

Does Culture Really Matter?

DII 2009 Best Practices Forum

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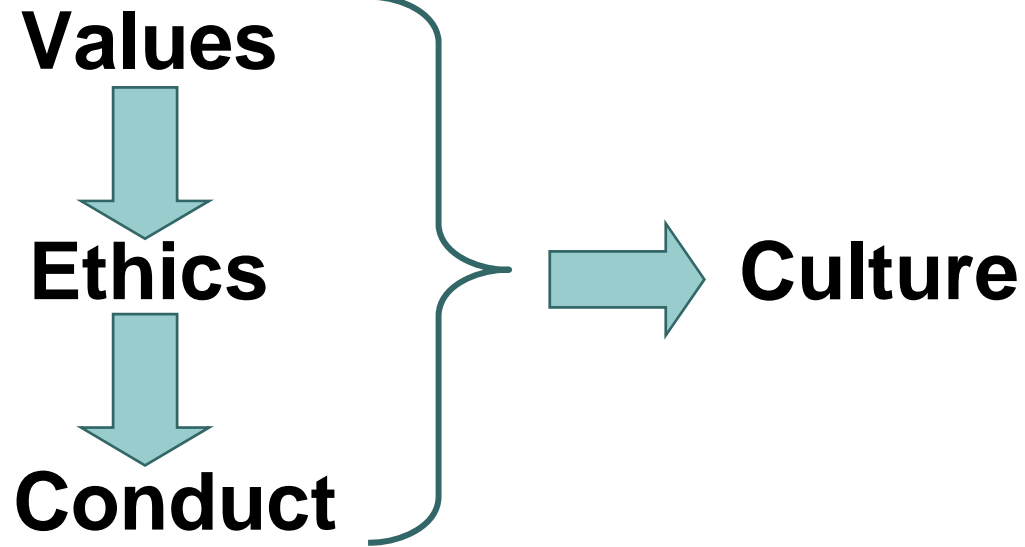
Does Culture Really Matter?

- Woolf Report
- Culture
- Leadership and example
- Why it matters
- What are companies doing?

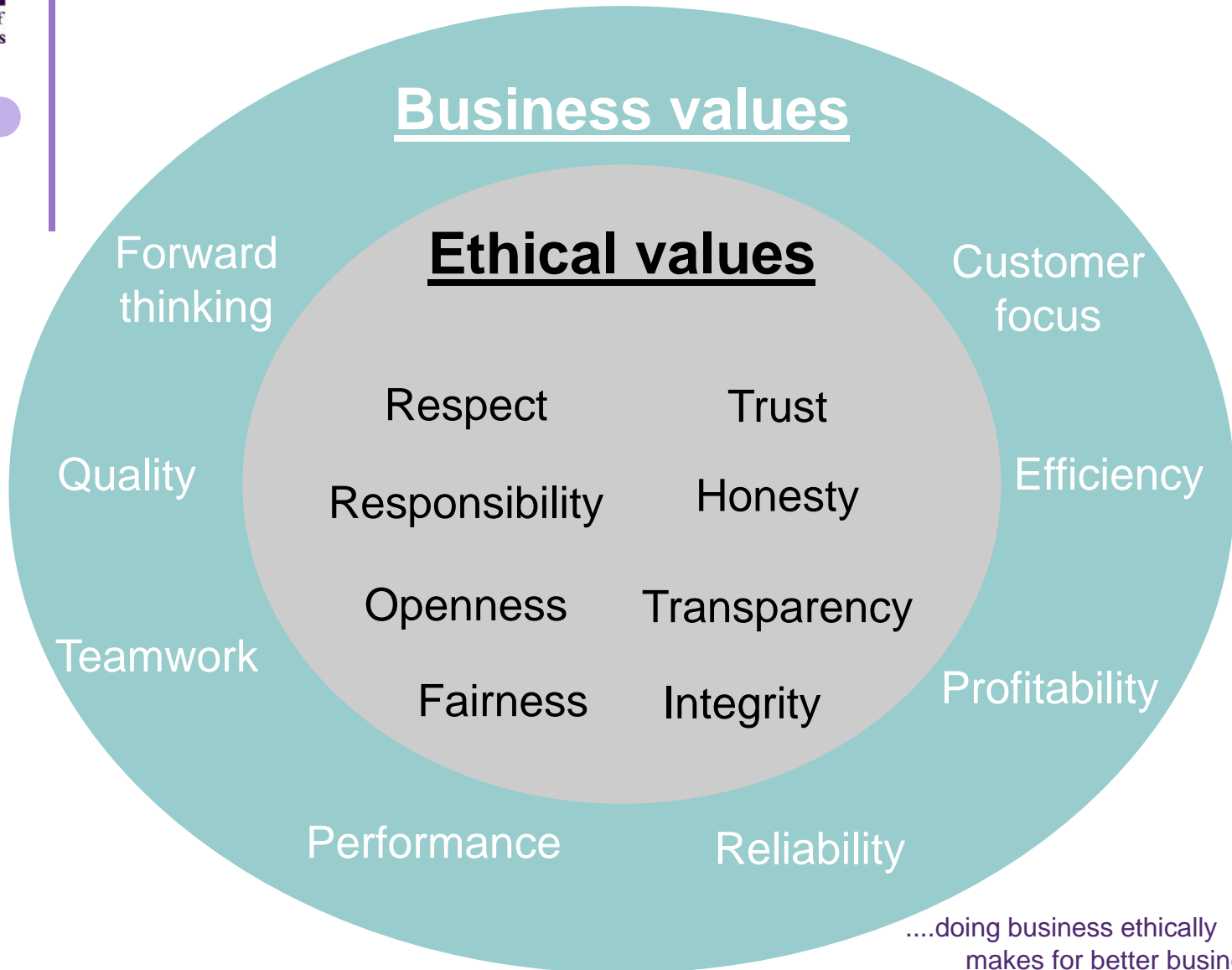
The Woolf Report

- Background
- Terms of Reference
- Woolf Report
 - Recommendations
 - Observations
- Progress

Culture



Identifying company values



When does a business problem involve ethics?

- When it is not covered by the law
- If it raises moral problems for a member of the team
- If it makes you reflect on what is a correct and incorrect response
- If you are forced to consider where your obligations and duties lie.

Conduct:

Why do employees 'do right'?

- Because it is the right thing to do..
- Moral compass
- Fear
- Asked someone
- Read the code

Conduct:

Why do employees 'do wrong'?

- Know no better
- Fear
- Ignorance
- Belief
- Pressure from others
- Culture of the organisation
- Desire for personal gain



Know no better....

Some **red** flags

If you hear someone say any of these, you can expect something unethical is about to happen!

- “Well, maybe just this once.”
- “No one will ever know.”
- “It doesn’t matter how it gets done as long as it gets done.”
- “Everyone does it.”
- “Don’t worry, it’s part of the culture.”
- “Shred that document.”
- “We can hide it.”
- “What’s in it for me?”
- “We didn’t have this conversation.”
- “I don’t want to know.”





Leadership

The importance of example

Practical Ethical Leadership

- Building trust
- Attributes
- Behaviours

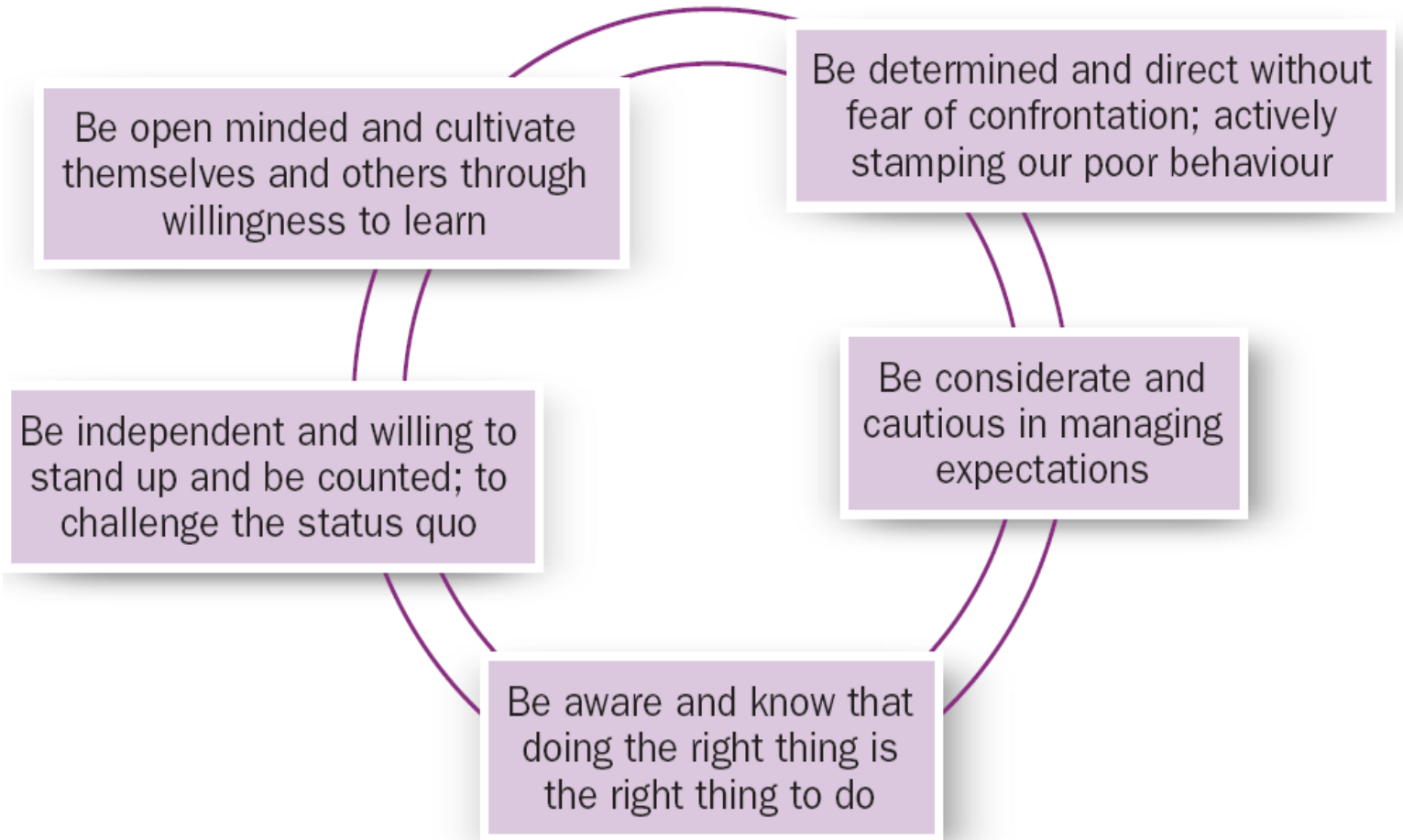
Attributes

Attributes of ethical leadership



Behaviours

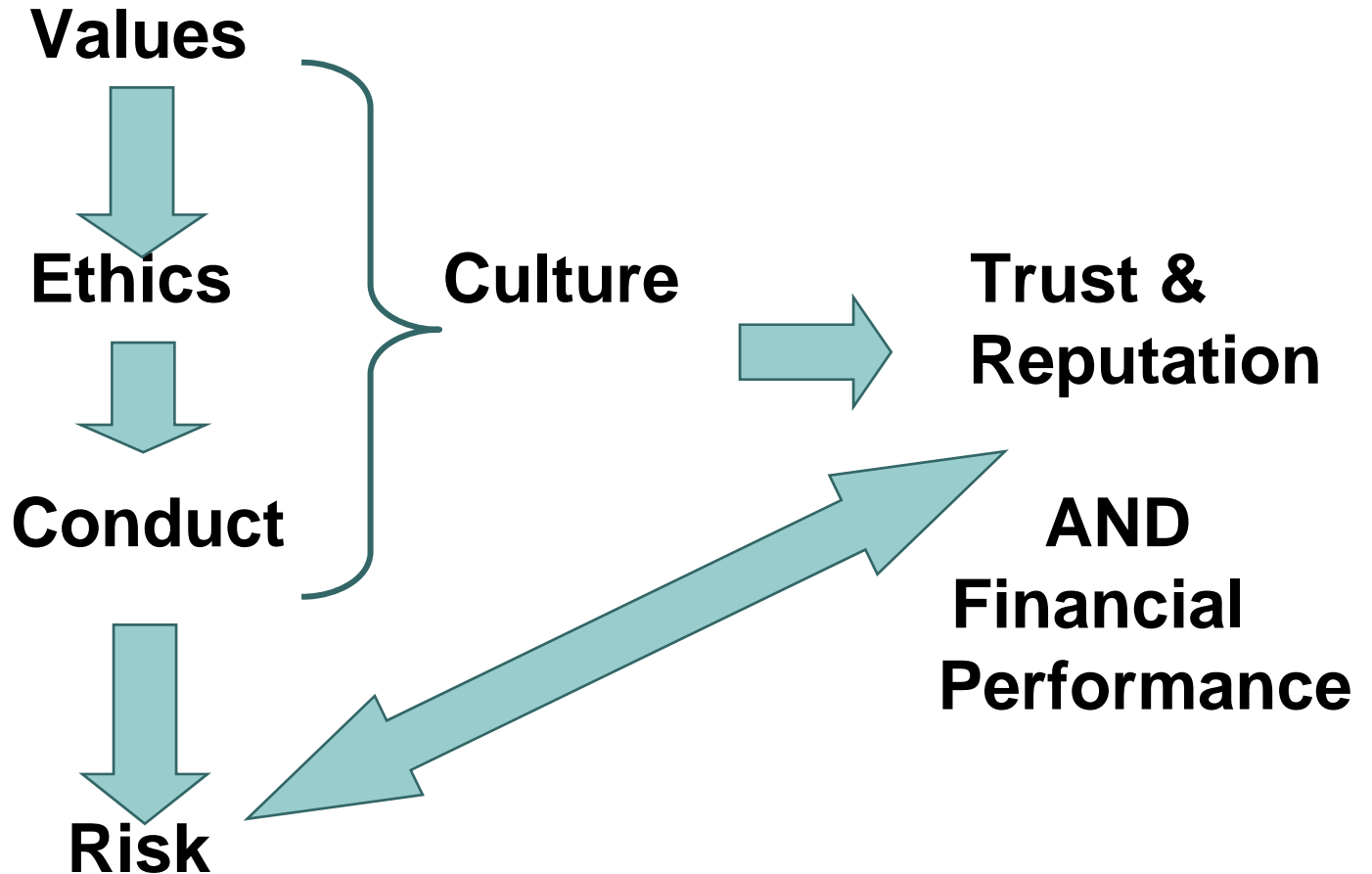
Behaviours of the ethical business leader





Why it matters...

Business Ethics



Profit and the price of life

Business Fraud on Rise Amid Credit
Crunch

PRIMARK FACES CUSTOMER EXODUS AFTER BBC 'CHILD LABOUR' ALLEGATIONS

BAE 'SECRETLY PAID' SAUDI PRINCE

SHELL REBUKED FOR 'GREENWASH' OVER AD FOR POLLUTING OIL PROJECT

EXPOSED: Energy Giant Cheats its Customers

JUDGE CRITICISES SIEMENS FOR FAILURES THAT LET FRAUD FLOURISH

BA Executives face charges over price-fixing

Nigeria sues drugs giant Pfizer

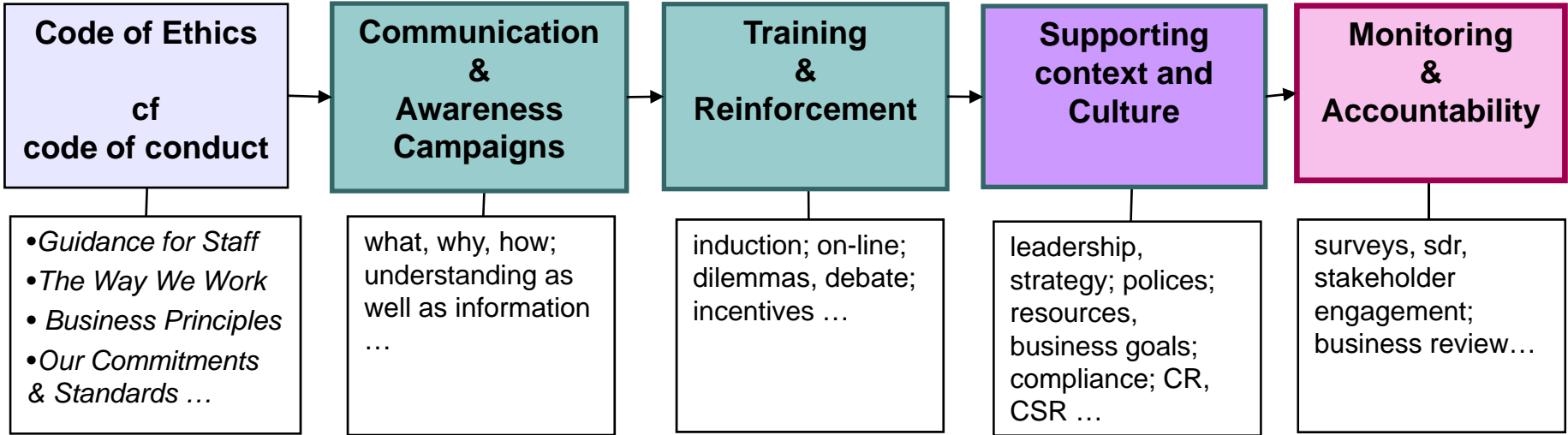


What are companies doing?

Elements of an effective ethics programme

Ethical Values -> Ethics Policy

embed, implement, make operational ...



Embed values & change behaviour

To motivate ethical behaviour....

- Embed the policy
- Work on the organisational culture

....EVERY DAY....

About the IBE

The IBE was established to encourage high standards of business behavior based on ethical values.

- Advisory
- Research
- Publications
- Training
- Forums
- Education

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