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Professional Ethics & Morals

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CASE ONE: THE GIFT



# The Gift.

- Alex is a shrewd building contractor. You've had cause to supervise his work for a number of years now and you can testify to the professionalism and excellence with which he delivers his work. Like all businessmen, he is ambitious and tries to grow his company year-on-year. Alex has attention to detail and generosity that are legendary. He attends all the life events like birthdays, funerals, and weddings of team members, from the architects to consulting engineers to quantity surveyors. At Christmas, you can be sure the most valuable hampers are from him. He always seems to have market intelligence. It has not yet been announced, but your firm has just been selected as Consulting Engineers for a new N30bn job. You open your envelope and find keys to a brand-new 5-series BMW from Alex.



# What do you do? What would people typically do?

- A. You return the gift immediately since as a member of the bid evaluation team, you have to avoid all appearances of a conflict of interest.
- B. There are only so many good quality contractors like Alex in Nigeria. He is good to have as a friend. Accept the gift, nothing spoil!
- C. A BMW 5-Series car will attract far too much attention so you ask Alex to monetise it instead.



# How Would Stakeholders React to Your Choice?

1. The Client
2. Your colleague
3. A vocal beneficiary of the N30bn project

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CASE TWO: THE SIDE HUSSLE



# The Side Hustle.

- After five years post qualification as an Engineer, your colleague still struggles to cover her monthly bills from her salary. One of her seniors from secondary school (you suspect to be an old boyfriend) is now in charge of the Nigerian Content office. After she grumbled to him for a while he decided to help her. He asked her to bring three companies after which she has now won a N50m project (from which you understand she can go home with as much as N20m from the contract sum over the 18-month contract period. Your bosses are unaware of the project.



What do you do? What would people typically do?

- A. You report her to the partner responsible for ethics at your firm since this is a clear conflict of interest.
- B. You do not report her as people will say your action smacks of *bad belle* even though you know this will kill the firm if everyone were to do the same.
- C. You pally her up to see if you could also get a role in the project she landed. After all, she can't do all that work all by herself.





# How Would Stakeholders React to Your Choice?

1. The Managing Partner of your firm
2. An investigative journalist
3. DG of Nigerian Content Office



# CASE THREE: A DISTINGUISHED CAREER



# A Distinguished Career.

- Mr Saidu is not only a senior Engineer, he is a Fellow of the institute. He attends all functions of the Institute (barring ill health) and plays an active role in the community. He likes to train juniors and will soon be retiring. Recently Mr. Saidu's only son, Jega, was diagnosed with a terminal illness, and you know Mr. Saidu is struggling to cope with treatment costs. Anytime Mr. Saidu is not around, Ahmed reminds all staff of the need to do something to help their mentor. You are putting together a BOQ and some of your colleagues suggest how this could be beefed up to provide something reasonable the team can present to Mr. Saidu. From your induction, you vowed never to be part of any unwholesome practices. Without the money, Jega will die.



# What do you do? What would people typically do?

- A. You push for a meeting of all staff to devise strategies to raise funds in legitimate ways and even though you don't know if any money can be raised that way or when it could materialise you cannot be involved in professional malpractice, even if Jega might die.
- B. You inflate some of the quantities in the BOQ as that will provide more than enough money within the timeframe needed to save Jega's life. You won't touch the rates but you can ensure a cooperative contractor gets the job.
- C. You blow the whistle, resign and find yourself another job in another firm.



# How Would Stakeholders React to Your Choice?

1. Mr. Saidu
2. Jega
3. The Client whose BOQ is to be inflated



# CASE FOUR: THE BID EVALUATION



# The Bid Evaluation.

- Three new single storey student hostels are to be built at the Odeda campus of the ABC Group of Schools. The designs are simple and the evaluation team does not expect any complications during the construction, everything seems straightforward. Ejike heads the bid evaluation team and three contractors have made it through to the final stage on merit. In fact, it really doesn't matter which of them is given the contract, they can all do a fine job. Ejike however insists on Neptune construction that had the highest bid price of the three even though technical evaluation had them tied. You are not sure what is happening so you dig around only to discover that Mrs. Bolatito of Neptune is actually Ejike's sister.



# What do you do? What would people typically do?

- A. *Last, last, you don't cast and it is your turn to chop breakfast.* You let Ejike know that you know what is happening and ask for your cut.
- B. You question Ejike's judgement citing concerns over best value for the client's money
- C. You ignore what is happening as this is the norm. Your own time will come too when you get to call the shots.





# How Would Stakeholders React to Your Choice?

1. Your Managing Partner
2. Mrs. Bolatito
3. The Client



# AGENDA



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# Exploring Our Context

What will drive our professional ethics & morals?



# Our Context in Africa

## THE BARRIERS

- **Institutional:** How we win and retain business does not receive sufficient regulatory attention to warrant change
- **Situational:** Not enough buyers of our goods and services require integrity as condition for the engagement
- **Behavioural:** Acting with integrity is seen as a moral but impractical nice-to-have given the environment

## POTENTIAL DRIVERS

- Stimulus for change would need to be external to our current environment to warrant our attention
- Show us potential clients who require integrity as a condition for engagement then we will change
- There would have to be prospects wanting integrity for us to see a practical benefit in making the investments in time and money to build our compliance



# What motivates us to do right?

- Why would people do right?
  - To avoid punishment?
  - To take advantage of rewards?
  - To impress their circle of friends?
  - To be seen as law abiding?
  - To the common good of the majority?
  - To ensure justice for all?

Kohlberg's Cognitive Moral Development Theory

**WEAK INSTITUTIONS**

**WEAK ENFORCEMENT**

**NEGATIVE INCENTIVES**



# Merton's Strains Theory

- What leads individuals to *deviant* acts like corruption, religious, ethnic, resource based conflict?
  - The goals strongly emphasized by society?
  - The means society emphasizes?
  - Do we all have access to those means?
- Deviance then occurs as a result of dissonance between social reality and expectations
- How well does society manage the expectations of individuals in the face of rapid social change?

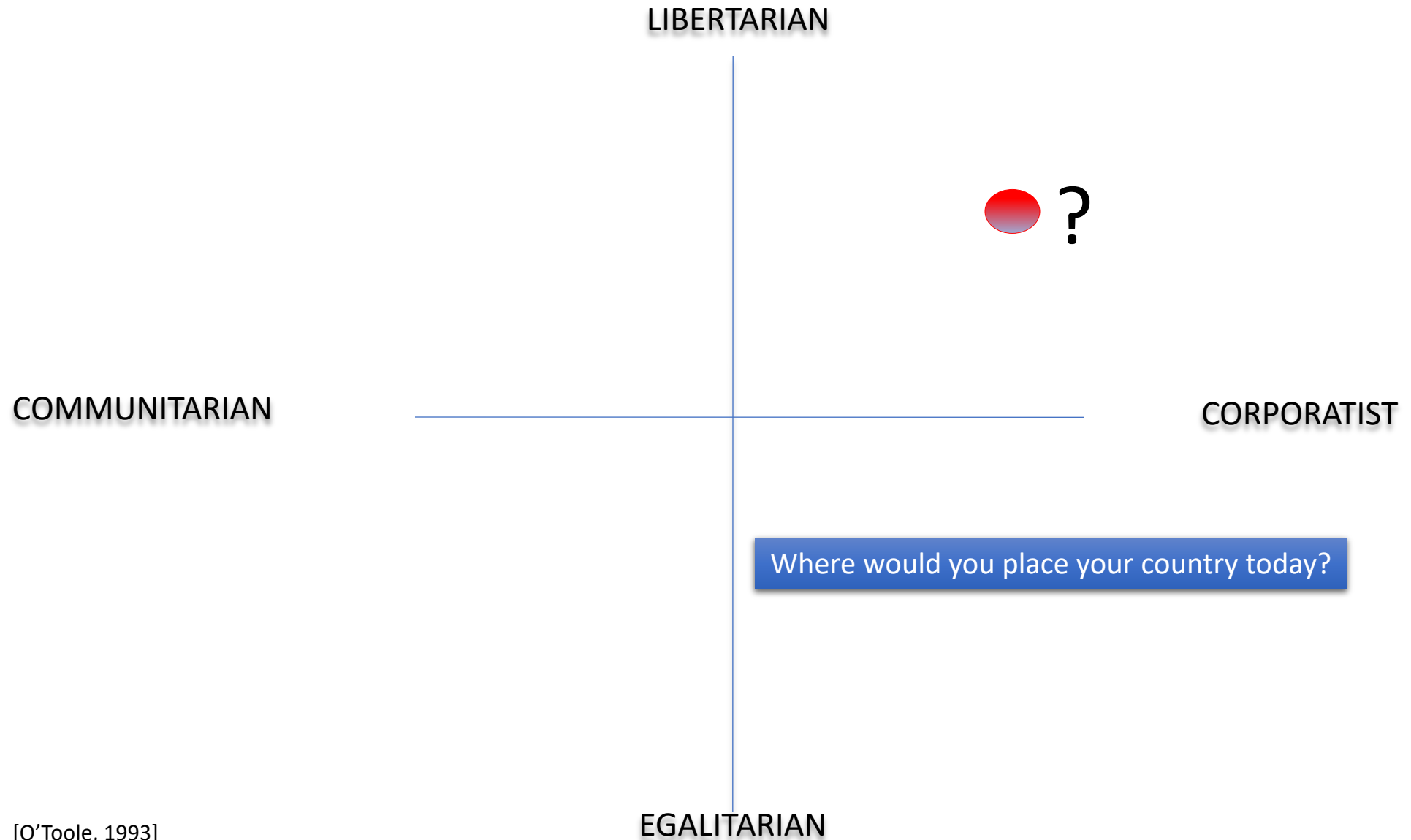


# Strains Theory Adaptations

- Conformity – accept both goals and prescribed means
- Innovation – accept the goals but not necessarily the means – they strive to obtain success by taking advantage of illegal means available to them in place of less promising conventional means in order to attain success.
- Ritualism – abandon the goals but keep the means, people concentrate on retaining what little they possibly gained or still have in place of concentrating on a higher yield of success.
- Retreatism – abandon both the goals and the means - drug addicts, alcoholics, vagrants, and the severely mental ill function because their reactions to not being able to obtain success by legitimate means represses them from society.
- Rebellion – both/either goals and/or means are rejected and individuals create their own goals and/or means these people replace such ideas with irrational objectives to include the violent overthrow of the system altogether.



# AFRICAN SOCIETY?





# integrity

## Why bother?

Given our context, should professional ethics & morals matter?



# Agriculture without food



Food imports into many African countries has been growing



<http://www.leadership.ng/blogposts/558716/food-security-in-nigeria-is-biotechnology-the-panacea>



# Shelter without homes



Nigeria has a housing gap of 18 million units growing at rate of 2million units annually.  
What is it like in your country?

<http://www.nigerianbestforum.com/index.php?topic=304423.0;wap>



# Clothing without warmth



Nigeria's textile industry grew at 67% p.a between 1985 and 1991. By 1991 it employed 25% of manufacturing sector workers. It was killed by smuggling and cheap imports from China.

<http://nationalmirroronline.net/new/nigerias-troubled-textile-industry/>



# Schooling without learning



According to the British Council, about one fifth of the world's 60 million out-of-school children are in Nigeria. "Children that are able to access schools typically learn little"

[http://tepcentre.com/wp-content/uploads/2015/03/PSIPSE\\_Learning-Outcomes-in-Nigeria-TEP.pdf](http://tepcentre.com/wp-content/uploads/2015/03/PSIPSE_Learning-Outcomes-in-Nigeria-TEP.pdf)



# Medicine Without Healing



CROWDS AWAITING FREE MEDICAL CARE EVENT



It is estimated that no more than 35% of Nigerians have access to modern healthcare services.

<https://www.unilorin.edu.ng/publications/yusufn/Traditional%20Medicine%20and%20Health%20Care%20Delivery%20System%20in%20Nigeria%20-%20Yusuf%20Noah.pdf>



# Growing without maturing



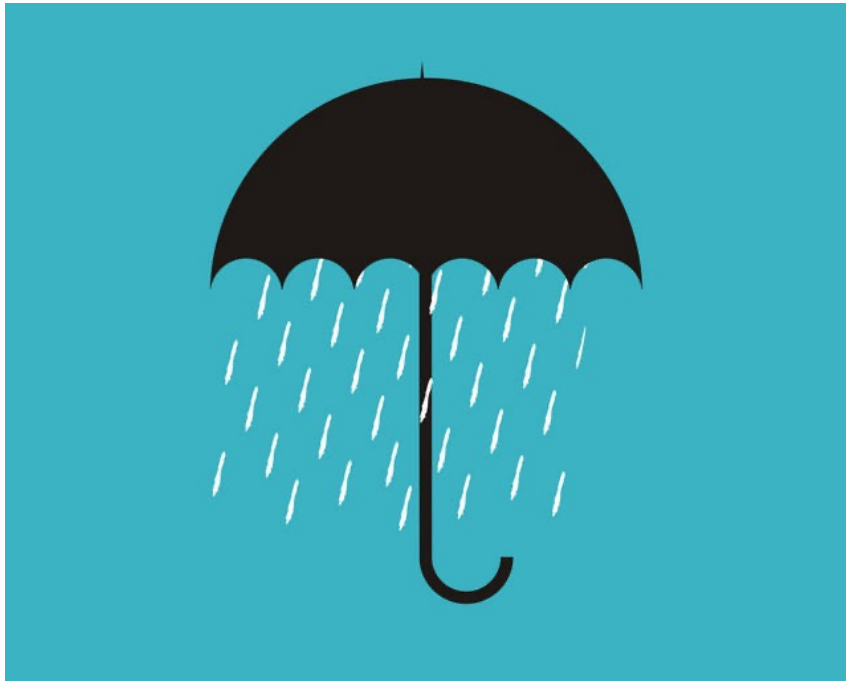
40% of the body's dry matter is protein.  
intake of animal protein is at present  
4.82g/caput/day as against 35g  
recommended by FAO.

<https://www.unaab.edu.ng/attachments/Revolutionising%20the%20Feed%20Industry%20for%20Increased%20Poultry%20Production.pdf>





# Democracy without choice



Is Nigeria an Elite “Aristocracy” or a popular “Democracy”? Have Nigerians consistently chosen poverty over development or how come regardless of what they “choose” they don’t seem to break free of the bonds that hold them captive?





# Governance without peace



The Niger Delta insurgency; Boko Haram; Oodua People's Congress; MASSOB; iPOB; The Shi'ite Movement; Rising Militancy of "Fulani Herdsmen," ISWAP, etc.— What do these groups tell us about governance?



# Revenues without justice



There has been a concentration of wealth and economic power in the hands of a few, to the detriment of under privileged and common people in Africa

[http://cprenet.com/uploads/archive/UJMSS\\_12-1254.pdf](http://cprenet.com/uploads/archive/UJMSS_12-1254.pdf)



# Resource wealth without prosperity



Misplaced priorities and ineffective allocation of funds by political leaders coupled with inefficient mechanisms, systems and processes for spending by officials result in very poor development outcomes for Africans

<http://www.eajournals.org/wp-content/uploads/POOR-BUDGETARY-PERFORMANCE-CAUSES-AND-IMPLICATIONS-FOR-DEVELOPMENT.pdf>



# Expenditures without service



In the period 1970-2010, there has been a steady decline in the quality and quantity of public services and expenditures in this area have yielded very poor returns.

[http://www.aessweb.com/pdf-files/ijass-2014-4\(4\)-480-491.pdf](http://www.aessweb.com/pdf-files/ijass-2014-4(4)-480-491.pdf)

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What are these Professional  
Ethics?



# What is Ethics?

A system of moral principles; the rules of conduct that guide your actions. Ethics guides you with respect to what actions are right or wrong, and with respect to the goodness or badness of your motives.



Applying personal ethics  
can be difficult



Applying ethics in an organisation can be even more difficult...







# What is Business Ethics?

A system of moral business principles; the rules of conduct that guide people's actions in a business environment.

Business Ethics guides you with respect to what business actions are right or wrong, and with respect to the goodness or badness of your motives.

The fundamental principle of Business Ethics is **fair and honest business dealings**.



# What is Professional Ethics in the Public Sector?

A system of moral principles for the public sector; the rules of conduct that guide people's actions in civil service. Public Sector Ethics guides you with respect to what public administration actions are right or wrong, and with respect to the goodness or badness of your motives.

The fundamental principle of the public sector as **a steward to the public.**



# Ethics and Business

- The set of morals, standards, rules, laws, principles and so on that **actually control** your choices and behaviour in business are your ethics in business.
- If your behaviour and choices in business are **consistently bad**, your ethics must be bad.
- If your behaviour and choices in business are consistently **acceptable/good**, they must be emanating from a place of “good” ethics



# Are Ethics Relative or Absolute?

- So, how do you determine what is good, acceptable or bad behaviour in business? When people are more likely to set standards in relation to their limitations and constraints to have any hope of achieving those standards.
- Therefore standards (and thus ethics) are neither **absolute** nor **universal**. People agree a minimum set of acceptable standards as a general guide to making an understanding of ethics more uniform



# The Power of Context

	Good Apples	Bad Apples
Good Barrel	√	x
Bad Barrel	x	x

Deon Roussouw



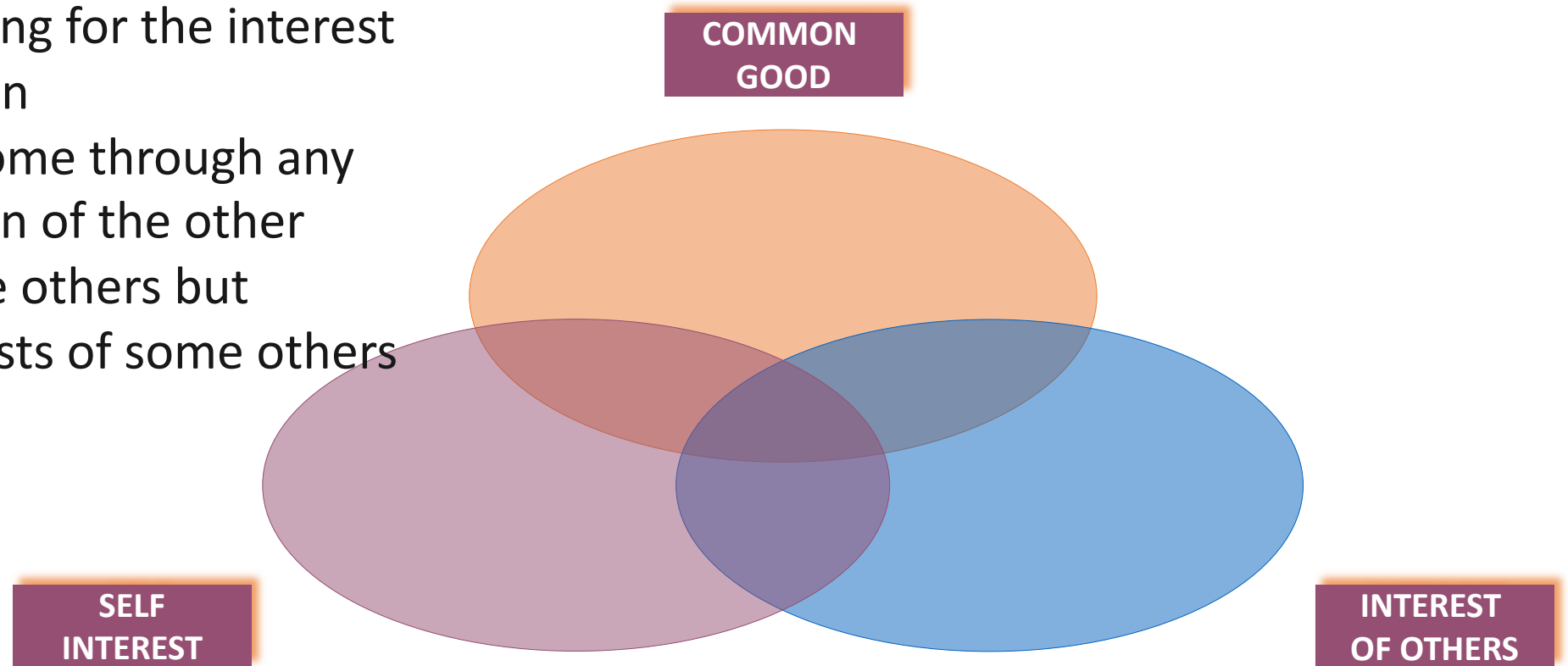
# The Boiled Frog Syndrome





# Ethical Choice Framework

- Selfish interest (self-interest alone) cannot be sustained any more than selflessness (working for the interest of others alone) can
- Profits must not come through any form of exploitation of the other
- Profits that include others but damage the interests of some others cannot be ethical





# Framework – Ethical Decision Matrix

Legality is the starting point, but you want to go further

- Criminal or administrative liability – But you want to develop a culture where, staying out of fines or jail is not enough
- Matrix
  - Is it compliant?
  - Is it responsible?
  - Is it generally acceptable?





## Ethical decision matrix

Is it compliant?

Is it legal?

Will I be breaking any rules or regulations?

Is it against the policy of my organisation/company?

Is it responsible?

How will it affect other parties?

What if everybody were doing the same thing?

Is it against my principles?

Is it generally acceptable?

How will it look on the newspaper front-page?  
On YouTube? On Facebook?

Will I be ashamed to tell my peers?

What will my family think if I tell them?



# Ethics in Business Requires Effort

- Effort is required to identify and isolate the bad apples and to fix problems with the barrels. It is easy to make selfish choices. It is also easy to make selfless choices.
- But ethical choices require extra effort to preserve the self-interest and the interest of others, without damaging the common good.
- Doing nothing and going with the flow is not an option: ethics and standards slide and decay without effort to act in the common good



# Incentives Reduce The Effort

- **Universal ethics** in business emanate from having the right ideology (a clear belief system with punishment and rewards for good or bad behaviour).
- An environment created by a Government (through institutions with strong reward and punishment systems) is another but relatively inferior example.
- Contracts between parties to a transaction that stipulates a code of conduct and aligns incentives between the parties concerned is another example





# Characteristics of an Ethical Leader

- A visibly ethical person, who
- Sends a consistent message

## Being a moral person alone is insufficient

- Employees are often far away from executives
- Employees look to their supervisors and executives for guidance – also on issues of ethics



# So, to Be an Ethical Leader, you must

- Be a moral manager, **and**
- Be a moral person

Only when employees see and believe that you care about and believe what you say, and only if you practice as you preach you will earn legitimacy

Requires great care to create and sustain an ethical culture that sends a consistent message that is at least as powerful as the "bottom line" drumbeat (via real attention to ethics in multiple cultural systems)



**Strong**

*Moral Manager*

**Weak**

Hypocritical Leader

Ethical Leader

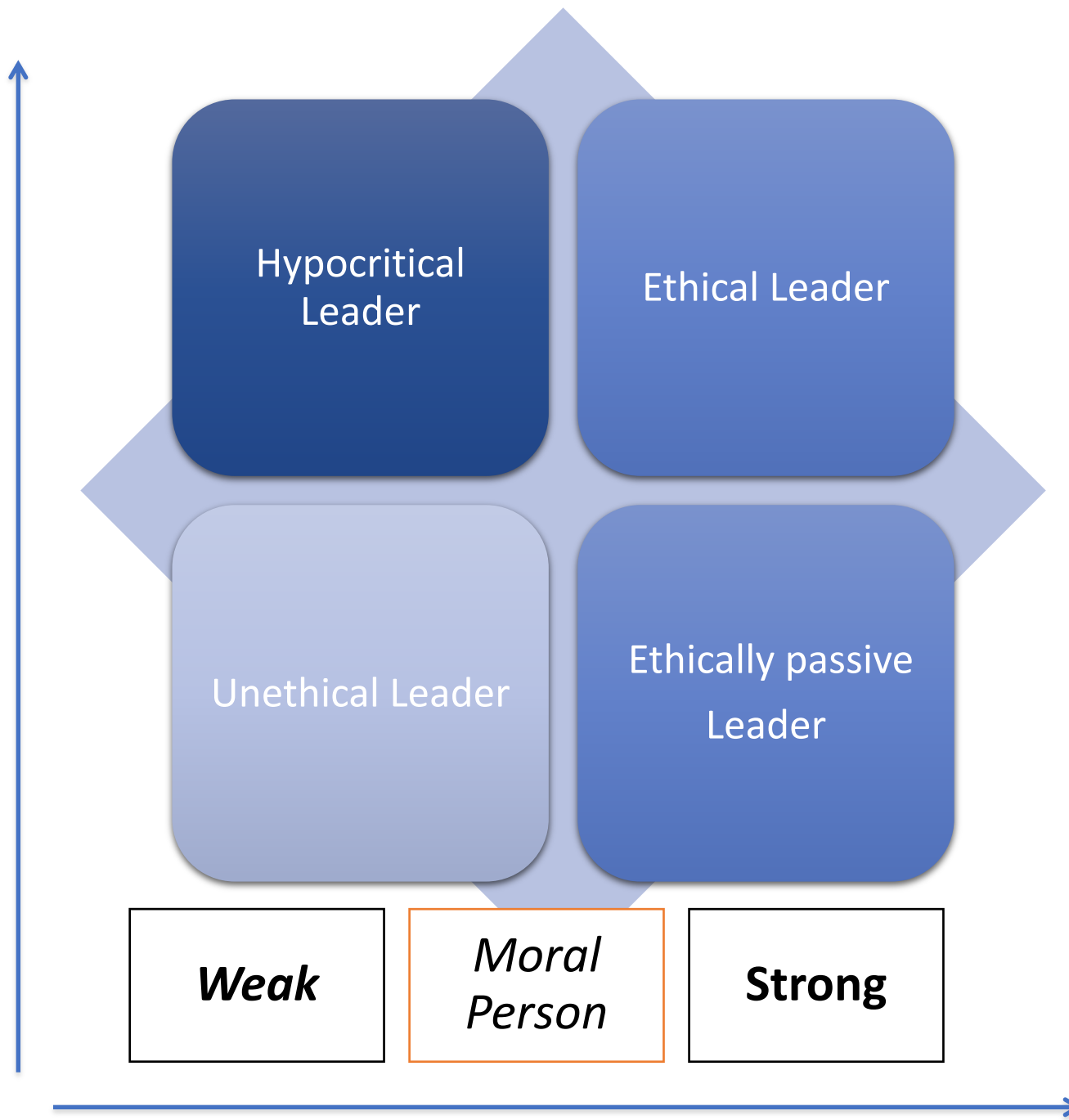
Unethical Leader

Ethically passive Leader

*Weak*

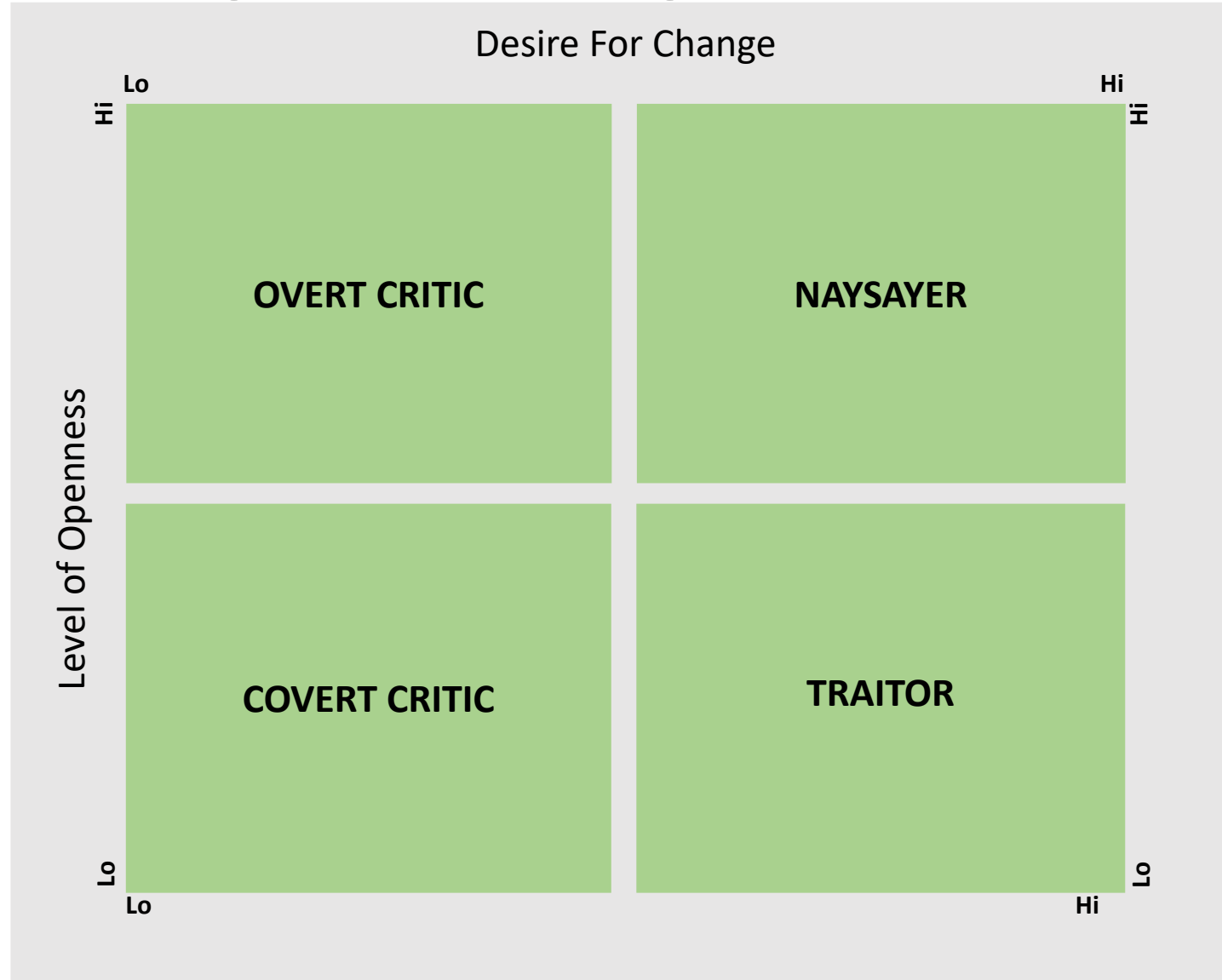
*Moral Person*

**Strong**





# Distinguishing the "Disagreeers"





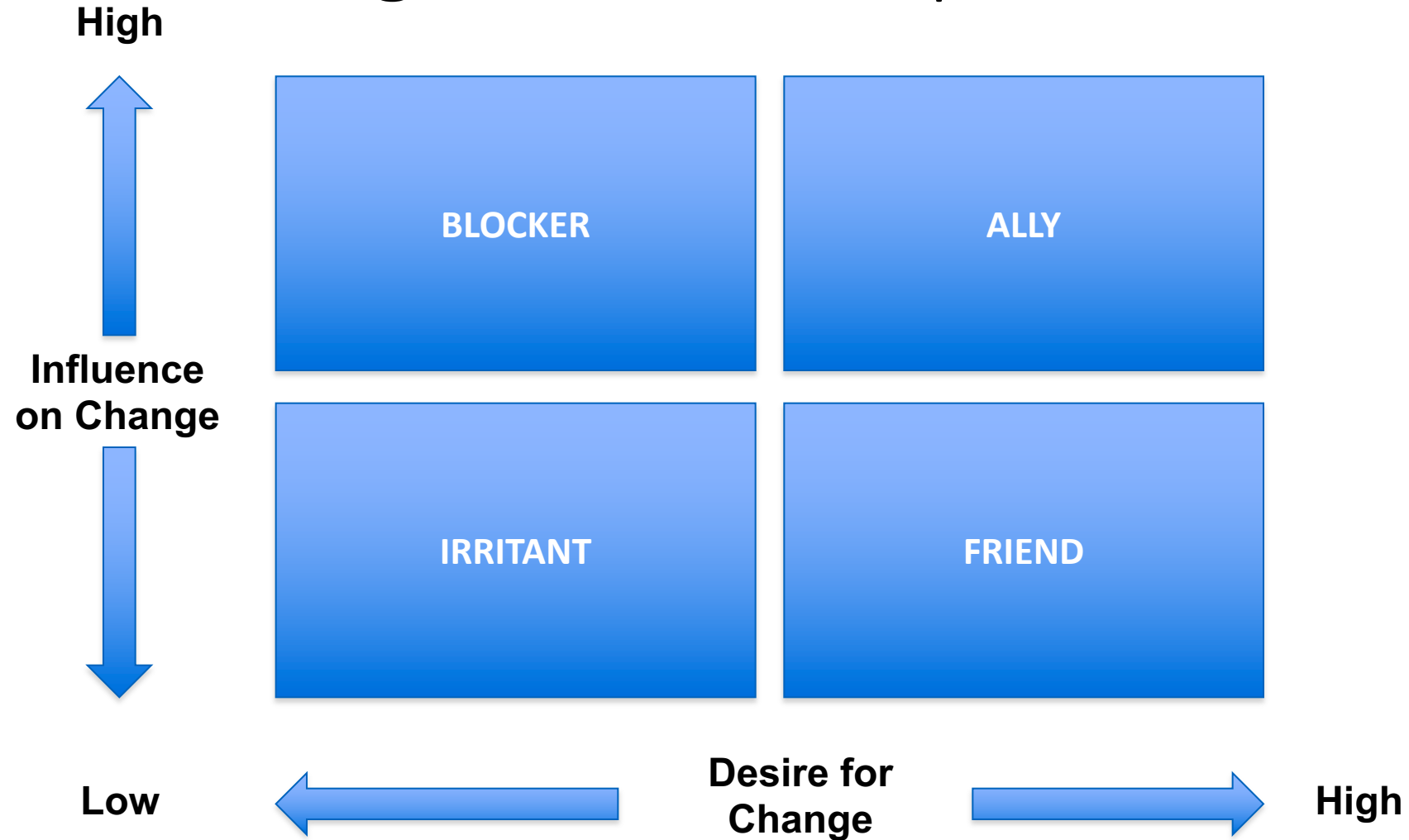


# The “Dis-agreers”

- **NAYSAYERS** – Listen to them
  - Are they OVERT/OBVIOUS it might be driven from **Jealousy**
- **CRITICS** – Ignore or Silence
  - Are they COVERT/SUBTLE it might be driven from Envy
- **TRAITORS** – Move them on or out!



# Levels of Change Followership



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Character, Integrity & Morals



# Integrity is...

- Freedom from deceit, duplicity, self-delusions, adulteration, corruption
- Being morally right, following the right precepts, doctrines, etiquette
- Being complete, whole, skilled and polished
- Consistently doing the right things & Doing things right

# What Does a Life of Integrity Look Like?



- You are who you say you are. Confirmed!
- You do the right things and do things right even when no one is looking
- You do what you say, as & when promised
- You are answerable to people in appropriate ways
- You act ethically, and to safeguard credibility
- You aim at distinction in quality & efficiency

“There are two building blocks  
for a life of Integrity -

1. Consistently making moral/ethical choices
2. Consistently managing to keep a moral/ethical environment”



# Character and Ethics

Facts about character...

- Your character is your core nature. It is who you REALLY are.
- Your character reflects your moral values. You use it for making moral and ethical choices.
- Although some parts of your character are ingrained, it can also be influenced by your beliefs, attitudes, abilities, thought patterns, lifestyle, and experiences.



# Understanding Your Character

- Character is demonstrated by your actions and displayed in the choices you make.
- Character is who you are when nobody is looking.
- Character follows you everywhere you go. It is not left at the doorstep when you leave for work.
- You can't fake character...*at least not for long.*
- You are not stuck with your present or past character but can change it over time by developing new habits and attitudes.
- There will always be moral, ethical, emotional struggles that will test your character.





# Maintaining Your Character and Integrity

- Think about your character often...not only in a crisis.
- Know the values and principles you hold dear.
- Listen to your conscience.
- Know your moral and ethical boundaries.
- Watch what kinds of influences come into your life.
- Set moral, ethical, and spiritual goals that strengthen your character.
- Strive to achieve balance in your life.



# Has Your Character Been Tested?

- ⦿ Time
- ⦿ Pressure
- ⦿ Environment
- ⦿ Your basic drives
- ⦿ Your sense of self-importance
- ⦿ Voice of society in your head
- ⦿ Inertia
- ⦿ Capacity/Ignorance
- ⦿ Congruence
- ⦿ Authenticity

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Conflicts of Interest & Ethical  
Dilemmas



# Conflicts Of Interest & Ethical Dilemmas

- A conflict of interest happens when your personal interests influence (or appear to influence) your ability to act in the best interest of your company, group, unit etc.
- Professional ethics dilemmas are often conflict between values
  - “Truth versus loyalty”
  - “Individual versus community”
  - “Short term versus long term”
  - “Justice versus mercy”.



# Let's explore a few instances

- Employment
- Investment
- Competition
- Family & Friends
- Significant Financial Interest
- Side Hustle
- Using Company Time & Resources
- Selling in the workplace
- Gifts & Entertainment
- Accepting Gifts

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Final Words



# Observations

1. It may not at first be so clear that only by choosing to act with professional ethics and morals can Africa be turned around
2. It may also not have been so clear that sustainable change can only start from the individual
3. The actions of us all combine to create the norms in our societies.
  - We believe everyone is doing it
  - We believe everyone expects us to do it too
4. Living a life of integrity requires moral courage for us to act as ethical leaders
5. At the core of it, Excellence, Morality, Integrity, Professionalism and sustainability require the same core values
  - Doing the right things and doing things right



Thank  
you