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LEADING WITH INTEGRITY: DOING WHAT'S RIGHT

A leader's guide to building a culture of good decision-making | 2019

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INTRODUCTION

It is a well-known line in the business world. Responding to a question about what qualities he looks for in a new hire, the investor Warren Buffett identified intelligence, energy and integrity – adding that without integrity recruiters shouldn't bother with the first two. This remains as true today as it ever has, and drives Headspring's own approach to leadership development.

High levels of integrity underpin good decision-making, build a robust organisational culture, and determine the overall direction and success of any company. This selection of articles from Headspring's writers and thought leaders highlights diverse but vital aspects of leadership and integrity from the individual, team and organisational perspectives.

The first time a leader might be called upon to demonstrate integrity is when he or she sees that something is wrong. Either the leader has spotted it or a team member reports it. Action is required. But what if this goes against the short-term interests of the department, or worse, one's own superiors? Stefan Stern writes in *Great Leaders Know their Values*, that too many crises blow up because business leaders fail to assert their company's underlying values. In the following article, *The Authentic Manager,* he cautions leaders not to confuse those values with 'authenticity' and put image over substance.

Integrity involves more than upholding ethics. Leaders must also be aware of their own biases as they strive for truth and fairness in decision-making.

Headspring offers six techniques to help leaders test their intellectual integrity, and hopefully make decisions that are rational, rigorous and reasonable.

Moving from the individual to the organisation, Roger Steare, offers five tips for embedding high integrity into a high-performance culture. Unfortunately, too many companies place integrity and fairness behind ambition and reward, and this shows up in the lack of diversity at the top, says management writer David Bolchover in *Appearances that Deceive*. This gives rise to one of the most contentious issues in modern corporate life – the overpaid chief executive and the associated widening pay gap. Headspring asks whether companies now need to adopt a rational case for high executive pay as they wrestle with what is a fair reward.

Indeed, the pay issue takes integrity in leadership far beyond the company and its stakeholders. It troubles wider society too, potentially undermining faith in free markets on which all companies depend. It is a clarion call on companies to reassert their values and integrity. In our final article *How business can earn society's trust,* we note that 'unconscionable acts of corporate negligence, greed and poor leadership' should not obscure the tremendous benefits that well-led companies have brought to wider society. Headspring's goal is to guide leaders to this point.

GREAT LEADERS KNOW THEIR VALUES

by Stefan Stern

Nothing happens suddenly. Corporate crises appear to erupt dramatically and without warning. Leaders seem to be caught off guard. But as crisis management and PR experts will tell you, the origins of the disaster were often plain to see for those who knew where to look. More likely, managers at all levels will have just hoped it wouldn't blow up while they were around.

Although different in their own ways, the recent scandals engulfing Volkswagen, Facebook, Wells Fargo, Barclays, Carillion and others all involved senior people who knew that something was wrong but failed to act in time. The resulting fines, share-price falls and unpleasant headlines could all have been avoided.

> "ETHICAL DILEMMAS AREN'T ALWAYS EASY TO NAVIGATE. OFTEN, MANAGERS NEED TO MAKE THE BEST, PRAGMATIC TRADE-OFFS BETWEEN CONFLICTING PRESSURES.

Ethical dilemmas aren't always easy to navigate. Often, managers need to make the best, pragmatic trade-offs between conflicting pressures. In 'Managing in the gray,' Joseph Badaracco, professor of business ethics at Harvard Business School, suggests that managers begin by asking themselves all of the following five questions, and not just those with the easy answers.

- What are the net, net consequences? Don't just anticipate the initial reaction to a possible decision. Dig deeper and consider the medium-term consequences.

- What are my core obligations? Would I be failing in my duty if I do nothing? Or is it simply my task to alert someone else?

- What will work in the world as it is? It is easy for outsiders to criticise a manager who appears to have ducked a tough decision. But maybe it just wasn't possible to take it. The manager might simply have been ignored or worse, fired. Ultimate responsibility lies with the company's leaders. They set the moral tone, and if it's lax, managers will struggle to shift the culture without resorting to whistleblowing.

- Who are we? What does this business stand for, and are our actions consistent with our desired identity? Phony, PR-driven measures will not convince staff, customers or critics that the business is serious about dealing with a problem. US coffee retailer Starbucks' day of awareness training on racial identity, for example, may have been a good start, but any new approach must be developed and reinforced over time.

- What can I live with? Will your conscience be clear following your decision to act or not act?

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Values first

Regulation and management control may limit the damage wreaked by bad ethical choices. But staying faithful to the company's underlying values is a safer way of avoiding trouble. For example, the Wells Fargo scandal, in which bank and credit card accounts were invented to help staff meet performance targets, revealed a failure of values not processes. 'Values-based leadership' might have rejected the damaging use of so many blunt financial incentives, says Jennifer Jordan, professor of leadership and organisational behaviour at IMD.

'The best leaders are those who not only emphasise meeting goals but also emphasise how those goals are met,' she says. 'If those goals are achieved at the expense of the company's values, then the achievement is more than shallow – it's a major blemish to the company's public image and trust.'

Ethics matter, not just because negative PR can dent the share price. Poor choices damage a firm's reputation and depresses employee morale. They deter new recruits and hasten the departure of current talent. There are long-term ramifications to bear in mind.

As Jeffrey Pfeffer, professor of organisational behaviour at Stanford's graduate school of business, notes: 'More people need to have a sense of stewardship over the lives of their employees who've placed their well-being in leaders' hands, and take that responsibility seriously.'

Action points for managers:

Find a trusted colleague. The company's hierarchy may not help you as you wrestle with your conscience; so, find someone in the organisation you can confide in.

Report facts don't just whinge. If you think that something is wrong, and it is safe to point out, do so – but objectively, with facts, not just gloomy or negative foreboding.

Be constructive and practical. When you share your concerns suggest manageable steps that will solve the problem.

Don't ignore it. Bad news eventually gets out, so it is always better to deal with it as soon as possible. This has been true for almost any corporate scandal.

Be prepared to leave. If you cannot report or act on your concerns, and there is no safe channel for whistle-blowers, think seriously about resigning. If it all eventually blows up, you won't be tainted, and (legal contracts permitting) you will be free to speak your mind.

THE AUTHENTIC MANAGER: TRUE OR FAKE?

by Stefan Stern

Authenticity is not always a desirable trait in a manager, especially if their natural behaviour is unpleasant. Managers need to adopt different styles for different situations.

People have had enough of 'fake news'. But what about 'fake managers' – those bosses who put on an act when they are with you but then behave very differently when you are not there? Phoney bosses are not to be trusted. Surely it is time for everyone to reject artifice and embrace that uncontroversial virtue – authenticity?

Not so fast. The apparently simple solution of 'just being yourself' is not adequate to the complicated task of managing and leading people. Market conditions vary and situations change. Good managers adapt their behaviour, and how they come across, to fit the situation they are in. Is that being phoney, or is it simply effective versatility?

Mark Snyder, a professor of psychology at the University of Minnesota, has been exploring this question of behavioural versatility (he calls it 'self-monitoring') for many years. High self-monitors are conscious of their image and may try to appear more confident than they truly are. When this works they may seem deft and in control. But they may also arouse suspicion that they are simply insincere and, yes, inauthentic.

Low self-monitors, on the other hand, may insist on 'being themselves' whether that way of being is helpful or not.

They may also remain stuck in a limited pattern of behaviour even when the world around them has changed and calls for something more. 'This is who I am' may sound like a confident and even a defiant statement. But if that person is in the wrong place at the wrong time that particular brand of authenticity will be of little use.

Good managers adapt their behaviour, and how they come across, to fit the situation they are in. Is that being phoney, or is it simply effective versatility?

How should managers develop a broader array of responses? In their book, 'Why should anyone be led by you?' Rob Goffee and Gareth Jones say that managers should 'know and show themselves', not be too distant or mysterious. So, just be themselves, then? Not quite. Goffee and Jones say that bosses need to be 'authentic chameleons': true to themselves, but also adaptable. They advise leaders to 'be yourself, more, with skill.' Show more of yourself, but with sensitivity to the situation. Accentuate the positive and eliminate the negative.

The need for lifelong learning applies to management style as well as technical knowledge. As coaching guru Marshall Goldsmith has put it, 'What got you here won't get you there'. Old tricks might not cut it in a new and more demanding job. Thoughtful managers will want to improve their repertoire of interpersonal and presentational skills.

Learn and change

In her 2015 book, 'Act like a leader, think like a leader', London Business School professor Herminia Ibarra was deliberate about the title's word order—not because you have to 'fake it until you can make it', she says, but because sometimes you have to 'experiment until you learn.'

Managers need to 'move forward to a future version of yourself that has a core, but that also has learned new things and grown.' The pursuit of authenticity can be wholly self-centred. People you manage do not want 'full transparency', Prof Ibarra says. 'They want you to behave like there's some kind of interdependence, and that you have to work with people. It's not just about being yourself, it's about creating productive working relationships...it's not just about you.'

Five issues for leaders to consider:

'Just be yourself' is bad advice. Which self are you talking about? Managers have to play many different roles in the same working week.

Authenticity is not necessarily a virtue. No-one wants an authentic ego-maniac, for example. There may be aspects of your personality which would be better off hidden.

Stay true to your values not to the way you behave. Adapt your behaviour to fit the situation.

Wrong person, wrong job, wrong time? Then move on. Authenticity cannot help you if you are in an unsuitable role. Nor can pretending to be what you are not.

Personal growth is more important. It is not inauthentic to grow and become a different, better person. A 'growth mindset' allows you to imagine becoming more.

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SIX WAYS TO HELP LEADERS DECIDE WHAT TO BELIEVE by Paul Lewis

How do executives decide what is really true especially when their resulting actions are likely to affect others?

Too often, decisions lack even the most basic intellectual integrity. Instead, they rest on long held, but untested or outdated, beliefs. Inevitably, there's a strong temptation simply to endorse views that support one's pre-existing ideas. However, applying six simple tests can help leaders ensure that their analysis is rational rigorous and reasonable.

Question the source of your information.

This is not as obvious as it sounds. (saying '... but everyone knows that!' doesn't cut it). If your information came from a colleague, parent or friend in the pub, ask where they got the information? Keep probing. If you've held the same views since your teenage days, and can't recall the source, it might be time for a reassessment.

Seek out opposing views as a matter of intellectual discipline.

Ask yourself which organisation, friend or newspaper opposes your view, then seek out their perspective no matter how disagreeable. If nothing else, it will help you refine your own arguments.

Solicit the opinions of strangers.

Professional pollsters don't always get it right, as recent election results have shown. Although unscientific, simply talking to voters or customers who you might not normally interact with and asking without prejudice what they and their friends are thinking and feeling, might just reveal something your market research is missing.

Beware over-confidence – never be 100 per cent sure.

An easy way to be embarrassingly wrong is to have been right the previous time. Even if it wasn't a lucky guess, it's easy to believe in your own omniscience. At least present your viewpoint as the most likely scenario of several, perhaps adding a percentage chance of it happening.

Learn how it feels to be on your own.

Career-wise, going against the consensus can be a bad move, especially if you're not entirely sure yourself. Yet sometimes being right, by definition, puts you in a tiny minority. For example, selling shares at the top of the market (or buying at the bottom) requires you to disagree with almost everyone. So, familiarise yourself with such emotions as vulnerability, fear, greed and panic that typically accompany certain moments in business so those feelings don't overwhelm your logic.

Explain your actions directly to those worst affected by them.

If you hold a contentious opinion or are about to make a painful business decision (such as laying off staff) one safeguard against unreasonableness or prejudice is whether you can explain your decision face to face to the person worst affected.

APPEARANCES THAT DECEIVE

by David Bolchover

How a lack of leadership diversity diminishes a company's integrity and reduces performance.

The proportion of women chief executives among the largest companies is very similar in the United Kingdom and the United States. Just five percent of CEOs at FTSE 100 companies, and 6.4 percent at Fortune 500 companies, are female. But it's not just women who are disadvantaged. Ethnic minorities also suffer similarly low representation in the corridors of corporate power, as do short, ugly men with high-pitched voices.

In research for his 2005 book, 'Blink', Malcolm Gladwell found that 30% of CEOs of Fortune 500 companies were 6 feet 2 inches or taller, though they comprised less than 4% of the American male population. Daniel Hamermesh, a professor of economics at the University of London, found that attractive people will on average earn 3-4% more than their less-blessed colleagues. And a 2013 study by Duke University and the University of California at San Diego showed that the deeper the voice of the 792 male CEOs surveyed, the more they earned. Presumably, the male falsettos among the workforce are failing to make the boardroom at all.

There are two ways to spin these statistics. Many economists claim that there are rational market-based explanations for such discrepancies. Others argue that this is the inevitable result of a modern-day knowledge economy in which objective measurement of individual performance is almost impossible.

Either way, presenting the right image is the essential prerequisite for career success.

According to the market-based rationale, women are at a disadvantage in the workplace because they take crucial years out of their careers to raise children. When they return to work, and with young offspring still at home, they might not want to put in the necessary time to reach the top.

Voices of authority?

Those who believe that the corporate world, especially at senior levels, works according to strictly meritocratic principles might also add that tall, attractive or perhaps deep-voiced men are more likely to make better executives. Supposedly, employees and investors are more inclined to take notice when a tall male speaks—especially in a deep voice.

Although difficult to dismiss out of hand, these arguments contain significant weaknesses. The notion that women in their 30s and 40s are all running around after children is at the very least outdated. According to the Office for National Statistics, one in five women in the United Kingdom remains childless, with no need for a career break, while almost half of families (47%) have only one child. In her book 'Lean In', Sheryl Sandberg quotes a survey stating that '43% of highly qualified women (in the United States) with children are leaving careers or off-ramping for a period of time.' Which means that 57% don't.

APPEARANCES THAT DECEIVE | continued...

In other words, when it comes to female under-representation in the boardroom, the 'career break' argument is somewhat unconvincing.

> DIVERSITY IN THE BOARDROOM IS A STRONG INDICATION TO INVESTORS AND POTENTIAL EMPLOYEES THAT THE COMPANY IS A CUT ABOVE THE REST.

Are tall men with deep voices really going to make better decisions, or devise superior strategies? That they predominate in senior roles suggests that talent is not the major determinant of career success in many large corporations. More likely, they are promoted because it is extremely difficult to distinguish among the many people who could do the job perfectly well. Unconsciously perhaps, the recruiting committee selects the person with who looks most like a leader, along with the essential mannerisms and tone of voice.

The selected leaders in large companies reflect the sameness of their employers. On the other hand, if a company really has something different to shout about, then surely you are more likely to appoint the leader who can articulate this with the greatest enthusiasm and precision. That's when women, short men and ethnic minorities get a fairer crack of the whip.

Mark Zuckerberg, Sergey Brin and Jeff Bezos are around 5 foot 8 inches tall. Indeed, the great entrepreneurs come in all shapes, sizes and creeds. Diversity in the boardroom should not just be celebrated for its own sake, or as is often suggested, because a diverse customer base might be better served. It's also a strong indication to investors and potential employees that the company is a cut above the rest.

HOW LEADERS CAN EMBED INTEGRITY IN PERFORMANCE | by Roger Steare

Provide space for honest views. Create psychological safety in every meeting, call or conversation so employees are unafraid to 'speak truth to power.' Leaders need to be open, vulnerable and encourage different points of view.

Reaffirm values. Use every meeting to remind employees of the organisation's purpose, values and moral framework for decisions until this becomes second nature. This will be vital in the rush to meet quarterly earnings targets when executives are more prone to unethical behaviour.

Challenge assumptions. Let team members take turns at being a devil's advocate to challenge accepted views and ensure that alternative arguments are heard. Perhaps appoint an 'ethical challenger.'

Get everyone's feedback. Let team members take turns at giving feedback on what the team did well and where more work is needed.

Humanise your organisation. At the most senior level meetings, discuss ways to humanise the workplace, reduce hierarchy and complexity, and develop an effective performance management ethos.

THE RATIONAL CASE FOR HIGH EXECUTIVE PAY

by Paul Lewis

A popular backlash against excessive executive pay is picking up momentum. For some critics of high pay, it all comes down to questions of greed and inequality.

They argue that no one in any field should be paid so much. But its defenders contend that pay levels for top talent should be left to the 'free market' to determine. Both arguments are wrong.

Inequality in itself is a poor reason to oppose high pay. Few object when a successful entrepreneur, whose business wouldn't even exist but for the personal risks he or she has taken, becomes fabulously wealthy. Instinctively, people know that entrepreneurial wealth is generally deserved. But the 'market forces' argument does not hold either, because the so-called market for pay at the highest levels does not function transparently. Intricate mechanisms linking pay to performance are in most cases misleading, allowing some top executives to dissemble about performance.

Myth of talent

The upward ratcheting of pay levels is less the result of better performance metrics, but a function of institutional shareholders endorsing—and indeed personally benefiting from—what has been characterised as 'the myth of rare talent'. The myth holds that a top manager's skills are so unusual that unless they are paid their demanded rate they will depart, leaving the company to flounder in the absence of any worthy replacement.

A rather different explanation was offered by the economist JK Galbraith who observed, that 'the salary of the chief executive of the large corporation is not a market reward for achievement. It is frequently in the nature of a warm personal gesture by the individual to himself'.

The essential question that investors and corporate leaders must ask is not whether high pay is fair—in either a social or economic sense—but whether in a capitalist system it is rational. In many fields high pay is indeed rational.

Consider the top footballer. His performance is very measurable: every pass, shot and tackle is minutely assessed, logged and compared. His club knows exactly what it is paying for. His role in winning games and trophies is to a great degree determinable. And there won't be too many players in the world who can replace him. Scouts scour the world, including the poorest slums, looking for the next global star. Family contacts, ethnicity or social class is neither barrier to entry nor guarantee of a team place. Only measurable performance matters. So one might reasonably claim that those tiny few who do reach the top genuinely deserve to be there, and their pay will reflect that judgement.

In short, the system is open and transparent. Performance is measurable, attributable and largely irreplaceable. It would therefore be rational to set his pay on this basis.

THE RATIONAL CASE FOR HIGH EXECUTIVE PAY | continued...

Can the same be said for all highly paid executives? To justify high corporate pay on rational grounds, three simple criteria (as with the footballer or other individual star) should be applied.

THREE STRIKES

- First, can one measure the executive's output with any degree of precision?
- Second, can one measure, with any degree of accuracy, how far that individual's performance is responsible for the company's success?
- Third, is that executive really the only potential person that could deliver this success?

If the answer to all three questions is 'yes', then one can fairly state that his high pay is justified. And many high-paid corporate leaders believe it is. Indeed, some justify it by comparing their rare value to that of top sports stars. But does such a comparison work? Imagine the CEO being subjected to a weekly shareholding meeting of some 60,000 ardent shareholders, a TV crew following and discussing his every move—broadcast to millions of armchair investors worldwide—while data analysts crunch the statistics on all his decisions, calculate his impact per minute, and then compare his performance with rivals within the firm and beyond.

We would also have to be sure that the company's performance—whether good or poor—was driven by the CEO's decisions rather than by external factors beyond his control such as a booming economy or the success of a legacy product.

And finally, we would have to consider whether he is truly indispensable? Is it feasible that among the scores of departmental and functional heads within a company, and tried and tested managers from outside the business or sector, to say nothing of all the untapped talent pools worldwide, that there are no similarly skilled candidates who with some preparation could not do an equally effective job? Compare the typical leader of a public company—male, white, middle class, over six feet tall, and bearing a prestigious MBA—with successful entrepreneurs, a group that includes a far wider variety of ethnic groups, women and, oddly, dyslexics. Evidently, some management talent pools remain untapped. So how should companies create a more market-based remuneration system that truly reflects the rarity—or otherwise—of executive talent? Here are some suggestions:

Action points for leaders:

Over-employ at management level.

A tactic used in emerging markets where staff turnover is high, this would generate sufficient supply of talent that could compete eventually for the top job. It's a medium term plan, but it would help counter claims that the overpaid CEO is indispensable.

Change the appointment criteria.

When considering applicants for the top job– one that might also carry power and prestige– ask shortlisted candidates to state the lowest amount for which they would be happy to do the job. (The salary probably won't sink as low as that paid to, say, the US President). Doing this would counter the ratcheting effect of CEO demands to be paid in the upper quartile of their peers.

Publish earnings ratio.

These can express the ratio between highest salary and the lowest or average wage pay for full time employees. Of course, different sectors will have different ratios, but it could be a useful starting point for debate.

Plan for low-pay succession.

Offer one final incentive for a departing CEO: find your successor for a fraction of your current rate. This might trigger downward pressure so that pay starts to reflect other senior management jobs such as heading a government department or an international organisation.

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HOW BUSINESS CAN EARN SOCIETY'S TRUST

by Paul Lewis

Untrustworthy companies should focus on putting their own house in order before considering their wider role in society.

Trust in business has apparently plummeted, with high executive pay and allegations of tax evasion among the more egregious causes.

Trust in institutions often seems like a fuzzy concept. But without it, the complex system of co-operation that underpins growth and prosperity collapses. Untrustworthy banks deter savings and investment. When officials are suspected of feathering their nests, citizens stop paying their taxes. If the finance ministry prints too much money (itself a measure of trust) the currency is devalued. It takes decades or even centuries to build trust in institutions; it can break down suddenly and with dangerous consequences.

These principles apply to companies as well as countries. When we buy a tin of beans in a supermarket, we are trusting the brand of both the manufacturer and retailer to have our welfare in mind. Would you consume that same product sold in an unmarked container at a pop-up stall in an impoverished country? In the former Soviet Union, product quality was so inconsistent that worried shoppers wanted to know which specific factory had produced it. Such fears rendered the simple exchange of goods impossible, spreading poverty and disaffection. So when companies (or governments) play fast and loose with hard-earned trust, they are risking more than a bit of bad publicity.

How do companies redress that sense of general mistrust? According to Alison Cottrell, CEO of the Banking Standards Board, they need to focus on 'honesty, reliability and competence.' This is 'a crisis of leadership' of 'skewed incentives rather than outright cheating.' But others argue that companies must go further, establishing a social purpose beyond their commercial interests.

Some management thinkers have pushed a similar line. In 2011, Harvard Business School's Michael Porter cooked up a new theory about business and society. 'Companies are widely thought to be prospering at the expense of their communities. Trust in business has fallen to new lows,' he wrote, and advocated a concept of 'shared value' in which companies 'generate economic value in a way that also produces value for society by addressing its challenges.'

It wasn't an entirely new idea. Quaker-run companies, such as Cadbury and Rowntree, had long placed ethics at the heart of their business ideals. During the interwar period, General Electric's President, Gerard Swope believed strongly in the broader welfare of his employees, while in Europe shoemaker Bata was building a company town with free housing, hospitals and education for its workers and their families. More recently, Unilever's CEO Paul Polman carried the torch, insisting that investors buy into a 'long-term value-creation model, which is equitable, which is shared, which is sustainable.'

HOW BUSINESS CAN EARN SOCIETY'S TRUST | continued...

But is a heightened sense of social responsibility the way companies can regenerate trust? Who sets the social goals and decides which projects would achieve them?

Well-meaning social investments can have unintended consequences, for example trapping poor communities in a dependent relationship and even undermining democratic accountability. Corporate charity is often superficial, amounting to little more than a PR exercise at best, and at worse a means to compensate for 'bad' behaviour elsewhere.

Even companies that act with the highest levels of integrity, inevitably face unavoidable trade-offs in business. A major foreign investor that raises local wages sucks talent away from local firms. A big investment might crowd out the supply of finance for other enterprises. Reshoring jobs may satisfy trade unions in the home market, but poorer foreign workers also have a moral claim to a job.

Calculating social impact

One answer lies not in trying to eliminate all conceivable harm but calculating the net social impact, both good and bad, of a company's business operations. They might then find many reasons to celebrate. Recently, a board member of an international fast-moving consumer goods company found himself apologising to an audience of NGOs, government officials and journalists, not for any specific transgression, but just for being a big corporation.

'We're really not all bad' he implored. He might instead have referred to the quarter of a million workers that the company employs globally (and the families that depend on them), the local suppliers trained to international standards, the taxes paid that fund government spending, or the arts and sports teams that the company sponsors, to say nothing of the millions of customers who happily choose to spend their hard-earned cash on its products. And that's before counting the pensioners who live off the company's dividends. He might then have inquired who in the audience could match that for positive social impact.

There are, undoubtedly, too many unconscionable acts of corporate negligence, greed and poor leadership that must be addressed before the rot sets in. But companies shouldn't lose perspective of the enormous benefits they provide consumers and citizens worldwide as a result of an unrelenting commitment to good management and long-term strategy. None of this is inevitable. It shouldn't be taken for granted. Telling that story would go a long way to earning the trust that companies fear they may have lost.

PRACTICAL APPLICATION

Client Story: Clifford Chance - addressing ethical dilemmas and reputation risk.

Making ethical decisions isn't always black and white.

A concern facing Clifford Chance's 3,300 fee-earners worldwide is the insufficient time for reflection, engagement and debate around ethical risks. The international law firm is addressing this now rather than reacting to possible future ethical breaches that would damage its integrity and reputation. The programme also sends a message to clients about how seriously Clifford Chance takes ethical behaviour.

Headspring, in close collaboration with Clifford Chance, co-designed the programme with the aim of bringing people together to discuss how to decide what's right and to find the courage to act on those decisions. The programme comprised 21 workshops and more than 400 participants, delivered in eight countries, from Singapore to the US.

OBJECTIVES

- Embed the firm's ethical standards into the day-to-day mindset and behaviour of its people.
- Equip Clifford Chance lawyers with the skills to judge what is right and apply good process when making those judgement calls – especially when the pressure to say 'yes' is high and the ramifications of bad judgment calls are severe.
- Empower lawyers to find the courage to act on their decisions, and to help its clients do the same.
- Bring them to reflect on how quickly, in our fast-moving digital news-reporting world, a business reputation built over decades could be potentially destroyed in one day by simply using the wrong statement or ignoring 'ethical red flags'.

As Clifford Chance declared in its Responsible Business Report 2016, 'it is important when advising clients that our lawyers are not simply achieving an outcome but are also acting with integrity.'

To learn more, visit the **Client Stories** section on the Headspring website.


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