Session 305: The Values Based Approach

The sustainable way of achieving consistent ethical behavior

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SCCE 8th Annual Compliance & Ethics Institute
September 13-16, 2009 | Las Vegas, NV

“`These new regulations will fundamentally change the way we get around them.”`
“It is exceedingly difficult to realise the economic benefits of an ethical orientation without actually having an ethical orientation”

Dr. Lynn Sharpe Paine

Rules vs. Values

- Why people respond differently to these different approaches
- Why has the compliance approach predominated so far, even though there is evidence it isn’t sufficient/working?
- Rules aligned with values= compliance
Why measure values and how to develop them

- Organisations express their values through their culture
- Rules misaligned with values or limiting values in the culture cause compliance failures
- Cultural bias from headquarters leads to passive resistance and failure to embed your policy

Approaches to values management

- Random development
- Enforcement approach
- Process driven, systematic approach
You can’t just make up values and put them out there

- The need to understand the culture
- There is a relationship among values:

  Respect
  Accountability
  Integrity

Does the order matter?
Stages in the Development of Organisational Consciousness

1. Service
   - External Cohesion
   - Internal Cohesion
2. Transformation
3. Self-Esteem
4. Relationship
5. Survival

Positive Focus / Excessive Focus

SERVICE TO HUMANITY AND THE PLANET
- Social responsibility, future generations, long-term perspective, ethics, compassion, humility

EXTERNAL COHESION AND STRATEGIC ALLIANCES
- Collaboration, environmental awareness, community involvement, employee satisfaction, coaching/mentoring

INTERNAL COHESION
- Shared values, vision, commitment, integrity, trust, passion, creativity, openness, transparency

TRANSFORMATION
- Accountability, adaptability, empowerment, delegation, teamwork, innovation, goal orientation, personal growth

SELF-ESTEEM
- High performance, systems, processes, quality, best practices, pride in performance

RELATIONSHIP
- Employee recognition, loyalty, open communication, customer satisfaction, friendship

SURVIVAL
- Financial stability, shareholder value, profit, organisational growth, employee health and safety

Placement of values by level

Current Culture 100 Employees

Top Ten Values
1. tradition (L) (59)
2. diversity (54)
3. control (L) (53)
4. goals orientation (46)
5. knowledge (43)
6. creativity (42)
7. productivity (37)
8. image (L) (36)
9. profit (36)
10. open communication (31)
Cultural Entropy – Definition

Cultural entropy is the amount of energy in an organization that is consumed in unproductive work. It is a measure of the friction, and pent-up frustration that exists within an organization.
What do you do next?

- Mission/Vision
- Tools for decision making rather than detailed complex rules to follow
- Developing and telling stories
- Workshops and discussions at meetings
- Monitoring and measurement over time
Our values drive our actions

**Responsible**
We are leaders in Health, Safety and the Environment
We are good neighbours wherever we operate
We do business according to high ethical standards

**Respect**
We involve people and communicate in a straightforward way
We work together - helping and developing each other
We are “One Company” building on diversity

**Exceed**
Our customers’ and owners’ success is our business
We win through commitment and innovation
We deliver what we promise - and a little bit more

**Nimblicity™**
We are fit, fast and flexible
We create and capture opportunities
We seek the smart and simple solutions

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**Decision Tree**

Use the Decision Tree to help you decide whether a course of action is correct when you cannot otherwise find the answer in the Borealis Ethics Policy
Framework

For the occasions on which an issue or situation arises which falls into a ‘grey area’, use the following ‘Framework’ to guide your thinking:

1. Notice that you have an ethical issue in the first place:
   - Are you being asked to do something that you think may be wrong?
   - Are you aware of potentially illegal or unprofessional conduct by a colleague, contractor or supplier?

2. Think before you take any action:
   - Summarise the issue and define the problem.
   - Ask yourself, why is this a problem?
   - Consider what your options are.
   - Review all of the relevant facts and considerations.
   - Could someone else be affected?
   - Consult with others as appropriate and for guidance from the Legal Department.

3. Decide what course of action to take:
   - Review the Ethics Policy.
   - Consult others as defined elsewhere in the Ethics Policy.
   - Are there any legal or fiscal considerations?
   - Assess the risk and how they could be minimised.

Once you have formulated your decision:

1. Test your decision:
   - Apply Business Values to your decision – are they aligned?
   - Consult others: up line and across peers, one last time.

2. Present:
   - Communicate your decision and network appropriately. If necessary, changes are made to standard operating procedures where relevant.

New (?) skills for professionals

- Beyond the subject matter
- Cross-functional/interdisciplinary – team work, not silos
- Openness to the values of others – there may be no right way to do a wrong thing, but there are plenty of right ways to do a right thing!
Soft skills

• Listening
• Facilitation
• Strong influencing skills
• Story telling (and creating)
• Team development
• An ability to read the organisation from a “gestalt” perspective

Leadership, leadership

Leadership
Strong values led leadership is only a start however

- System alignment is critical
- Performance measures
- Incentives and compensation
- Reporting and information gathering
- Investigation protocols
- Disciplinary procedures and actions

We are living in an important moment for ethics & compliance

We have a responsibility to develop sustainable approaches
It's a Question of Ethics