



## Business Ethics Practice

# Ethics and Compliance and the Path to Creating Value: The First 2 Years

# Strengthen Ethics to Create Value


- ✓ Improved financial performance\*
- ✓ More Accountability
- ✓ Positive market differentiation
- ✓ Confidence in new era of transparency

## Success



\*Source: Simon Webley and Elise More

# Strengthen Ethics to Avoid Failure



**Failure to  
comply**



Lawsuits

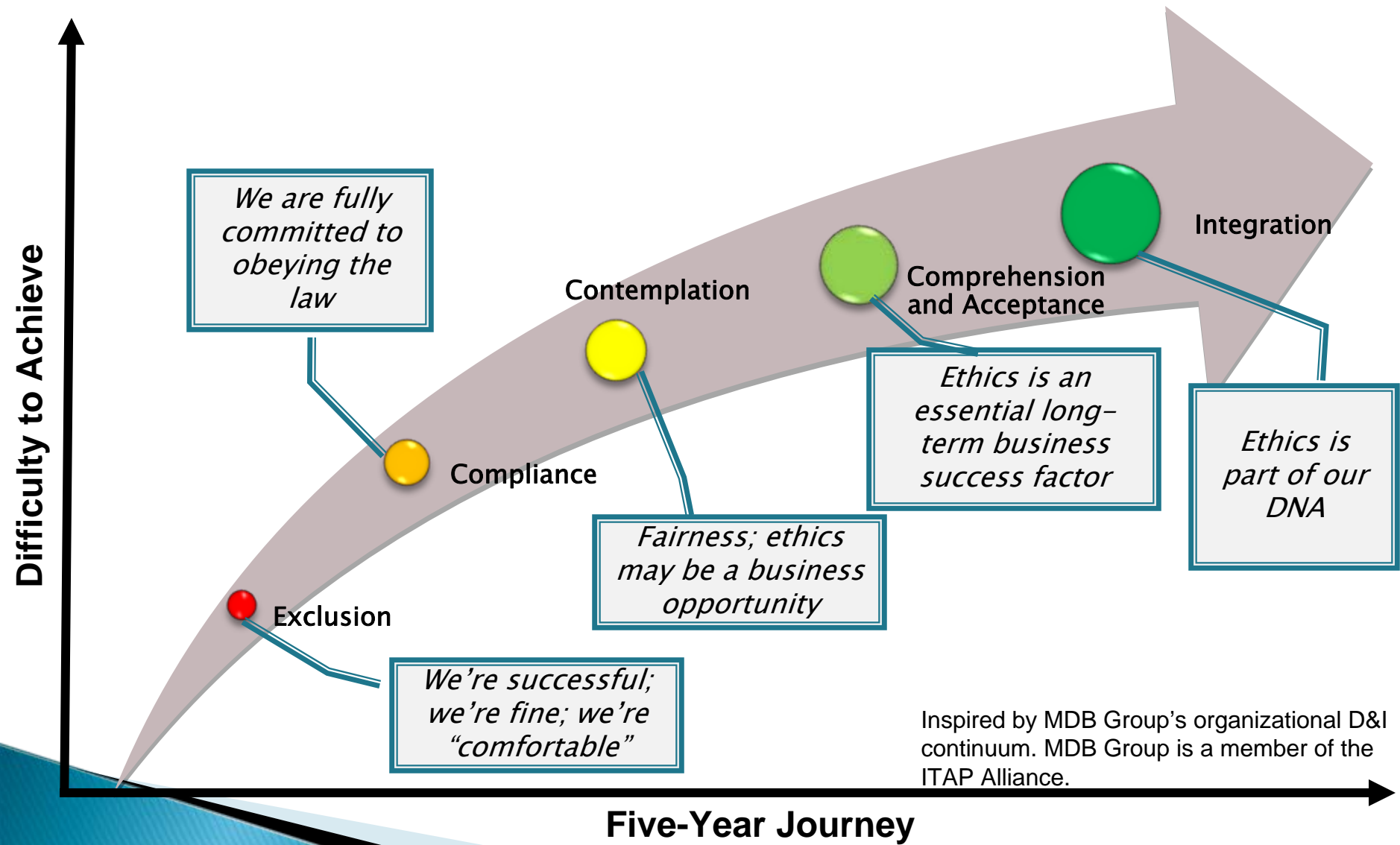
High legal fees

Brand's  
reputation suffer

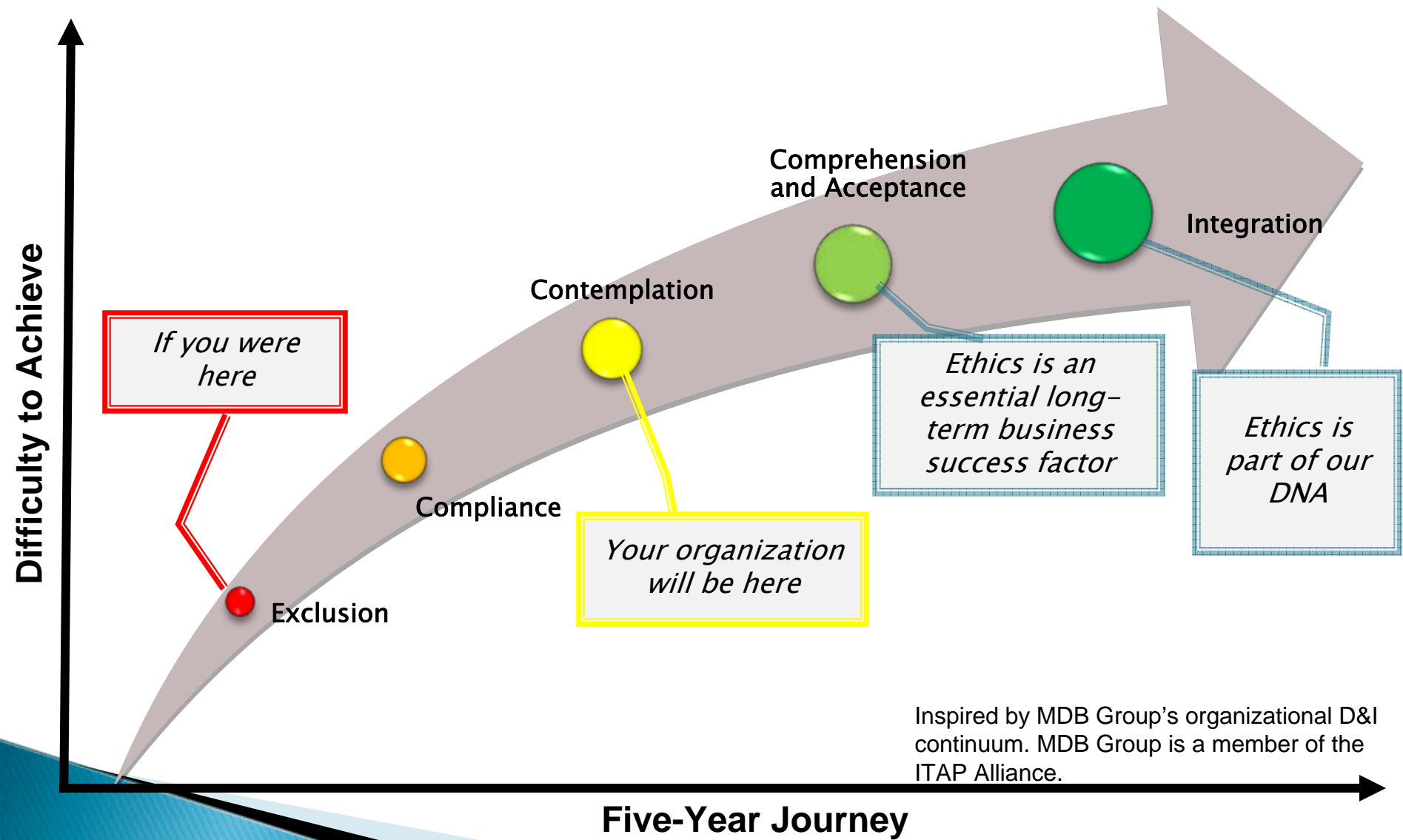
Lack of  
accountability

Low performance

# Benchmarks Along the Journey



# Steps Along the Journey



# Year 1: From Exclusion to Compliance

	Intervention
1	Design and facilitate a leadership development program
2	Launch an on-line learning platform
3	Review and strengthen oversight and auditing
4	Implement an ethics helpline to stop unlawful action and benchmark progress

# 1. Leadership Development

## ➤ Enlist and align the Board, Senior Executives and other core functions

- Focus on the state of the business
  - the business strategy

- Identify capabilities
  - process transformation, innovation

- Reinforce values-based governance



## 2. Launch an On-Line Learning Platform

- Interactive format engages employees' interest.
- Learning customized by role, level of responsibility, and day-to-day activities
- Manage certification and flag risks across the organization



# 3. Strengthen Oversight and Auditing

- Assess controls
- Evaluate vulnerabilities in specific risk areas
- Recommend improvements
- Strengthen controls



## 4. Implement an Ethics Helpline

- Reduce losses from fraud
- Improve insight into organizational behavior
- Enhance satisfaction among employees and other stakeholders
- Reduce financial, legal and reputational risk

ITAP can guide you as to whether you need an Internal helpline or a third-party system.



# Year 2: From Compliance to Contemplation

	Intervention
1	Develop a code of conduct
2	Spread awareness of the code of conduct among all stakeholders using various channels
3	Initiate an open conversation about the motivation for ethical conduct and misbehavior
4	Assess progress, analyze warning signs, and communicate results

# 1. Develop a Code of Conduct

- Construct a code of conduct that reflects your policies and values
- Support branding, graphic design, education, and communication



## 2. Spread Awareness of the Code of Conduct



- Evaluate the communication needs of your audience
- Ensure that the Code of Conduct conveys the same message across cultures and languages
- Tailor communication to the audience's language and culture

# 3. Initiate an Open Conversation

Misbehavior may hurt internal stakeholders:

Misbehavior may hurt external stakeholders:



# 4. Assess Progress and Analyze Warning Signs

- Insights from the on-line library:
  - What is the level of knowledge in my organization?
  - What are the risks and warning signs?
- Insights from the helpline:
  - What risks does organization face?
  - How often do problems arise?
  - How does my organization compares to the industry average?



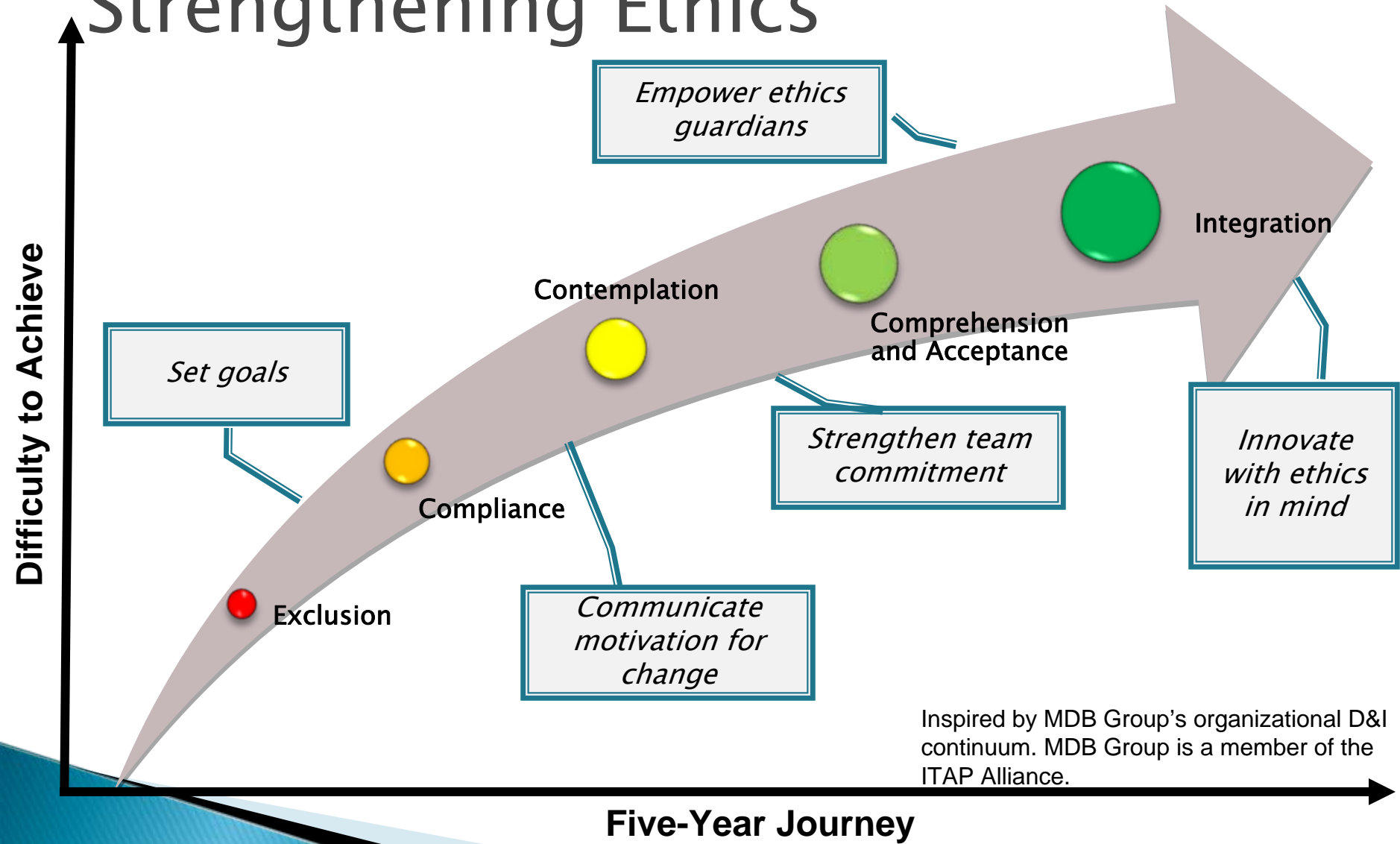
# The Journey Ahead

Are the insights from the assessment generating resistance, or inspiring greater Commitment?



- The next steps:
  - Assess progress, analyze warning signs, and communicate results
  - Explore and overcome cultural barriers within select teams
    - and more...

# Key Achievements Along Journey to Strengthening Ethics



# We would love to hear from you!

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