

Submission to the Committee on Standards in Public Life

In 1991 the governing Council of the Institute of Management Consultants first established its Professional Standards Committee, and I was invited to become its first Chair. An important part of that brief was to consider the Institute's Code of Professional Conduct. I found that a rigorous Code had been developed over a number of years previously by interested members of the Council. This was submitted to legal counsel and found to be legally enforceable. The Code was based on three principles, namely,

High standards of service to the client
Independence, objectivity and integrity
Responsibility to the profession

These principles were underpinned by detailed rules, which comprised specific injunctions and practical notes on how best to observe them. (*See footnote 1*)

Further research revealed that very little published material at that time focused on the personal behaviour beyond that which was legal. The prevalent view was that, if it was legal and within the rules, it was permissible. The then President of the Institute of Chartered Accountants of Scotland said that "rules and regulations only invite avoidance and evasion". This struck a chord with me and therefore I proposed to our governing council that we should adopt a "principles approach" and not a "rules-based approach". This approach would avoid the pitfall of evasion and avoidance and place the responsibility for judgement firmly on the individual members of the Institute. A further benefit is that the individual facing a dilemma (assuming that he or she is aware that they are actually facing a dilemma) is often the only one in possession of all the facts.

I was further encouraged by the publication in 1994 at St James's Palace of an inter-faith declaration on business ethics resulting from ten years of work commenced in Amman, Jordan in 1984. (*See Footnote 2*)

The next stage was to introduce guidelines which, although unenforceable in law, would provide guidance for the standard of behaviour expected. Two additional principles were introduced, *transparency* and *vulnerability*, and announced in *Management Consultancy* (*See footnote 3*) in June 1995. These also formed part of the Institute's submission to the Nolan Committee earlier in that year.

During the second half of 1995, fifteen volunteer members were trained in "non-judgemental counselling" by a tutor from the Marriage Guidance Council. The aim was to provide a confidential "help-line" for members of the Institute. They would respond by telephone to dilemma enquiries. We sought to encourage individuals to use their training and skills to resolve their own dilemmas. Thus the approach to a counsellor would be confidential and non-judgemental, that is, the counselling listener would not offer solutions - but would be obliged to offer help and tools to make the "right" decision.

Transparency

Transparency seeks to establish the degree of openness that exists. That is, how much knowledge or information is available to stakeholders (those with an interest in the situation or who are affected by it). If they are not in full possession of all the relevant facts, the question arises, why not? Transparency is essential if the *sins of omission* are to be credited with the same weight as the more obvious *sins of commission*

I developed a set of questions which members could use to help them to confront “ethical” dilemmas being posed to them.

The first question posed is (adapted from the original text for MP’s):

1. Can an MP discuss the issue with voters before making a decision?

If the conclusion is that an MP is unlikely to have such a discussion, then the MP needs to consider why this so, and record it. Is it merely a matter of practicality, or is it a matter of principle? Could such a discussion expose something with which she or he is uncomfortable, or even weaken their legal position?

The next question raises the stakes a little and asks:

2. Would the MP feel comfortable explaining their behaviour to family and friends?

This question explores the degree of comfort an individual has with their own behaviour. If they feel any discomfort, they must seriously question their actions - or non-actions.

A third question raises the stakes yet again:

3. Would the individual feel comfortable if their actions were announced on television or printed in a newspaper?

Although an individual may feel comfortable with family and friends, they might still feel uncomfortable when faced with the possibility of having to explain their actions in the media. Does this have a bearing on their behaviour?

The fourth question brings the responsibility of the “profession” under the spotlight.

4. Would the individual feel confident that their peers would view the action they propose to take (or not take) as proper?

While they may be confident that they can rationalise and explain their actions to family, friends, and media, what about their peers who may have a better professional understanding of the issues involved and be able to reach an informed point of view. This may, in turn enable the individual to arrive an “acceptable” solution.

Finally, the most testing question at that time was:

5. Could one’s actions withstand cross-examination in court by an eminent barrister?

This question highlights how difficult it is to face up to the consequences of being confronted over his/her reasons for their action or non-action.

Vulnerability

The underlying intent in defining vulnerability in this context was to assess the risk or exposure for the parties involved. These could not be enforced in law (as we understood it then), but we sought to encourage members to question themselves.

With regard to “vulnerability”, the same questions may be posed after exploring the question:

6. Who is vulnerable?

It is important to identify the persons or groups who are vulnerable to the resolution of the issue or dilemma, and assess the level of our obligation to them.

The vulnerability could come about because they are unknowing. That is, they do not know what is happening and the individual does not wish to inform that group. If so, can the individual justify their decision to their voters, family, friends, media, their peers and a hostile barrister?

The vulnerability can arise because the person or group of persons are incompetent or weakened (in the legal sense). That is, they cannot influence the decision, and may be affected by the decision, and their potential views are not known or are being ignored. If they are being prevented from learning of the decision being contemplated, one must question why not? Again, the testing questions listed earlier could help an individual to gain an insight into their dilemma which enables them to arrive at a “right” decision.

Conclusion

A significant part of my research work drew on the Gresham College, London, lectures by Professor Jack Mahoney 1988 – 1992, and I commend that body of work to the Committee (*See footnote 4*)

I am submitting these principles in the hope that they may inspire a new approach to personal ethical behaviour on the part of the “political class”. Had the present incumbents addressed some of the testing questions set out above, they perhaps would have drawn back from their actions. In 1992 the general public did not hold management consultants in high regard. The low regard reached by MPs currently is unprecedented, it is linked directly to their poor judgement, and in a representative parliamentary system an MP can only offer judgement and integrity. The loss of reputation is so devastating that only a long period of time spent in rebuilding their ethical stance can save them; trust comes from continuous recognition of ethical behaviour. Alternatively a complete cleansing of the Augean Stables is needed.

I would suggest that a working party of professionals experienced in ethical and associated issues should be appointed to draft an appropriate Code of Conduct with guidelines, as a starting point for final consideration by a judicial commission. I would be willing to put together such a working party.

C Lynch
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Footnotes.

- (1) ***“The International Guide to Management Consultancy”***, pages 93 – 98. Edited by Barry Curnow and Jonathan Reuvid, published by Kogan Page, Second Edition 2003. Endorsed by the International Council of Managing Consulting Institutes (ICMCI), European Federation of Management Consulting Associations (FEACO) and All-Japan Federation of Management Organisations (Zen-Noh-Ren)
Also ***“Developing Organisation Consultancy”***, pages 95 – 107. Edited by Jean e Neumann, Kamil Kellner and Andrea Dawson Shepherd, published by Routledge in 1997
- (2) ***“Inter-faith Declaration on Business Ethics reported in “Business Ethics/A European Review”***, Volume 5, January 1996 Blackwell Publishers, Oxford.
- (3) ***“Management Consultancy”***, June 1995, Page 4 edited by Mick James, published by VNU Business Publications, 32-34 Broadwick Street, London.
- (4) Emeritus Professor Jack Mahoney SJ MA DD, Gresham College Lectures, 1988 - 92