



# Ethics and the new professionalism

*Columnist: Mandy Lamkin, Enrich Australia director*

If the current priorities of businesses in the financial services sector could be summed up, it could well be that there's a dual focus on productivity and the perception of financial advice. While addressing both is a daunting prospect, the solution for one – perception of advice – is also a way to support business outcomes.

Ethical themes are, of course, not new to this industry. But rarely has there been a time like the present when we're all grappling to some extent with a variety of ethical challenges. No one could reasonably argue that such issues do not directly impact on bottom lines or that now isn't the time to come to terms with them.

Before going further, a definition of ethics is appropriate so we can move onto the potential of the concept. Succinctly put, ethics are human principles guided by values, which motivate our behaviour or response to perceived conflict. They are especially relevant when this involves other people, which is much of the time. Hence, addressing the interests of the stakeholders in any conflict is fundamental to helping to resolve it and also where it can come unstuck.

The relationships in business predisposed to ethical conflict are wider and deeper than in our personal life. While they impact on efficiency, customer care and staff commitment, ethics also rap loudly at the gate to the moral maze of conflicts of interest, contract agreements, staff rewards, marketing – almost any management decision you can think of. And these days, there's carbon footprint and corporate social responsibility to add to the mix.

Unfortunately, instruments like values or mission statements, which previously satisfied customers and recruits, can scarcely be expected to verify the alignment of a company's tactics with appropriate ethical responses. Nor can they fully demonstrate the degree of seriousness with which a business takes this area.

To work effectively and effortlessly, ethics need to form part of an organisation's genetic material and shape a specific strategy or program that can be widely applied across a business to meet diverse needs. This is achieved, in the first instance, through introspection, business acumen and management disciplines attuned to trust and the things that build it.

## ETHICS-IN-ACTION WILL WORK

Doing the right thing is different things to different people, but the general understanding and boundaries around the concept of ethics are less flexible. Humans are mentally hard-wired to behave, judge and react in certain ways. Even though differences exist in belief, conditioning, personal values, needs and so on, there are some attitudes common across our species and this is a big one.

Why is this useful to you? Because if you were to establish and commit to an ethics strategy in your organisation – and not rely on the ethical interpretations of individuals on your team – then you can rely on certain outcomes. Taking this into account, an ethics strategy can:

- align business expectations and purpose across an organisation, especially in turbulent times;
- create and reinforce cohesive teamwork that feeds productivity;
- reconcile competing values in practices and services;
- send clients an unambiguous message on your integrity and honesty;
- provide practical resources for responsibly managing conflict;
- create authentic marketing to a cynical public;
- clarify and convey employer/employee relationships and obligations;
- deliver an additional level of business insurance; and
- define your actual stakeholders and their interests.

## HOW IT WORKS IN PRACTICE

While appreciating these outcomes might be one thing, it's perhaps less easy to see how the program might work in practice. Managing ethics in a business needs to be broken down

into distinct areas before being collectively reconciled for practical application. This not only makes a complex task more attractive, graspable and efficient, but also helps you identify where fundamental change is needed and what specific objectives should be devised.

Let me say here that the purpose of an ethics program is not about weeding out the dishonest or unethical ones among your people – it is for empowerment, communication, acknowledgement and inspiring great outcomes for everyone. Other motivations will risk making it counterproductive – and unethical.

## THE CHALLENGE OF CONSISTENCY

Most people join or run organisations to accomplish some personal purpose, so it's the solid design of an ethics regime that gives birth to the reasons why your team will embrace it. Everyone wins not only from the meaning it engenders but the brilliant union of business and personal outcomes.

It's essential, however, to have consistent, demonstrable commitment from a company's hierarchy for an ethics program.

Externally, the effect of this consistency soon becomes a point of differentiation with clients and prospects who keenly sense satisfaction – or discontent – within a business.

## A FINAL WORD

Getting it right every time is not a realistic indicator for the success of ethical strategies – if it was, this would be a long-redundant and unpopular concept. Ethical practice is about the processes and motivation we use to humanely participate in our world and work responsibly in our community. Integrity is also measured by the steps we willingly take to analyse, accept and correct any mistakes. Nothing replaces good, strong leadership within an organisation; but a living, breathing ethics strategy is much more than just the next best thing. «

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