

**From Compliance to Integrity:
Driving an Integrity Agenda in an
increasingly complex world**

What is this gap between Intentions and Organisational Behaviour?



Our “self image” differs from our real behaviour

- ▶ In a controlled exercise people were asked how they will react to an offensive question in recruitment interview. (Do you have a girlfriend/boyfriend? Do you perceive yourself attractive?)
- ▶ 65 % of participants declared they would either object to such questions or would refuse to answer them

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- ▶ When the reference group were directly asked these questions in an interview they all answered

Our real behavior differs from our expectations

Behavioural psychologists say

- ▶ When we imagine a future event, we think about high-level principles and attitudes
- ▶ However, when we face the actual situation we focus on details and pragmatic considerations
- ▶ Our behavior becomes automatic, as we switch to a “fight-or-flight” mode of quick and intuitive responses
- ▶ The ethical dimension of our decision-making fades away

The Cheat Sheet

Two controlled groups did a mathematical test. They were promised a financial reward for each correct answer

For the first group the test was corrected by an external examiner

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The psychologists conclude that the second group obviously cheat. They could cheat more (and have a higher reward) as the risk is zero, but they want to look as if they are not cheating

People cheat “less than they can, but more than they should”

- ▶ An individual’s self-image and their desire to be seen as honest can help to avoid cheating – but they do not prevent it happening
- ▶ Psychologists observe that people tend to cheat less than they might get away with, even when assured of no possibility of detection and a guaranteed financial reward

Irrationality and Ethical Stimulus

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- ▶ The second control group had an additional task of reciting a Shakespeare sonnet

Irrationality and Ethical Stimulus

- ▶ In another mathematical test (self-corrected; told the test would be destroyed) a first control group had an additional task of reciting the Ten Commandments
- ▶ The second control group had an additional task of reciting a Shakespeare sonnet
- ▶ The first group cheated less than the second one

Psychologists concluded that there is NO rational explanation. People irrationally behave ethically when they are under influence of ethical stimulus

What does this all mean?

- ▶ Our unconscious biases do not make us bad people; however, they are 100% worth considering if we want our people to do the right thing
- ▶ Ethics is often 'taken for granted': Without a pressing need to tackle compliance issues, both employees and leaders tend to think that no special focus on ethics is necessary as it's already there

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- ▶ Our unconscious biases do not make us bad people; however, they are 100% worth considering if we want our people to do the right thing
- ▶ Ethics is often 'taken for granted': Without a pressing need to tackle compliance issues, both employees and leaders tend to think that no special focus on ethics is necessary as it's already there
- ▶ Behavioral ethics demonstrates why this assumption is not reasonable and that our natural inclinations to sometimes give ourselves permission to depart from usual ethical standards should be accounted for
- ▶ Value based-compliance and risk management is important to success.