

Changing the Business Model: (5) Setting a New Ethical Standard in Pro Cycling

(Editors' Note: In light of the controversial decision to grant a 2015 UCI WorldTour license to the Astana pro cycling team, The Outer Line is revisiting the role of ethics – as a core business practice, and how it might best be applied to pro cycling. While many reasons have been cited for why the UCI decided to issue a license to scandal-ridden Astana team, a more critical issue for the UCI might be to determine how it can create, communicate and enforce a formal ethics program for the sport going forward.)

Professional cycling has never adopted a formal set of ethical standards for its riders, teams or governing officials. There has been no clear standard for responsible and ethical behavior – no training or guidelines, no expectation that people should do the right thing, even when “no one is looking.” Cycling has instead always relied on the strength of its rules and regulations – and prescribed punishments for violating them – to guide the behavior of its participants, to maintain order, and to keep the sport from breaking down.

But after more than a century of continuous cheating, a thoroughly entrenched culture of doping, and too many scandals to count, one could argue that the UCI's rules and regulations have devolved into nothing more than strongly worded suggestions. Individuals with the right finances, advisers, and influence in cycling have basically been able to chart their own path. Worse, there have been examples where the governance structure itself has apparently fallen into that gray area where “turning a blind-eye” and actual collusion with the doping culture start to converge.

This problem is not just in pro cycling; there is simply no precedent for formal ethics programs *anywhere* in professional sports. There are codes of conduct and personal/professional behavior in the NBA, NFL, many professional European football leagues, and MLB, but these generally deal with relatively marginal issues, such as being civil in mandatory post-game press conferences, not using foul language, or not engaging in direct personal violence on the playing field. And these codes of conduct have obviously not stopped cheating or anti-social behavior; consider Michael Vick or Alex Rodriguez, Ray Rice, or farther back, Eric Cantona or Diego Maradona.

Instead of thinking in terms of true ethics, sports tend to speak in terms of the loosely defined ideals of sportsmanship. Helping someone up after a hard foul in basketball? Shaking hands with the losing team at the end of a game? Across a variety of playing fields, these types of actions imply that things are fair and honorable among those playing the game. But when the underlying model tacitly encourages cheating, criminal behavior and doping, or even fosters an environment where such practices are critical for success, then public perception of the game is compromised. Even cycling's most appealing images of sportsmanship – like Tyler Hamilton signaling the lead group to wait for Lance Armstrong in the 2003 Tour de France stage to Luz Ardiden – only camouflage the true, two-tier situation in the sport – “Yes, we are all dopers and

cheaters, but the peloton will do the honorable thing and wait for the fallen yellow jersey.“

Historically, an unspoken system of “shadow” rules evolved in pro cycling – a double standard that has led to an ethical breakdown, and in turn has encouraged individuals to exploit the limits of the rules to their own advantage. For example, blood transfusions led to EPO, which led to the implementation of the 50% hematocrit limit. But this temporary “rule” essentially gave every athlete a free pass to use EPO without consequence so long as they took precautions to stay below that threshold when tested. This effectively opened the door for some athletes with low hematocrits to utilize EPO and considerably boost their performance. When an EPO test was eventually developed, new methods were developed to navigate around the constraints – methods which now also include blood substitutes and as-yet undetectable Xenon gas inhalation treatments.

This ethical breakdown became so deep that cycling’s prevailing culture began to retaliate against those who fell out of line with this unspoken interpretation of the rules. Said another way, the sport has pushed people out not for breaking the rules, but for not breaking the rules in the accepted way! The previous UCI administration even took legal action against individuals, in what many believed to be a thinly-veiled attempt to silence criticism about the problem.

The ethics impasse helped cycling’s cheaters to develop several, by now well-known and sometimes overlapping categories of behaviors and excuses to explain their actions:

1. “Everyone else does it” – this is perhaps the most common or widespread excuse. This rider sees everyone else engaging in an illegal activity, and succeeding – and furthermore sees that few people are ever punished. So why not take the seemingly negligible risk and “join the club” too? An unbroken string of generally unrepentant riders has joined in this chorus over the last thirty years – including many of the most famous names in the sport.
2. “I had to do it just to survive” – this rider feels like he has to dope just to keep his place in the peloton, essentially bolstering their “skill set” in order to remain employed in the industry. This person is the most trapped in the corruption – capable but probably unable to keep their job without doping. However, this person doesn’t see any irony in the fact that they may be cheating others out of contracts by participating in the doping to begin with.
3. “They made me do it” – this is the rider who didn’t want to and who might not have otherwise broken the rules but, given the choice between a clear conscience and remaining employed, yielded to subtle, or more direct coercion. The rider risks a more or less equivalent economic penalty whether run out of the sport by his or her own team for “not getting on the program” or by the regulatory authorities due to a positive test.
4. “I just did it this one time” – this may occasionally be true, but this rider may not believe he is doing anything wrong unless someone catches him in the act –“I’m not really breaking the rules until that one time you catch me.” Worse, and sometimes after a lifetime of success, retired riders such as Erik Zabel and Stuart O’Grady have been caught and trapped in a web of previous lies, drawing their entire careers into doubt. A disingenuous variation on this theme was Ivan Basso’s claim that he was only thinking about doping, but not actually doing it.

5. “Yes, I did it, and I’m bringing down everybody else with me” – here, think of someone like Hamilton or Floyd Landis, who succeeded to varying degrees in cycling’s screwed up ethical model before being caught, and then chewed up and spit out by the pervasive culture of omerta. These riders had a strong enough ethical grounding to eventually decide to retaliate against the structure which had forced their earlier unethical decisions. This “scorched earth” approach utilized by whistleblowers is perhaps the truest expression of the ethical confrontation cycling has created for itself. Here, the entrenched and supposed leaders of pro cycling find themselves at war – defending what they would like to think is right, against those who actually *are* right. Whistleblowers in the sporting arena, or in the financial and business world, are often ostracized because they have already participated in the system and profited from the corruption up to a point. But then, left with little other choice, they acknowledge the errors of their ways and decide to take the ethical path of tearing down the corrupt system altogether.

A key problem highlighted by these examples is that cycling has never developed a trusted independent body or reference point for the reporting of unethical behavior. In fact, many riders who were exposed in USADA’s Reasoned Decision document and in other subsequent “tell all” books have said that there was essentially no place to turn, that the only place to report unethical behavior was, in fact, to the very person enabling or encouraging that behavior – the team manager, coach or doctor setting the expectation to dope.

And unfortunately, many people who were central in allowing this corruption to develop, who grew, improved and systematized doping practices in the sport, and who may have benefited the most from it, still have very little incentive to step forward and testify. Nor do those who committed the perhaps lesser sin of looking the other way. But with all of these tired excuses and their implications now firmly in the public eye – and with the Cycling Independent Reform Commission (CIRC) due to report its finding early in 2015 – the sport needs to turn its focus to the causes of the problem rather than the symptoms.

The solution starts with ethics. Ethics means “a system of moral principles, and the code of conduct recognized in respect to a particular class of human actions or a particular group, culture, or profession.” Whereas “rules” are very specific parameters that define right from wrong, “ethics” define how people *should* behave and interpret the rules, even when they believe no one is watching. So, the key question is – how can a stronger ethics training program and individual ethical commitment be implemented in pro cycling, and how could it change the sport for the better?

In the business and professional world, ethics programs are widely employed to insure a foundation of high standards, and to manage or reduce a range of perceived risks. Many private companies, non-profit organizations and government agencies follow comprehensive and evolving guidelines which establish fair competition, and provide protective measures to employees, management and customers alike. Some of these models hold executive leaders to higher standards of conduct, and open them up to severe legal repercussions if they fail to uphold the code – management is strongly encouraged to lead by example. In many organizations, a failure to meet and comply with such standards of ethical conduct is often punishable by suspension, demotion, or even termination.

Ethics training and certification is thoroughly embedded in the culture and governance models of many large organizations. An approach generally known as enterprise risk management (ERM) deemphasizes the single-minded “command and control” mindset of simply establishing rules and instilling the fear of getting caught if you break the rules. Instead, ERM helps participants to define their own behavior by instilling certain individual and group “values.” These values reinforce the rules, provide a context by which people understand and respect the rules, and encourage people to help each other to follow those rules in their daily activities. And by tying the severity of the repercussions to each participant’s explicit acceptance of the ethics, the governance model is strengthened immeasurably. Rule breakers can be swiftly held accountable, or be permanently weeded out.

The up-front investment for a continuous training and certification program like this may be significant, but it typically pays for itself pretty quickly, with proven dividends in terms of risk avoidance, employee behavior and financial performance. And history has shown – across a broad range of organizations – that fewer regulatory incidents and employee infractions mean less bad publicity, a reduction in the financial impact of customer problems or possible regulatory fines, better outcomes for clients or users and lower exposure to external lawsuits.

But the real impact of a successful ethics program is how it changes cultural values over time – not in purely economic measurements, but in terms of how people within an organization view and treat each other. Ethics programs empower employees to have a stake in policing themselves and each other by having a single, common understanding of the rules, why the rules are in place, and in adopting best practices that reinforce the rules.

The fundamental components of an ethics program are not complicated, and typically consist of the following type of framework:

1. Define the ethical risks to the organization in the past, the present, and what might happen in the future.
2. Prevent infractions by defining and instilling a culture that reinforces ethical behavior and changes values.
3. Put processes and people in place to detect infractions, and reporting of ethical lapses, before they can impact operations.
4. Respond effectively and decisively to violations and any allegations of impropriety.
5. Make the ethics program a process of continuous improvement, and constantly look for ways to refine the program over time.

It would be relatively simple for professional cycling to create a task force on ethics, bringing together a few experts from the field of business and organizational ethics for guidance on how to build and implement a stronger system of ethics within the sport. This task force would work with riders, team owners, the UCI and national federation representatives to first understand the problems and choices of the past, and then to develop a new framework of ethics and values for the sport going forward. A first ever code of ethics for cycling (and perhaps in *all* of professional sports) would be applicable at all levels – as relevant to the development and behavior of new riders and juniors as it would be to the seasoned pro or masters competitor. This temporary task force could hopefully assimilate and then build off of the emerging results of the CIRC,

leveraging the revelations of that process to help develop a longer-term ethics framework.

Formal ethics training – at a much more intensive level than some of today’s simplistic on-line programs – must be made mandatory for all professional riders, team management, medical, and executive leadership. It must start early and be reinforced often. Riders above a certain competitive level would not be allowed to compete until they had successfully passed the training course. Team management should face even tougher suspension and fines for the same reason. And the higher-level executives in the regulatory and oversight agencies should be subject to the same consequences as they would be in other professional fields – including possible termination. These individuals guide the sport and, as mentioned, they must lead by example.

Ethics training must be engrained into the sport’s governance; without this critical association, rules are weakened, and any professional certification model would lack enforceability. The training should be woven into the promotion and advancement system for all participants. Junior riders should be exposed to the training as part of their racing license application. Riders applying to move between categories must attest that they have read and will abide by the ethical guidelines of their Federation. Professionals should take a refresher course of the most current version of the training program every year. Coaches, soigneurs and medical staff will need to have an attestation every year to maintain certification. There will obviously be administrative and implementation details to iron out, but other complex organizations have successfully made this change, and cycling can too.

Indeed, pro cycling has the opportunity to set an ethics standard never before seen in pro sports. Along with the adoption of a conceptual certification model that we discussed in an earlier article, pro cycling could take a bold new direction. And perhaps most critically, the basic business model of the sport would have a stronger foundation, because a cleaner public image will draw new fans to the sport. Sponsors will be more willing to risk their advertising money when there is less risk of negative publicity from doping scandals. New fans will expand revenue opportunities, and new team owners will consider investing in franchises. Such sweeping transformation can result from the successful creation of a new culture of ethical behavior in the sport.

DISCLAIMER: *As with all postings on theouterline.com, our goal is simply to provide ideas and spur debate about what constitutes real change in professional cycling. If you have an opinion about how to repair and strengthen professional cycling, please contact us, and make your ideas or opinions heard.*

Joe Harris and Steve Maxwell, December 12, 2014