



The Four-Way Test

A simple guide to ethical decision-making

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**CREATE HOPE
in the WORLD**



Do you know
where the
Four-Way Test
came from?

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Herbert J. Taylor

RI President 1955-56

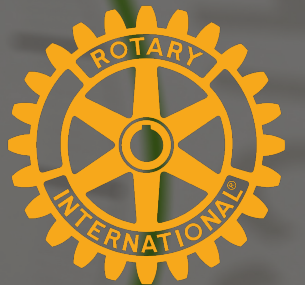
Created in 1932, Taylor, a member of the Rotary Club of Chicago was facing a significant challenge in business. He had recently become president of the Club Aluminum Products Company, which was struggling financially and on the brink of bankruptcy. Taylor believed that ethical behavior and high moral standards were key to turning the company around.





Over \$400,000 in debt in 1932, it would be an equivalent of **9.2 MILLION** in 2024. They borrowed \$6,100 to stay afloat.

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Leaned on his Faith

He believed himself to be the only person of 250 employees who had hope and believed a recovery plan had to start with changing the ethical climate of the company.

As a devout Methodist he believed that the company needed policies that aligned with his ethical and moral views.

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Creation of the Test

Taylor sought a simple yet powerful ethical guideline that his employees could easily remember and apply in their work. After much contemplation and prayer, he devised the Four-Way Test, which consisted of just 24 words:

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The Four-Way Test

- 1. Is it the truth?**
- 2. Is it fair to all concerned?**
- 3. Will it build goodwill and better friendships?**
- 4. Will it be beneficial to all concerned?**

Employees embraced the principles, leading to improved honesty, fairness, and cooperation. Over time, the company's reputation improved, customer trust was restored, and profitability returned.

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In 1943, Rotary adopted the Four-Way Test as part of its Code of Ethics, Rotary's core values and commitment to high ethical standards. Today used as a guide, Rotarians around the world make decisions that align with Rotary's principles of service, integrity, and leadership.

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QUESTIONS

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THANK YOU!

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