



The Barge Church

Does Business need Christian Ethics?

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What we will cover

- **Why bother** with organisational ethics ?
- **Core values** of an organisation
- Some key **ethics issues**
- What is required for an **ethics policy** to work?



1. Why bother?



Why bother with ethics in an organisation?

- **It is: “Doing the right thing”**
- **It lessens risks and enhances reputation**
- **It attracts and helps to retain good staff**
- **It enhances (financial) performance**
- **It is good citizenship**



Law and ethics

Legal position of an organisation

- *what it must do*

Ethical responsibility of a organisation

- *how it does it*

Remember:

- **Ethics** is discretionary - **Law** is mandatory
- Ethics must be based on values: distinguish between *Organisational Values* and *Ethical Values*

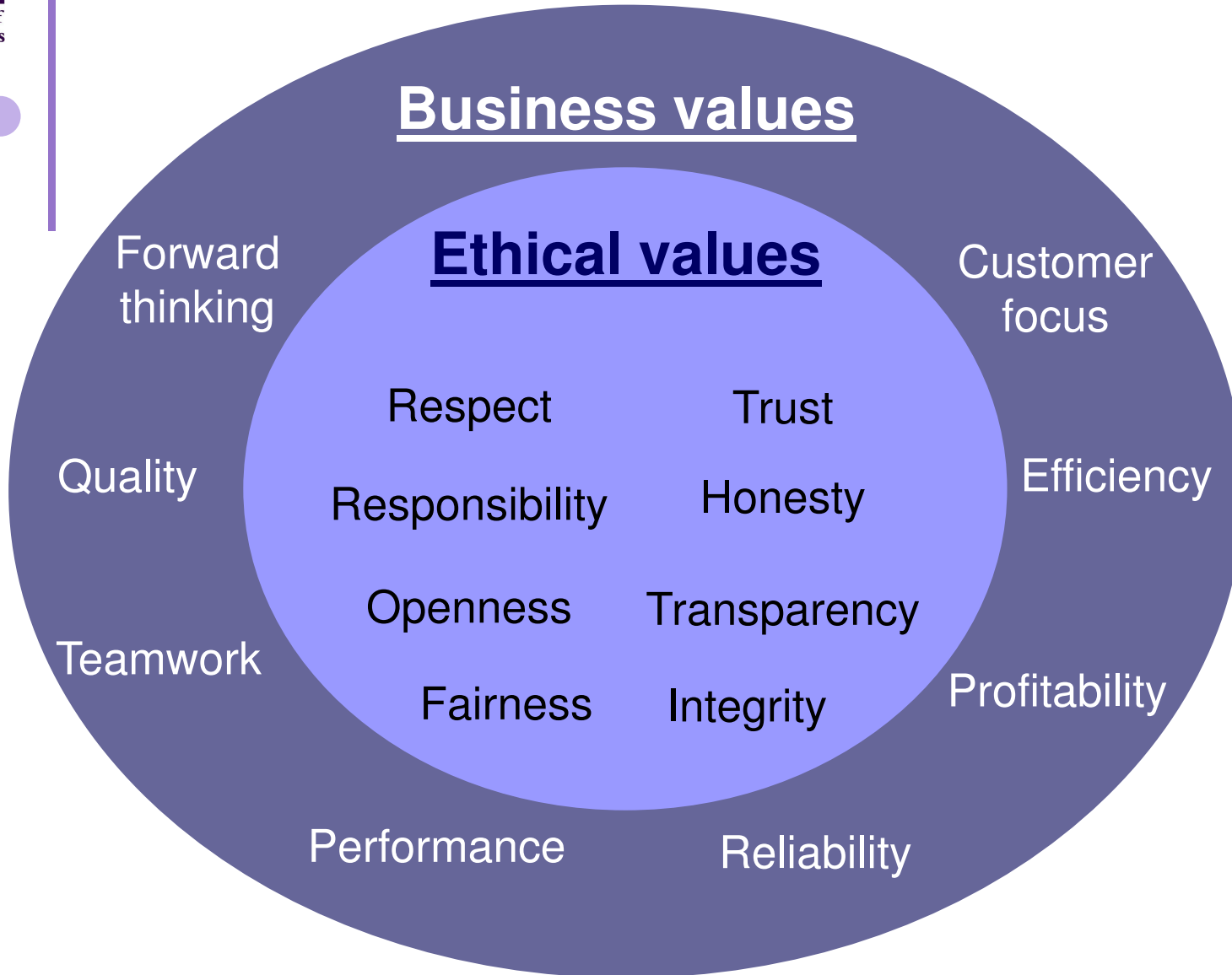


2. Core Ethical Values



Values and Ethics

- All businesses operate on the basis of core values – implicit or explicit.
- These include *business* values and *ethical* values.





Where do these come from?

Anthropologists tell us that community values have their origins in **religious beliefs**

Individual values are normally taught from an **early age**

Unless these are personally recognised and accepted, individuals tend to acquire **peer group values**

The predominant values in the UK are derived from **Christian** teaching



Are core Christian values given recognised in codes of ethics?

Two are conspicuous by their absence in most corporate codes

- Love (consideration, respect)
- Forgiveness (second chance)



Why is this relevant for organisations?

- You cannot assume that all employees will bring the same values to an organisation
- Nor can you assume those with whom an organisation works will have similar values to yours
- So, The Corporate Governance Code states:



The UK Corporate Governance Code (2010)

States:

“The board should set the company’s values and standards and ensure that its obligations to its shareholders and others are understood and met.”

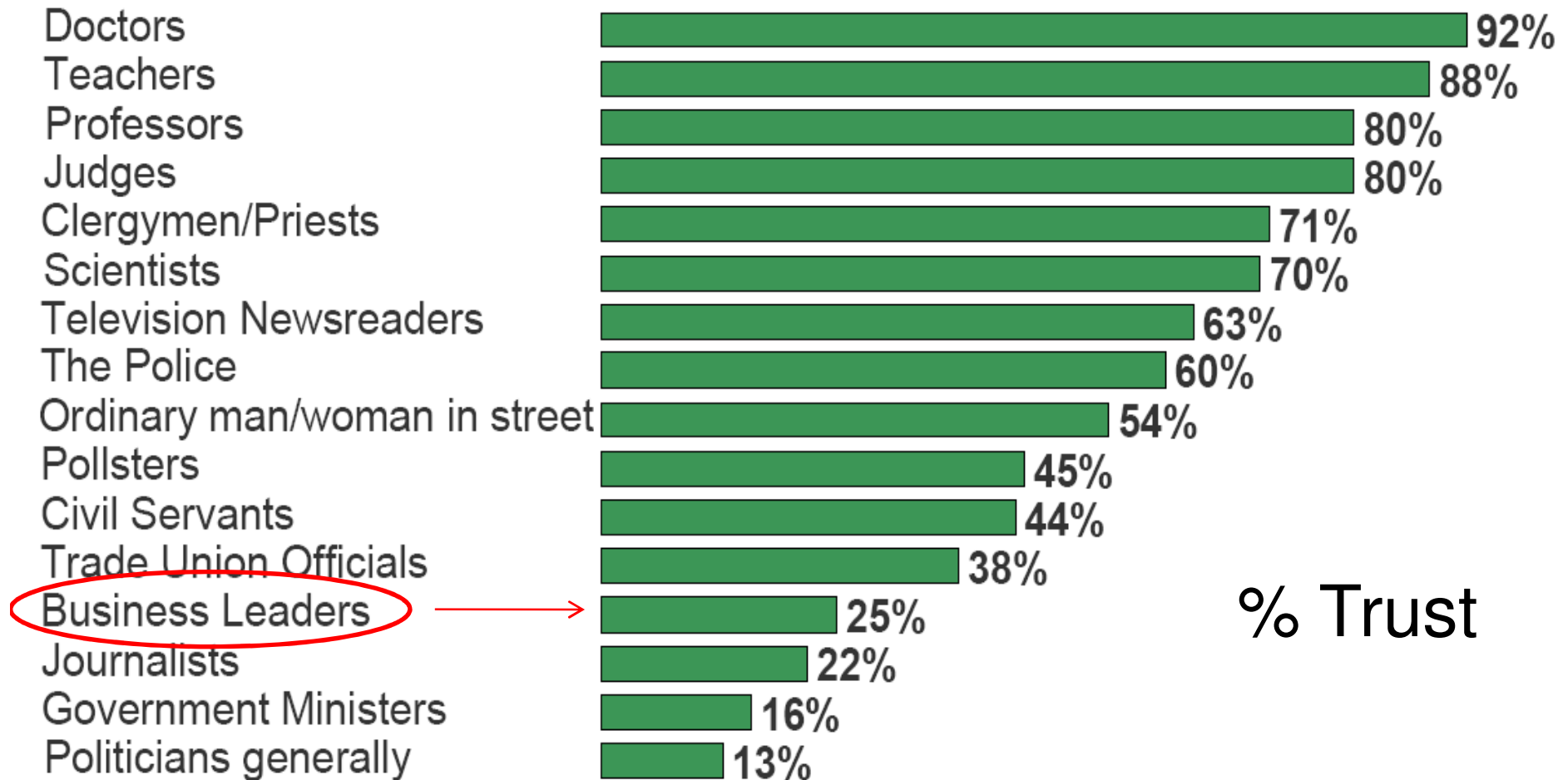


Ethical leadership is required

- At all levels of management
- Employees have to be encouraged to use the *ought* and *should* words about their work
- Business needs those with ethical sensitivities to take a lead
- Christians should be among these.

Trust in integrity of business

Q: Who would you generally trust to tell the truth, or not?"





3. Some key ethics issues on which guidance is given



Some corporate ethics current topics

Remuneration issues

Harassment & discrimination

Conflicts of interest

Speak up policies (whistleblowing)

Supply chain management

Bribery, incl. 'facilitation' payments

Environmental responsibility

Payments to suppliers

Gifts & entertainment

Work/home balance



4. The basis of an effective policy and programme



The primary aim of any
policy or programme is to:

***Embed the values of an
organisation to produce a
culture of integrity
throughout it.***



How is this done?

Usually with a code of ethics or conduct.

Its purpose is to:

- **Give guidance to staff on behaviour**
- **Provide a framework to resolve dilemmas which emerge in the course of day-to-day business**



Reviews of codes of ethics shows that:

- Few are written with the user in mind
- Some are collections of policies on different issues
- Some are couched in '*do this or else....*' language
- Some are large & glossy while others are memoranda



Beside the code ...

there will need to be other tools in place including:

- **A continuous training programme**
- **Means to obtain advice**
- **Means to report suspected violations**
- **Surveys of employees and others of their awareness of the code and its provisions**
- **Regular reports to the board and employees**



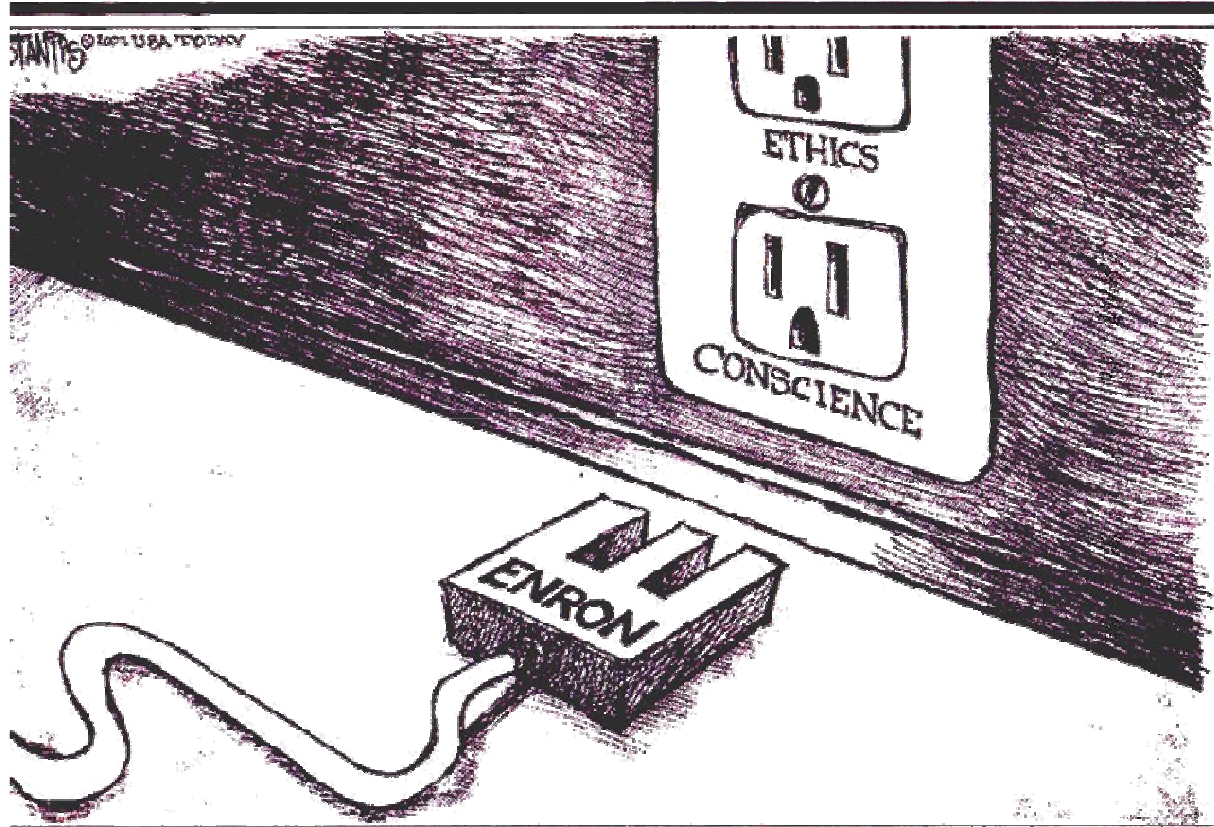
But beware.....





A WARNING ...

USA TODAY · WEDNESDAY, JANUARY 16, 2002 · 11A



By Scott Stantis, The Birmingham (Ala.) News, for USA TODAY



Most ethical lapses can be traced to two causes:

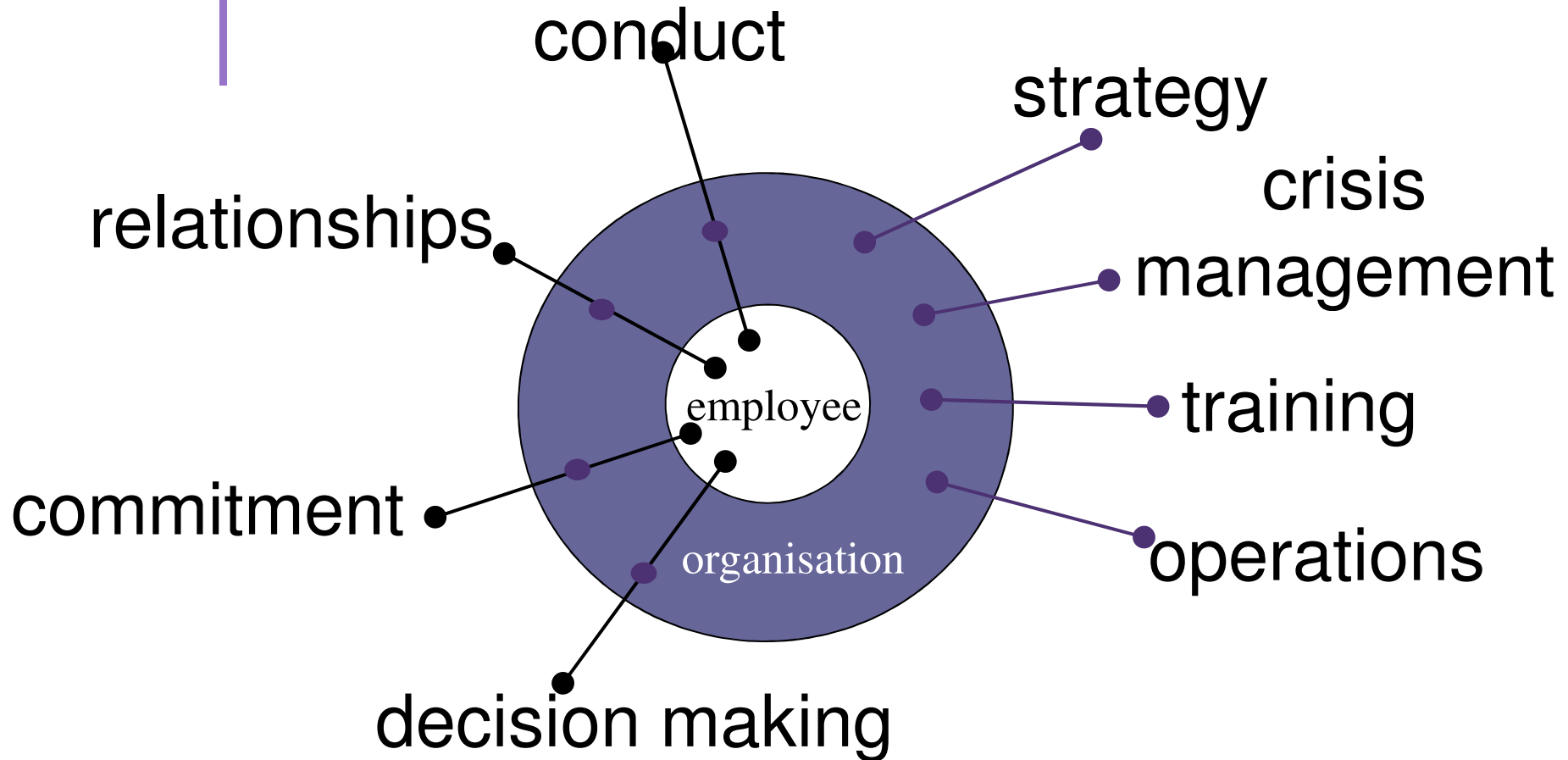
- First, A leadership where ethical values are not seen as fundamental in the organisation
- Second, fear of ‘speaking up’ when mal practice is recognised



4. What is required for the policy to work?

An understanding that Ethics relevant

- **EVERYWHERE!**





Remember...

- A good **Reputation** is vital for a sustainable operation
- **Trust** is a key ethical value in any organisation
- **Guidance to staff** on ethical behaviour is essential
- **Everyone** is responsible for ethics in your organisation
- Those who believe corporate behaviour matters must **'speak up'**



- **Codes** are necessary but **NOT** sufficient
- Personal **Example** is critical
- To act ethically can be **costly** and often requires courage
- **Christians are among those who know something of what this means**



Thank you!
Any Questions?

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