



Balancing the scales between Compliance and Ethics

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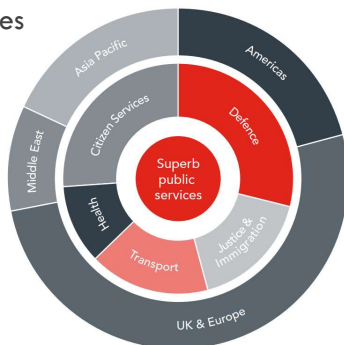
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Introductions

Serco

Partner of governments, delivering public services



£3,248m Revenue 50,000+ employees

JL&M

Advises FTSE 250 companies

Leadership guidance, corporate communications, culture assessment

Closing the 'saying' 'doing' gap

Joining dots

Speaking truth to power

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Today's context

The 'unprecedented' global crisis triggered a different world

Risk, practice, regulation priorities are shifting

Interdependence and interconnectedness is the reality

Shift of emphasis to concerns about humanity away from JDI

Do YOU need to shift the balance of your work?

Where can you make the most positive impact now?

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Question One

Which of these definitions most relates to what you believe Compliance to be?

1. Legal statutes and laws
2. Prevention of misconduct
3. Increased surveillance
4. Safety net for my company
5. Delivering organisational justice
6. A company's licence to operate

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Question Two

Which of these definitions most relates to what you believe Ethics to be?

1. Values-based behaviours for all
2. Values-based leadership
3. Doing the right thing
4. The spirit of the law, not just the letter of the law
5. Decision-making for the greater good
6. Who we are and what we stand for

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Impact on culture

Culture?: 'set of enduring and underlying assumptions and norms that determine how things are actually done in the organisation'

COMPLIANCE :

- ✓ Respect of the law
- ✓ What you must do
- ✓ Rules to follow for each situation
- ✓ Black and white
- ✓ Prevents and punishes misconduct

ETHICS:

- ✓ Application of values
- ✓ How and why you do business
- ✓ Individual judgement inspired by values
- ✓ Grey areas
- ✓ Promotes ethical conduct

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Defining a culture of integrity

- Guiding values and commitments make sense and are clearly communicated
- Leaders are personally committed, will scrutinise their decisions and role model
- Espoused values are integrated into normal channels of management decision making
- Systems and structures support and reinforce the values
- Managers are competent to make ethically sound day to day decisions
- Employees (all) are held to account for ethical behaviour

The Fraud Triangle



We believe that to reinforce a high performance culture...

There must be clear alignment between E&C and leaders

There is joined up thinking across the organisation

There is a consistent understanding of crisis management drivers

Agree the delivery of short term commitments *WHILE* keeping a longer term view

Values-based decision-making enables a focus on the absolutely necessary

Keep a close eye on ethics and behaviours to ensure culture is not dented in tough times

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Beyond Ethics and Compliance

In a time of crisis what value can an Ethics and Compliance department deliver?

- ✓ Pragmatism
- ✓ Risk focus
- ✓ Understanding and listening
- ✓ Concerns of senior management – Response – how can I support that?
- ✓ Connecting with individuals – offering support – (Everyone resource strapped)
- ✓ Help to carry the load
- ✓ Strong and regular communications

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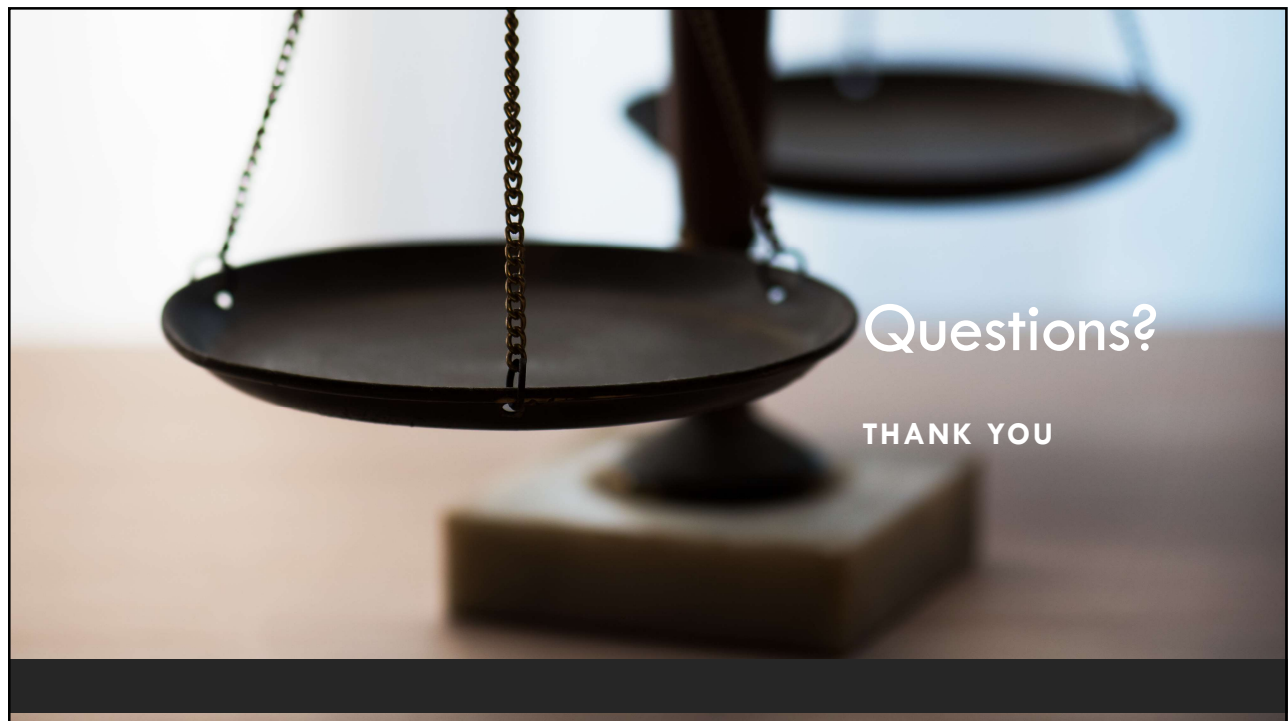
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Individually capture in the CHAT box

...one thing you can do to better balance ethics (culture) and compliance in your organisation, particularly in light of our world today.

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