

best practice

Taking the right route to restoring public trust?

With public trust in big business remaining fragile, the IBE and CISI have relaunched Investing in Integrity (IiI) as a chartermark, founded in 2012, which enables an organisation to reassure its key stakeholders that its business can demonstrate a commitment to address conduct and behaviour risk and act with integrity at all times.

According to a recent study from the Institute of Business Ethics (IBE), the British public seems to have become less ambivalent about business behaviour. In 2012, 15% expressed no opinion, but in 2014 only 2% did not have an opinion on business behaviour. Tax avoidance and executive pay are still firmly on the public's agenda as is exploitative labour.

And last month's ComRes poll, commissioned by the Forum of Private Business, the small business membership organisation, showed that over three quarters (78%) of adults in Britain agree that big businesses are more likely to prioritise profits over high ethical standards.

In such a climate, the time is ripe for the relaunch of Investing in Integrity (IiI), the chartermark established by the Institute of Business Ethics (IBE) and the Chartered Institute for Securities & Investment (CISI), that demonstrates a company's commitment to ethical behaviour.

Simon Culhane chief executive, CISI, comments: "Investing in Integrity is, I believe, very much in tune with the times and the needs of, not just the financial services industry but industry in general. Being able to publicly demonstrate a commitment to acting with integrity has never been more valuable."

To achieve accreditation, an organisation must carry out a 2-step process. The first stage is a management self assessment survey; the second stage is an independent assessment carried out by an experienced assessor to verify the management survey. This assessment includes site visits, policy and procedure reviews, management interviews and an employee survey.

The second stage audit is carried out by GoodCorporation. Debbie Ramsay, Good Corporation's business



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development director, explains: "Basically we're looking for evidence of what companies are saying happens in stage one. We look at their policies and check that there is tangible proof. We talk to the people who are responsible for everything that's said in Stage One, regardless of where they are."

The type of questions asked tackle issues head on. For example, "Do you feel managers take poor behaviour seriously and discipline it?" And "Do you managers bend the rules ever to get the job done?"

"Stage one really gives companies a sense of how well they are doing. Stage two is about finding out how well embedded those values are. Once a company has gone through Stage One, they'll see if they have enough in place to go onto Stage two," Ramsay adds.

So far only five companies have achieved the chartermark. Supreme Group is one that has successfully

negotiated the comprehensive 2-step audit.

An international organisation that offers logistic services in difficult to reach places - up until recently it was responsible for supplying all the food and fuel to US troops based in Afghanistan - it's been a family business since the Fifties but has grown exponentially, through large contract wins, in the last 10-15 years. It works at government and country levels.

As its chief ethics & compliance officer, Emma Sharma explains that Supreme considers it best practice to verify its operations every 2-3 years. "So as an organisation you usually face the choice of using one of the big six firms which can prove fiendishly expensive," she says. But while attending the European Business Ethics Forum she heard about the IiI - which she calls the 'triple i' - chartermark.

Sharma acknowledges that Supreme has put a lot of effort into its ethics programme - it has a large

ethics team of 9 - so she was keen to demonstrate that its investment was indeed making a difference.

Sharma likes the IiI approach to audit too. "It's a multi-layer approach, if gruelling, which makes it more useful to show that the organisation is 'on track'."

Supreme completed both stages in 6 months. However, Sharma highlights that it required a very high level of commitment to do it within such a short time frame. Indeed, she had three team members working on it full-time.

Sharma believes that many companies have a tick box approach to compliance. They have the code of conduct and the programmes in place but that's it.

"Integrity isn't at their core. At Supreme are serious about embedding our ethical values. Gaining IiI accreditation means that we can show, and not just say, we're ethical," she says.