

Cultural and Leadership Framework*:

The Foundation, People and Ethos, Systems and Processes

The Foundation

- A belief that ethics is everyone's responsibility.
- An articulated and inspirational social purpose.
- Thoughtfully identified core ethical values, whose meanings are clear to all employees, and continuous communication and training for all (including the board) to reinforce the values.
- A public commitment by leaders and managers to EBP, including some form of a public statement.
- Conscious commitment to continuous improvement, curiosity about the organisational culture and demonstration of the basis for placing trust in the organisation, involving listening and feedback from a wide range of internal and external stakeholders.
- Dedication to fairness in all aspects of the business and relationships.

People and Ethos

- Leaders who are fully committed to ethical values and understand their role in creating an ethical culture, and who set a strong, positive example.
- Employee involvement and engagement in fostering ethical business practice, such as using ethics ambassadors.
- Management with the personalities and skills required to promote open communication, ethical decision-making, deep listening and to hold others to account.
- Tolerance and encouragement of constructive conflict with no fear of reprisals for raising difficult issues.
- A collaborative atmosphere—work across functions, business units and cultures with curiosity and respect, and the ability to learn lessons and continuously improve.

Aligned Systems and Processes

- Processes and systems in alignment with ethical values and supporting ethical business practice, embedded in the business, not separate from it.
- Performance management systems and incentive schemes that reward good leadership and ethical behaviours, not just results, and that do not foster unethical behaviour.
- Provision of clear and adequate information and professional assistance to support all aspects of EBP.
- Honest auditing, measurement and monitoring to enable the organisation to demonstrate the existence of a strong ethical culture and the basis for trust.

* From, *Ethical Business Practice and Regulation: A Behavioural and Values-Based Approach to Compliance and Enforcement*, by Hodges and Steinholtz, Bloomsbury Professional Publishing, December 2017