelled again and again, and during that process, the perfumers get feedback about what to change. Sometimes Valerie's team got 20 reworked submissions for one scent and it often happened that after all that work, the original was picked as the best choice. In the final phase, three to four fragrances remain and only those few go on to the market research testing phase.

During Valerie's first year at the company, the team worked with as many as eight different fragrance companies to have a good diversity of new scent ideas. After a while, they began using only perfumers from two fragrance companies for their projects. She was wondering why they stopped working with the other perfumers, because their submissions were not bad at all and they also successfully supply Wisson's competitors. Why were these perfumers not good enough for Wisson? It did not take long for the team members to realize that Waters was not to be questioned. The team then went forward and developed great relationships with the perfumers of the two remaining fragrance houses.

And then one day, it all became clear to Valerie. She had some copies to make and walked to the copy room in the office area. As she was putting her originals in the copy machine, she saw that there was a paper jam, and the person who caused it left without taking care of it. She started to open the drawers of the paper supply and checked the output tray. There were some sheets that someone must have forgotten and she was going to throw them in the recycling container next to the copy machine. As soon as she grabbed the sheets, she saw that they looked like her boss's private company's stationary (he had a consulting company on the side). So Valerie looked closer and realized that what was in her hand were invoices from Waters to the two fragrance companies Wisson worked with for "commissions and fees" totaling almost $35,000 per month! So that was the reason Wisson stopped working with other companies–they probably refused to pay Waters' kickbacks!

Valerie was stunned. She was left shocked and speechless. Almost as if it were like a reflex action, she took all her papers and the invoices and walked back to her office. Sitting there for a while, she tried to calm down. So many questions were running through her head: Does anyone else know about this? Are even other people of our team involved? Is this normal in the industry? Should I talk to anyone about it?

All kinds of thoughts were spinning inside her, and she spent the rest of that workday walking around as if she were in a cloud. Fortunately her boss was not in that day. He was probably on vacation, just like the 20 other weeks per year of time off he grants himself.

When Valerie came home the night of her discovery, she told her boyfriend about it. This is one of those situations when you have to tell somebody; otherwise you think you are going to explode. Her boyfriend was not directly affected by this, so she could confide in him and be sure of his honest opinion. First, he did not quite understand what she was saying because it sounded so outrageous, but then he realized what had happened. He asked her if she had told anyone else about it, and when she assured him that she had not, he recommended that she keep this information to herself for the time being, not because he is not an ethical person himself, but because he knew that her career in Chicago could be in danger if something happened to her boss. After all, he was the person in charge of the department and if he was gone, the already small team might not survive either.

Valerie did not have a green card in the United States, only a special working visa, which allows non-U.S. citizens with unique skills to work in this country for a certain amount of time. This kind of visa is completely dependent on the "fairness" of the company someone is working for, and means that Valerie could lose the right to work, or even the right to stay in the United States if she did not have this job any longer.

And that was not all. She had just been accepted in a master's of science program at the University of Chicago and was looking forward to that. Tuition would be reimbursed by the company if she got A's and B's in her classes. This was a huge opportunity to gear her career toward greater challenges and successes.

But what about ethics? What about her own values? In this situation, there was so much more at stake than just right or wrong. The decision she had to make would influence other people's lives as well as her own. Her colleagues had become her friends, and even though her boss disregarded good management and leadership principles, these individuals formed friendships among themselves, particularly since they had been reduced to only a handful of people. Instead of joining his team in building up not only professional but also friendly relationship with his employees, Waters preferred to look for only one goal—to enrich himself. He did not care about relationships with other fragrance companies either. Perfumers are somewhat like artists; they sometimes work well under pressure and they are often inspired by their customers as well. To have the greatest diversity of fragrance submissions, Waters should have worked with perfumers from more than only two companies. This would have given Wisson's products a big competitive advantage.

Waters was a constant example of how not to be ethical in handling business and employees. Instead of being a leader who would help activate ethics mindfulness in others, he was the polar opposite. He seemed to have made it one of his goals to spend as much of the company's money as possible. Launch events went overboard with extravagances and expenses; on one occasion, just to show off his horseback riding talent, he rented an entire stable outside of Chicago for one hour—the cost: $25,000—and he expensed it to the company.

Usually he showed up late for meetings or canceled them entirely even when the attendees were already in the office. Or, he would tell someone "something really important" came up, and then relate a completely different version to somebody else. Waters' team did all the work and had to make most decisions without him because he was rarely around. Mondays and Fridays he usually stayed home or at his other office,