


**Organisational Ethics:  
Making the intangible tangible**

Sally March and Jane Mitchell  
25<sup>th</sup> March 2018



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2018

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**“It is not an adequate ethical standard to aspire to get through the day without being indicted.”**

Richard Breeden,  
former chairman of the Securities and Exchange Commission

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**Board of Directors**

**“One of the key roles for the board includes establishing the culture, values and ethics of the company. It is important that the board sets the correct ‘tone at the top’. The directors should lead by example and ensure that good standards of behaviour permeate throughout all levels of the organization. This will help prevent misconduct, unethical practices, and support the delivery of long-term success.”**

*Preface to UK Corporate Governance Code*

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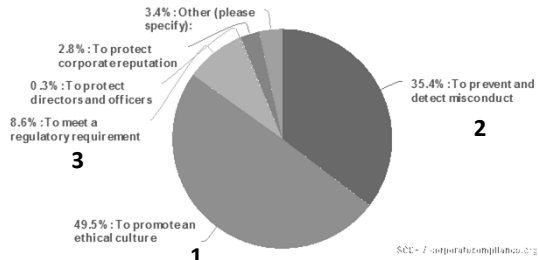
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**YOU**

What do you see as the primary objective of your ethics & compliance program?



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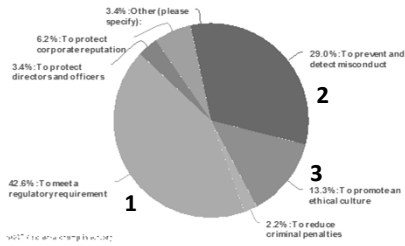
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**MANAGEMENT**

What do you think your organization's management sees as the primary objective of your ethics & compliance program?



SCCE / corporatecompliance.org

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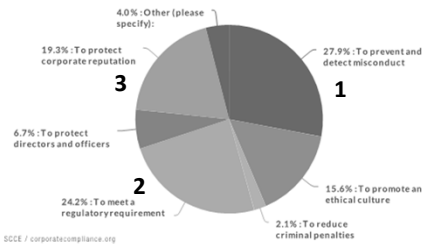
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**THE BOARD**

What do you think your organization's board of directors sees as the primary objective of your ethics & compliance program?



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## South Africa's King Code of Governance

Governance Element	Principle	Recommended Practice
1. Ethical Leadership	and corporate	citizenship
Responsible Leadership	1.1 The board should provide effective leadership based on an ethical foundation	Ethical leaders should: 1.1.1. direct the strategy and operations to build a sustainable business; 1.1.2. consider the short- and long-term impacts of the strategy on the economy, society and the environment; 1.1.3. do business ethically; 1.1.4. do not compromise the natural environment; and 1.1.5. take account of the company's impact on internal and external stakeholder

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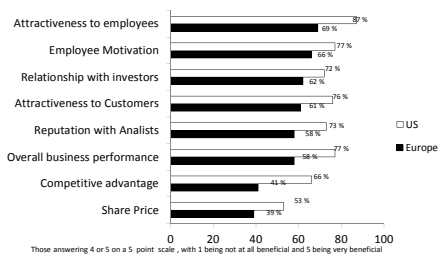
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## How Beneficial Is An Ethical Culture?



Source: CFO Europe Research Service

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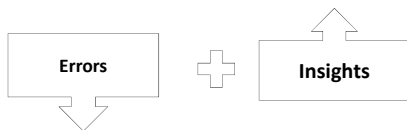
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## Performance Improvements =



Source - ©GaryKlein: Seeing What Others Don't

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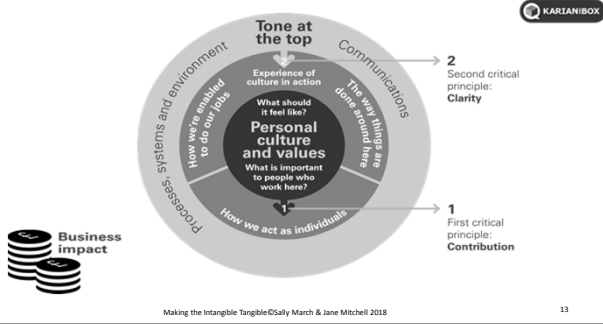
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## The Dimensions Of Cultural Analysis




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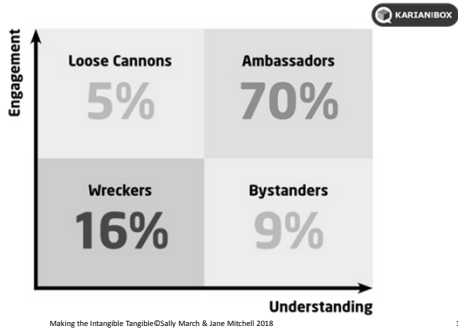
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## Engagement Matrix




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## Sources for more information

- Slide 3 – UK Corporate Governance Code – [www.frc.org.uk](http://www.frc.org.uk)
- Slides 4-6 – SCCE: [www.corporate-compliance.org](http://www.corporate-compliance.org)
- Slide 7 – King report on Corporate Governance: <http://www.iodsa.co.za/?king!!!>
- Slide 8 – Benefits of an ethical culture [http://www.accaglobal.com/documents/corporate\\_ethics\\_europe.pdf](http://www.accaglobal.com/documents/corporate_ethics_europe.pdf)
- Slide 9 – Gary Klein-Seeing what others don't: <https://www.gary-klein.com>
- Slides 10-12 – [www.Serco.com](http://www.Serco.com)
- Slides 13/14 – [www.karianandbox.com](http://www.karianandbox.com)

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