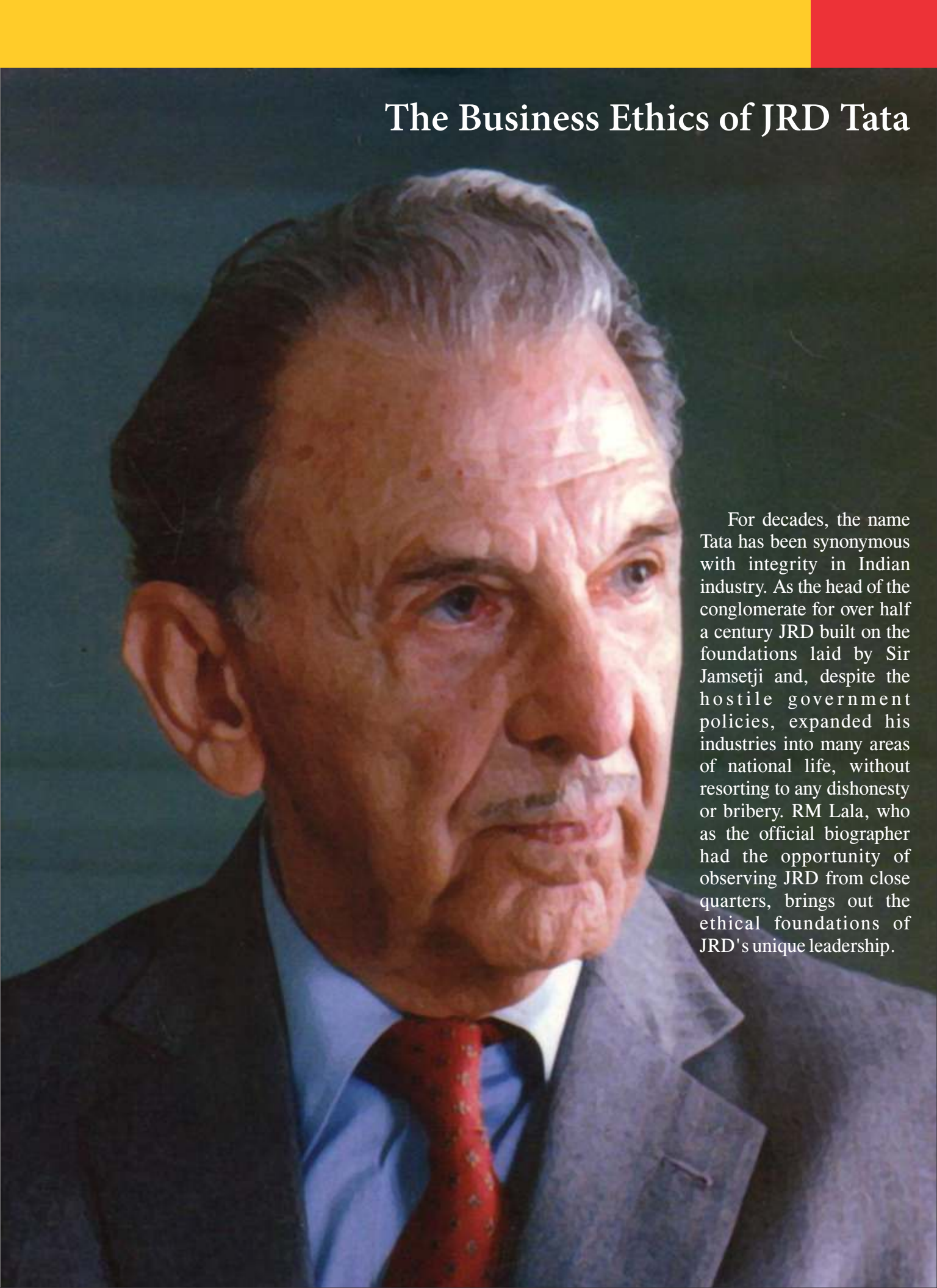


The Business Ethics of JRD Tata

A close-up portrait of JRD Tata, an elderly man with short, graying hair, looking slightly to the right. He is wearing a dark suit jacket, a light blue shirt, and a red tie with a small pattern. The background is a dark, textured blue. The top of the page has a yellow and red horizontal bar.

For decades, the name Tata has been synonymous with integrity in Indian industry. As the head of the conglomerate for over half a century JRD built on the foundations laid by Sir Jamsetji and, despite the hostile government policies, expanded his industries into many areas of national life, without resorting to any dishonesty or bribery. RM Lala, who as the official biographer had the opportunity of observing JRD from close quarters, brings out the ethical foundations of JRD's unique leadership.

In the public mind, ethics in business are mainly connected with financial integrity. Important as that is, the real meaning of the word 'ethics' goes far beyond that. The Oxford Dictionary defines it as 'the science of morals in human conduct, amoral principle or code'.

So the word ethics encompasses the entire spectrum of human conduct. Business ethics encompass how a person in business deals with his or her colleagues, staff and workers, shareholders, customers, the community, the government, the environment and even the nation and its interest.

JRD always said his model in whatever he did in business was the founder of the House of Tatas, Jamsetji Tata, and that whenever he needed inspiration, he would read about his life. In 1895, Jamsetji Tata said in one of the few speeches he delivered:

“We do not claim to be more unselfish, more generous or more philanthropic than other people. But we think we started on sound and straightforward business principles, considering the interests of the shareholders our own, and the health and welfare of the employees the sure foundation of our prosperity.”

JRD started Tata Airlines in 1932 along with an English friend, Neville Vincent. Tatas and Neville had an agreement whereby Neville would get one-third of the profit. The investment and the services of JRD came from the Tatas.

In the first year of operation, the profit was Rs. 60,000 which by today's value would be a hundred times more. Five years later in 1937 when the contract expired, the profit was ten times as much! JRD was not then the Chairman of Tatas. The legal advisor of Tatas, J D Choksi felt

On one occasion a senior executive of a Tata company tried to save on taxes. Before putting up the case, the chairman of that company took him along to JRD. Dinesh Vyas explained to JRD: “But Sir, it is not illegal.”

Softly, JRD replied: “Not illegal, yes. But is it right?”

the contract should not be renewed on the same terms as the profit was much larger. JRD was not happy but went and told Neville Vincent so. Neville Vincent was terribly upset. JRD knew in his heart that it was not fair to the man who had come to him with the idea and helped him to establish it. He went to another solicitor, a friend and advisor on his personal matters named Dinshaw Daji. Daji opined that while Choksi was legally correct, morally his opinion was not so. JRD recounted, “I went and told Neville, 'forget it,' and assured him that the terms would be the same as before.”

“But did you not consult your Co-Directors?” I enquired.

“No”, JRD replied. “It was not right and fair and I just told him.”

JRD was then thirty-three years old. Only a year later was he selected Chairman of Tata Sons.

What guided JRD was the power of his conviction and not the fine print of law.

JRD was meticulous on financial ethics. When I observed to him in 1979 that Tatas had not expanded as much in the 1960s and 1970s as some other groups had, he replied firmly:

“I have often thought about that. If we had done some of the things that some other groups have done, we would have been twice as big as we are today. But we didn't, and I would not have it any other way.”

One of India's best known tax consultants, Dinesh Vyas, says that JRD never entered into a debate between 'tax avoidance' which was permissible, and 'tax evasion' which was illegal; his sole motto was 'tax compliance'.

On one occasion a senior executive of a Tata company tried to save on taxes. Before putting up the case, the chairman of that company took him along to JRD. Dinesh Vyas explained to JRD: “But Sir, it is not illegal.”

Softly, JRD replied: “Not illegal, yes. But is it right?”

Vyas said that never in his decades of professional work had anyone ever asked him that question. Vyas later wrote in an article, “JRD would have been the most ardent supporter of the view expressed by Lord Denning:

“The avoidance of tax may be lawful, but it is not yet a virtue.”

Attitude Towards Colleagues and Staff

JRD cared for his staff and not just in order to get work out of them. D R Pendse of the Economics and Statistics Department was asked to address an International Conference at Cambridge where he had his degree from. Like a father, JRD would advise him to speak more slowly, so his points would go home. He suggested to Pendse to listen to his speech on a tape recorder (then not so common) and adjust his speed of delivery. "Do you have a recorder?"

When Pendse replied he did not but that he would get one, JRD rose and gave him his own. At Cambridge when Pendse got a standing ovation, he could hardly see the audience. Before his eyes came the smiling face of JRD.

Most times when he rang us in the office he would first ask: "Can you speak?" or "Do you have someone with you?" Except when he was agitated, he would never order anyone "Can you come up". He was always polite.

JRD's strong point was his intense interest in people and his desire to make them happy. Towards the end of his life, he often said, "We don't smile enough."

Once he added: "When people recognize me from a passing car, I smile at them. It costs me nothing and makes them happy."

His sister once told me, "Remember, Jeh is very kind."

When I was having some rigorous treatment at Tata Memorial Hospital, he once came to see me at 8.00 p.m. He was 86 and had put in a long day at the office. Always correct, he sent in his doctor first:

"Can you receive him?"

Then he walked in.

I thanked him for coming: "It makes all the difference seeing you, Sir."

He replied, "Why? I have only come to see an old friend."

Many years earlier when I was writing *The Creation of Wealth*, he told me about his dealing with his colleagues:

"With each man I have my own way. I am one

who will make full allowance for a man's character and idiosyncrasies. You have to adapt yourself to their ways and deal accordingly and draw out the best in each man. At times it involves suppressing yourself. It is painful but necessary ...To be a leader you have got to lead human beings with affection."

It is a measure of his affection that even after some of them retired he would write to them. He was always grateful and loyal. To him, ethics included gratitude, loyalty and affection. It came about because he thought not only of business but also of people.

In dealing with his workers, particularly influenced by Jamsetji Tata who at the height of capitalist exploitation in 1880s and 1890s gave his workers accident insurance and a pension fund,

"With each man I have my own way. I am one who will make full allowance for a man's character and idiosyncrasies. You have to adapt yourself to their ways and deal accordingly and draw out the best in each man. At times it involves suppressing yourself. It is painful but necessary ...To be a leader you have got to lead human beings with affection."

adequate ventilation, and other benefits.

JRD wanted the workers to have a say in their welfare and safety, and he wanted their suggestions on the running of the company. He founded in 1943 one of the early personnel departments in Indian industry. As a further consequence, two pioneering strokes of Tata Steel came about, namely a profit-sharing bonus, and a joint consultative council. These measures pre-empted any labour trouble and Tata Steel enjoyed peace between management and labour for seventy years.

A decade later Tata Steel workers had received several benefits. Then, JRD looked further ahead.

In a speech in Madras in 1969 he called on the management of industries located in rural areas or semi-urban areas to think of their less fortunate neighbours in the surrounding regions:

"Let industry established in the countryside 'adopt' the villages in its neighbourhood; let some

of the time of its managers, its engineers, doctors and skilled specialists be spared to help and advise the people of the village and to supervise new developments undertaken by co-operative effort between them and the company.”

To put JRD's ideas into action, the Articles of Association of leading Tata companies were amended and social obligations beyond welfare of employees was accepted as part of the objectives of the group. The Articles of Association were altered to include that the company could 'subscribe or continue or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes.'

In the nineteenth century, the poet, Baron Edward Thurlow, had asked, “Did you ever expect a corporation to have a conscience?”

The answer from JRD was, “Yes”.

“No success or achievement in material terms is worthwhile unless it serves the needs or interests of the country and its people and is achieved by fair and honest means.”

On Shareholders

He had his own way of dealing with shareholders.

Once at the annual general meeting of Tomco, a shareholder said, “Sir, the quality of Hamam Soap has deteriorated. Even the wrapping paper is not as good as before.”

“Who says so?” JRD shot back.

“Sir, my wife says so.”

“In that case you can do either of two things: you change your soap or change your wife.”

Shareholders delighted in such repartees by him.

At the same time he was very conscious of the shareholders who were the owners of his companies. The late Vasant Seth, Chairman, Great Eastern Shipping, related to me an incident from his college days. He was waiting in a bus queue at Churchgate Station. A limousine stopped and the driver asked: “Anyone for Hughes Road, Peddar Road?” Seth hustled in his three lady friends in the

back seat and sat next to the elegant driver. Turning to his friends at the back he said: “Do you know whose car we are travelling in? We are travelling in the car of Mr. JRD Tata.”

JRD replied: “Young man you are not travelling in the car of JRD Tata. You are travelling in the car of the Tata Iron & Steel Company.”

Thinking for the Nation

He was never against government participation but wanted government and private industry to move in harmony together. He succeeded in starting Air India International on that basis. It was his first and last success along these lines. When Nehru wanted the State to go into the steel industry, Nehru was thinking of a 500,000 ton steel plant. JRD reminisced: “I told him (Nehru) that you, with government's resources, should go in for a much bigger plant of 5-million ton or so per year.”

He never bent the system for his benefit. L K Jha recalled in 1986 that when he was Secretary to the government, JRD never approached him on behalf of any Tata company but the whole industry. He wanted no favours, only fairness.

Business ethics is sustained by a purpose higher than one's own self-interest. Prime

Minister Narasimha Rao observed “His (JRD's) business endeavours were embellished by a higher vision... a concern for the nation and a social purpose.”

When JRD was once asked what his guiding principles were, he spelt out five points, one of which was:

“No success or achievement in material terms is worthwhile unless it serves the needs or interests of the country and its people and is achieved by fair and honest means.”

Concern for the Environment

In his last years he was very conscious of the environment and the industry's part in spoiling it. In 1992, he wrote in his foreword to *The Creation of Wealth*:

“I believe that the social responsibilities of our industrial enterprises should now extend, even beyond serving people, to the environment. This need is now fairly well recognized but there is still considerable scope for most industrial ventures to

extend their support not only to human beings but also to the land, to the forests, to the waters and to the creatures that inhabit them. I hope that such need will be increasingly recognized by all industries and their managements because of the neglect from which they have suffered for so long and physical damage that the growth of industry has inflicted, and still inflicts on them.”

The JRD Tata Centre for Eco-technology at the M S Swaminathan Research Foundation was established in furtherance of his desire.

Love for People

To JRD, India was not a geographical expression. It was people. When travelling by car with him once, an unkempt man with a bundle on his head was crossing the road – a sight familiar to all of us, and hardly noticed. JRD turned to me and said, “Look, this is probably all the poor man possesses.”

When he was awarded the Bharat Ratna in 1992 Tata employees arranged a function where a gentle breeze was blowing inland from the Arabian Sea. When JRD rose to speak he made the point: “An American economist has predicted that in the next century, India will be an economic superpower. I don't want India to be an economic superpower. I want India to be a happy country.”

This was not only his hope, it was also his life. He brought sunshine into the lives of many of us who knew him. ■

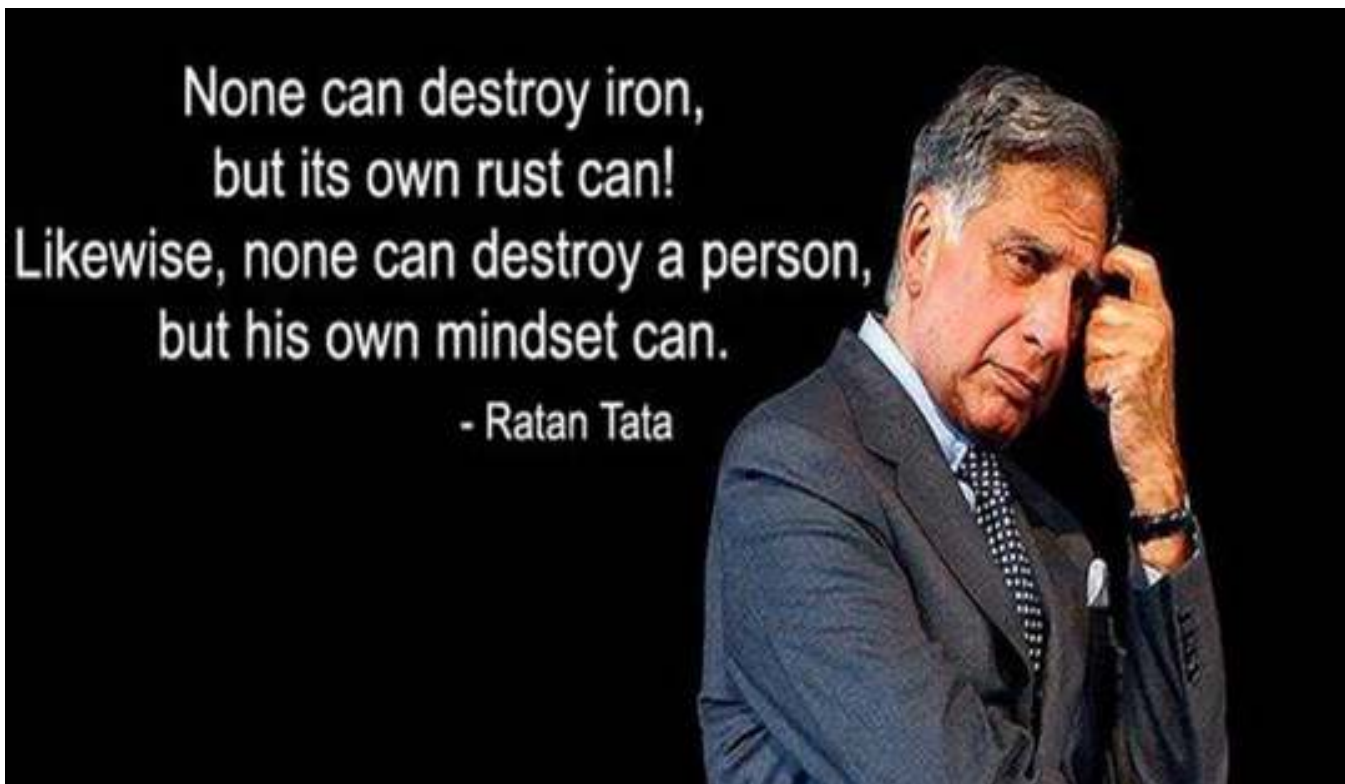


Editor, publisher, author, Russi M Lala entered book publishing in 1951. From 1959 to 1963, he established and managed the first book publishing house from India in London. In 1964 he became co-founder of Himmat Weekly, which he edited for the next decade. His

first book, 'The Creation of Wealth – The Tata Story' was a bestseller, followed by 'Encounters with the Eminent', 'The Heartbeat of a Trust', 'In Search of Leadership', 'Beyond the Last Blue Mountain – A life of J.R.D. Tata', which was also a bestseller, 'The joy of Achievement – Conversation with JRD Tata' and 'Celebration of the Cells – Letters from a Cancer Survivor'. He was also the Director of Tata's premier Foundation, the Sir Dorabji Tata Trust, for 18 years and the co-founder of the Centre for Advancement of Philanthropy.

Credits: This article appeared in Change for Better, an online journal of values hope and solutions for a better India and a better world.

www.changeforbetter.org.in



5 Lessons Entrepreneurs Can Learn From the World Cup



Larger than the Olympics, The World Series and even The Super Bowl, once every four years the FIFA World Cup takes place putting 32 nations on stage to battle for title of "Very Best." The entire world is put on notice for such a big event, as it captivates fans, spectators and even naysayers.

Much like the teams, the games and the fans, there are lessons learned that can be applied to the life of an entrepreneur. So if you are going to watch the World Cup, especially during the workday, here are five takeaways that will make the time spent not only entertaining but good for business.

1. Talent doesn't always win. Four years ago Spain captured their first world cup title. Folks were expecting them to do it again this World Cup. With some of the best players in the world and a large part of the rosters of highly acclaimed Real Madrid and Barcelona, people predicted Spain would make another deep run. However, they didn't.

They exited after an embarrassing loss to the Netherlands and two lackluster efforts to follow. England and Italy, two other nations with lengthy resumes made similar exits while making way for smaller less talented teams to advance.

These early exits serve as an important reminder for businesses: Talent alone doesn't guarantee success. It takes more with things such as effort, innovation and strategy immediately coming to mind.

2. Community is a brand's best friend. The World Cup has been good for global brands. Nike, Coca-Cola and many more have set the

world on fire with innovative and compelling campaigns capitalizing on the world's passion for the World Cup. (Snickers, anyone?) Having said that, most of the brands focussed on tying their products and services to the global football (or soccer) community and not to products and services themselves.

For entrepreneurs, this is a great reminder of the importance of building community for your customers and prospects. Focussing on education, information and service rather than pure self-promotion as a way to propel brand awareness without feeling like Spam 2.0. After all, any brand that keeps me watching commercials is on to something good.

3. The underdog has a role on the big stage. While the remaining teams are all highly acclaimed soccer powerhouses, many of the 16 teams that emerged into the knock-out rounds were not the world's best. Countries like Greece, Costa Rica and the U.S. all came out of very difficult groups to emerge ahead of teams like England, Italy, Spain and Cristiano Ronaldo's Portugal.

In every big sporting event this happens and for business owners it shows the biggest players aren't always the most fit to deliver the products and services that clients require. This should serve entrepreneurs as a reminder that they can provide unique value and differentiation even if they are smaller or less experienced.

4. The relevance of scarcity. We live in a world of instant connectivity. Between social media and mobile devices we can be reached around the clock. With 91 percent of people sleeping within



arm's reach of their phone, we are more connected than ever. You would think that FIFA may want to glom onto a trend like this and expand the World Cup to something like every two years. But much like the Olympics, the World Cup is kept to every four years as the buildup creates greater and greater interest as the event nears.

Businesses could learn from this as well. While we never want to make our customers wait, there is something to be said about having your truly unique differentiator. Football is played year around on many great stages but only the World Cup brings the passion and commitment that we are seeing right now. For FIFA its differentiator is scarcity, entrepreneurs need to think what makes them unique and memorable. Eighty percent of business owners think their products and services are truly differentiated, yet only 8 percent of customers felt the same, according to a study conducted by consulting firm Bain & Company. The World Cup has its differentiator, what is yours?

5. Strategy is the ultimate leveler of the business-playing field. If I were to suggest that Costa Rica would take the star-studded Dutch team to penalty kicks in the quarter finals most would have never believed it. It happened, and it

wasn't by accident. Costa Rica knew they were out-manned (it wasn't even close) but unlike those that couldn't get the job done against the Netherlands before, Costa Rica was going to trap the eager flying Dutchman with a simple football strategy: "The Off-sides Trap." More than a dozen times, the Costa Rican defence halted the Dutch progress as they stepped up in line and won an off-sides penalty.

For entrepreneurs, this small but successful plan executed by Costa Rica is a reminder of the importance of strategy. Companies with talent can go so far but businesses with talent and a plan are the ones that go deep into competitive battles and often come out on top.

The 2014 World Cup has for just a moment brought together fans to watch the world's largest sport compete on its largest stage. If you peek through the noise, you will see there is much to be learned from the teams, the sponsors and the events governing body that can be applied to every business, every day. ■

*Dan Newman
Contributor
President of Broadsuite
JULY 9, 2014*



Billionaire Rockefeller and Managing skills

Many years ago a senior executive of the then Standard Oil Company made a wrong decision that cost the company more than \$2 million. John D. Rockefeller was then running the firm. On the day the news leaked out most of the executives of the company were finding various ingenious ways of avoiding Mr. Rockefeller, lest his wrath descend on their heads.

There was one exception, however; he was Edward T. Bedford, a partner in the company. Bedford was scheduled to see Rockefeller that day and he kept the appointment, even though he was prepared to listen to a long harangue against the man who made the error in judgment.

When he entered the office the powerful head of the gigantic Standard Oil empire was bent over his desk busily writing with a pencil on a pad of paper. Bedford stood silently, not wishing to interrupt. After a few minutes Rockefeller looked up.

“Oh, it's you, Bedford,” he said calmly. “I suppose you've heard about our loss?” Bedford said that he had. “I've been thinking it over,” Rockefeller said, “and before I ask the man in to discuss the matter, I've been making some notes.”

Bedford later told the story this way:

“Across the top of the page was written, 'Points in favour of Mr. _____.' There followed a long list of the man's virtues, including a brief description of how he had helped the company make the right decision on three separate occasions that had earned many times the cost of his recent error.

“I never forgot that lesson. In later years, whenever I was tempted to rip into anyone, I forced myself first to sit down and thoughtfully compile as long a list of good points as I possibly could. Invariably, by the time I finished my inventory, I would see the matter in its true perspective and keep my temper under control.

There is no telling how many times this habit has prevented me from committing one of the costliest mistakes any executive can make — losing his temper.

“I commend it to anyone who must deal with people.”

Practicing Good Ethics gives Competitive Advantage

It's easy to lie – easier than making a lengthy explanation or persuading someone to accept a complicated truth. And telling a lie is appealing when it will make it simpler and faster to get what you want. Besides, as the popular TV doctor Greg House says, “Everybody lies.”

So why do the hard thing and tell the truth?

Because it's good business.

Besides the moral, social, personal and cultural imperatives to tell the truth, it's increasingly evident that ethical practices protect and even boost the bottom line.

The past few years have had spectacular examples of the relationship between lying (or hiding important information, which amounts to the same thing) and business failure. But is there a relationship between ethical behavior and business success?

John Ward, owner of Applewood Heating, Plumbing & Electric in Denver, thinks so. His company recently earned a 2007 Ethics in Business Award from the Rotary Club of Golden. And its customers rated it one of the nation's top 10 service companies in a survey conducted by the Nexstar Network.

Are the two related? John Ward says, “Absolutely. It all comes from our credo: We do not lie, cheat, steal or defraud our customers, company, ourselves or each other.”

Cathy Grieve, ethics officer for PRSA Colorado Chapter, has researched ethical codes of communications and business organizations. She says, “These codes have certain themes in common. They hold members to standards of honesty, accountability, fairness, open communication, respect for intellectual property and the ideas of others, fair competition, privacy



and avoiding conflicts of interest. The bottom-line benefit comes in translating these values into behaviors.”

So how is this done? First, management must communicate its commitment and expectations to employees.

Applewood has a written code of ethics that specifies the company's standards. New-employee orientation includes explicit ethics training (they even memorize the credo). The company also holds ethics sessions where all employees can discuss real-life dilemmas.

An alternative to writing your own code would be to adopt one applicable to your organization. Look for the professional association that aligns with your business, as PRSA does for public relations agencies or the American Bar Association does for law firms.

Other good sources are service organizations such as Rotary International or business associations, such as the Better Business Bureau. Again, make sure employees are familiar with these codes, and take advantage of ethics education these organizations offer.

GG Johnston, president of JohnstonWells Public Relations in Denver, warns that sometimes we're too close to our own situations to see when we are misbehaving. It helps to have a written standard to measure against, but she also recommends, “Get an outside perspective.” Customers, professional peers and ethical consultants all can offer valuable feedback.

Second, leaders must model the desired behavior and make it standard business practice. “Every action tells your story,” Johnston says. “Business practices communicate the integrity and trustworthiness of your business.”

For example, Applewood honors its 100 percent parts and labor warranty at no cost to the customer, even when equipment is approaching the end of its warranty period. Employees see that management's actions are consistent with its stated standards.

Every verbal (or written or email) exchange is a chance to model ethical behavior. Here, adherence to high standards of honesty, accuracy, civility and fairness becomes very clear.

“Respectful communication is key to understanding what people need from you,” says Jeff Julin, president of MGA Communications, and current chair and CEO of the Public Relations Society of America (PRSA). “The way employees,

community members, even shareholders engage with you will be based in large part on the respect you show their differing views and perspectives.”

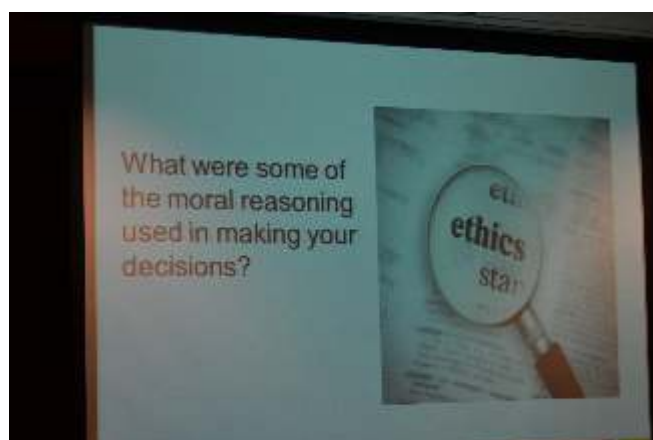
When using numbers to tell a story, be sure they're correct, explain how they were obtained and see that comparisons are consistent.

Finally, recognize and reward ethical actions. Speak up when you see someone make a good choice. Reinforce the good behavior by calling attention to it. Better yet, let others call attention to it.

“The Rotary award was really good for our company,” Ward says. “Our employees could see that others valued ethics, too. It has made it easier for everyone to openly talk and discuss issues.”

So does this emphasis on ethics really deliver a competitive advantage? Ward believes it pays off in multiple ways:

- It builds trust and loyalty (and referrals) from customers.
- It motivates sales staffers because they really believe in the products and services they're selling.
- It creates a culture of honesty, especially important in a business where employees work in customers' homes and can't be closely supervised all the time.
- And it attracts top employees who want to work for a company whose standards they respect and share.



Amy Johnson, a public relations consultant and president of the Colorado Chapter of the Public Relations Society of America.

This article appeared in the Denver Business Journal
<http://www.bizjournals.com/denver/stories/2008/03/03/smallb6.html?page=all>

Can an Ethical Culture Prevent Anti-Competitive Behaviour

GoodCorporation asked the newly formed Competition and Markets Authority to lead our May Business Ethics Debate at the House of Lords on the subject of ethical culture and competition.

The discussion began with some of the opposing arguments.

- It costs time and money to instill an ethical approach if you don't already have one.
- Businesses can lose out on profits if an ethical approach is inconsistent with immediate profit maximisation.
- Businesses need to compete to stay ahead. It is often argued that an ethical culture is the competitive equivalent of tying one hand behind your back.
- It's not always clear what an ethical approach to a given situation would be – people, institutions, lawyers and governments will all have different answers to the same question.
- All firms exploit consumer traits and biases in some way – how does a business determine what is ethical and what is not? Where do you draw the line between (for example) fulfilling demand for easily available food and encouraging obesity?
- In other markets, such as financial services, the key to success is information advantage – how does a business define the ethical 'limit' to using that advantage.
- There can be a significant 'first mover disadvantage' for firms seeking to introduce an ethical culture where the rest of the market doesn't have it.
- And if firms can see competitors doing better through unethical activity and cheating to get ahead, without sanction or consequence, the inclination is to follow – leading to a race to the bottom.

However, although these arguments may seem compelling, they do not stack up as a justification for avoiding business ethics, they merely show why an ethical culture can be hard to implement.

Over the medium to long term, an ethical culture gives a competitive advantage: the only

way, in fact, of sustaining position in the market, which is ultimately good for profit.

Unethical conduct on the other hand, has a significant cost: fines from regulatory and enforcement action, reputational damage and loss of trust. Sectors as well as individual companies can be damaged by the rogue activities of the few.

Culture plays a vital role in corporate decision-making. A rules-based culture cannot always guide behaviour as it is unlikely to cover every possible situation. However, a strong ethical culture can ensure that the right decisions are made, giving employees a clear idea of what is expected when they face a situation where there are no company rules. This can be essential, though difficult to apply when moving into new markets where norms of behaviour can be very different.

A rules-based culture cannot always guide behaviour as it is unlikely to cover every possible situation. However, a strong ethical culture can ensure that the right decisions are made, giving employees a clear idea of what is expected when they face a situation where there are no company rules.

So how can a business create the right culture?

The following are essential:

- Strong leadership and modelling of the right behaviour
- Board-level involvement
- Communication and training: how individuals conduct themselves personally has an impact on company reputation
- Appropriate sales incentives
- Treating customers and competitors fairly

What are the challenges?

- Establishing a single culture that can work in a diverse organisation and across boundaries

- Ensuring that there is sufficient governance and interaction with operational entities such that the culture is universally embraced
- Delayed reaction – some businesses don't react until problems emerge in their own or a competitor organisation
- Doing the right thing may result in a short-term loss of profits
- Refraining from an activity which could help meet targets but is wrong can be hard and requires a strong sense of responsibility
- Transparency may lead to a loss of business



What are the advantages?

- A strong set of values can meld an organisation together
- Positive core values can act as a real differentiator in a highly competitive market
- Builds brand reputation, customer loyalty and consumer trust
- Provides reassurance that staff will know what to do in difficult situations
- Reduces the likelihood of being 'caught out' and any ensuing reputational damage
- Good for long term business development

very specific rules; the aim is to embed the right culture. Leadership from the top is required, but staff members must also be properly held to account.

Training programmes are necessary but not sufficient on their own, audit activity post-training is required to assess progress and create space for discussion in grey areas.

Expectations from customers, public authorities, and society as a whole are rising; the best organisations will not simply “fall in line”, they would seek to get ahead.

The link between good business behaviour and competition is clear. Organisations that demonstrate strong anti-trust processes see these as a core part of their wider ethical approach to doing business. ■

Credits: The above article is taken from the website of GoodCorporation. Their site introduces themselves as an organisation that has unparalleled expertise in checking and measuring corporate behaviour. They help clients to identify whether good practice is properly embedded and what action is needed to protect and strengthen reputation.

<http://www.goodcorporation.com/business-ethics-debates/can-an-ethical-culture-prevent-anti-competitive-behaviour/>

It is more important to adopt principles than very specific rules; the aim is to embed the right culture. Leadership from the top is required, but staff members must also be properly held to account.

In summary

There was overall a clear consensus around the proposition that it is “good business to be ethical”. However, establishing this isn't easy, there are likely to be internal challenges, variations according to different market contexts and different corporate maturity profiles.

It is more important to adopt principles than