



Sharing Ideas and Successful Practices in Business Ethics 2009

21st - 23rd January 2009

The sixth European Business Ethics Forum took place in Paris in January. It was hosted this year by Cercle d'Éthique des Affaires-Cercle Européen des Déontologues (France), and organised jointly with ECOA (US), the Institute of Business Ethics (UK) and the European Business Ethics Network. All four organising groups flagged the significance of the current economic climate and the new political agenda in the US, and the important role that business ethics has to play in rebuilding trust and confidence in business.

This year over 90 participants enjoyed four illuminating plenary sessions. The first was led by Angel Gurría, Secretary General, OECD. Mr Gurría referred to the role of the OECD in bringing a stronger and cleaner world economy free from corruption, limiting the chances of a repeat of recent events. He described the OECD's suite of guidelines and tools, how these are evolving and the support that is given to encourage cooperation among developing economies (a full script will be available here:

http://www.oecd.org/document/3/0,3343,en_2649_34487_420332_19_1_1_1_1,00.html).

The second plenary was led by Dr Klaus Moosmayer, Compliance Operating Officer at Siemens. A German company, founded in 1847, it operates in 80 countries with 400 000 employees. In 2008, it made a settlement with US Authorities and the Munich prosecutor following a fraud scandal which came to light in 2006. A former Finance Minister is monitoring Siemens for 4 years as part of the settlement. The speaker described how Siemens has been recovering and how a lack of leadership and compliance were contributing factors. A drastic leadership and cultural change is taking place. This was an important step in convincing the US authorities that they could be cooperative. In 2007, Siemens devised a new compliance programme with 600 compliance staff and 100 controls in an implementation Toolkit, including a test for the tone at the top (Dr Moosmayer's presentation slides are

available here: http://www.ebef.eu/Business_Ethics_Paris_22-01-09.pdf).

On day two, the first plenary consisted of a panel discussion with 3 speakers from national professional bodies describing how they work to promote ethical standards in business.

Renate Hornung-Draus said that one role of The Confederation of German Employers (which represents employers of all sizes of 80% of the workforce in Germany), has been to set up a working party to provide a confidential platform to help and advise companies. They have also provided reports on, for example, how companies can demonstrate that they are acting responsibly. They have set up an internet portal called CSR Germany, to provide accumulated information about the diverse practices in business on ethical behaviour and to demonstrate their active commitment. A further role is to ensure that government activity is conducive to helping rather than hindering companies with ethical standards.

Robert Leblanc, President of the ethics committee of MEDEF – an French employers' organization, explained how the committee used high profile figures in the media to promote ethical values in business. The committee focused on certain issues such as sustainable development, remuneration and corruption. But, he felt that putting things in writing is not enough, so MEDEF also offers training.

Peter Montagnon is Director of Investment Affairs for the Association of British Insurers which represents insurers of all types. It has established disclosure guidelines calling on boards to state that they had consider the environmental, social and governance issues. It did not impose a rule but expected boards to consider these things actively. The disclosure guidelines apply to the insurance companies as well as the companies they in which they invest. The ABI does not tell its members what they must do - it advises particularly on issues that matter to the public and what government expects. However, it is up to companies to develop and own their own notions of responsibility. Finally, Peter explained that it was important not to talk about corporate social responsibility when the issues were about business ethics.

During the final plenary of the conference, the audience heard Philippa Foster Back, Director of the Institute of Business Ethics in London, describe her experiences as a member of the Woolf Committee. This was set up by BAE Systems, following recent high profile allegations and scandals, with a remit of reviewing its ethical position and practice with reference to good practice in other

multinational companies and to make recommendations. From the outset BAE agreed that it would abide by the committee's recommendations. Philippa worked with a former Lord Chief Justice, a London City senior banker and a former CEO of Coca Cola. They were given open access to the company and the process was fully transparent. When asked what the biggest surprises were, Philippa mentioned the impact that the Woolf report had had: many companies are using the recommendations to benchmark their own practice; how at BAE board level the issues were being acknowledged in an open way; and how BAE had itself cancelled all its agent relationships around the world.

The emphasis at this event is always sharing, and this is helped by the trusting and friendly atmosphere; after 6 years we are a familiar group of practitioners in business ethics and compliance from a range of US and European companies, subsidiaries and sectors. During the conference, three programmes of four concurrent and interactive breakout sessions allowed participants to share their experiences with each other on topics including Getting the Board on Board, Ethics on a shoe string, Effective ethics officers, and Recovering from corporate ethical damage. The break-out sessions are led by one of the participants themselves – everyone is considered to have an expertise or experience worth sharing.

The participants enjoyed dinner at the impressive Automobile Club of France overlooking the Place de la Concorde thanks to sponsorship by GDF Suez and Total.

Some comments from EBEF 2009 participants:

An excellent forum to keep abreast of new developments and pick up new ideas and for networking.

Being new in the Ethics world I learned a lot

EBEF remains an excellent opportunity to meet with peers and discuss relevant topics.

One of the few opportunities I have to discuss such issues internationally any across sectors.