ModernStats World Workshop 2022

Ethics management, leadership and performance

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UNECE CapComm Group

Task team on Ethical Leadership

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WHICH TYPE OF LEADERSHIP DO WE NEED?

Commanding leaders **make decisions quickly**; they **don't go through any discussions** and are **rarely challenged by the team**.

That may **inhibit critical thinking** and demoralize employees as their opinions are not taken into consideration.

Visionary leaders are **able to see the bigger picture** and set the overall goals for their teams; they **inspire creativity and teamwork** because the vision of final destination is very attracting.

But, **sometimes people try hard to understand what to do day by day**.

Affiliative leaders **show warmth and acceptance** to members and rarely put them under pressure. Because of the **warmness provided**, members feel safe, develop **a strong sense of belonging** and then **perform better**.

This kind of leadership works **best in stressful situations** or whenever team members' motivation decreases.

THE CONCEPTUAL FRAMEWORK

Organizational Ethical Values

*Ethics in an organisational context is **a set of ethical values and behaviours an organisation** chooses to implement **its mission and vision** as well as to **improve effectiveness, efficiency and affordability of its overall performance***

Ethical Leadership

Performance & Quality

Management of Ethics

Business Ethics

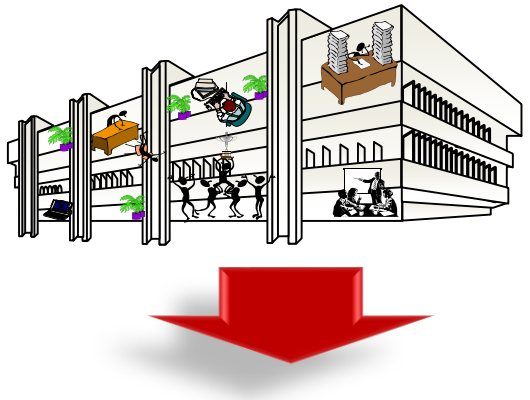
WHAT IS PERFORMANCE IN THIS CONTEXT?

Performance is:

- the **contribution** (results and the ways to accomplish them)
- that an **actor** (a community, an organisation, an unit, a team, an individual)
- will provide through his/her own **decisions and actions**
- to accomplish the **objectives and goals** related to **the stakeholders' needs that have to be met.**

PERFORMANCE = f (Person & Organisation)

«BEHAVIOUR»



«ENABLING FACTOR»

a) deficit of controls;
b) deficit of transparency;
c) overregulation;
d) lack of turnover in responsibilities;
e) deficit of accountability;
f) deficit or lack of competencies;
g) deficit of law compliance;
h) blurred separation between policy and management roles.

THE «FRAUD TRIANGLE»

This model is a key to understanding why an individual may choose to behave in an **unethical or even illegal way**. It actually identifies **three concurrent features** that can **affect wrongful behaviour**:

1) **internal needs (motive)/external pressure**;
2) **chances/opportunities**;
3) **rationalisation/self-excuse**.

To act out (= to commit fraud), all three features have to be triggered together

- The «**internal needs (motive)/external pressure**» feature depends on the **individual's story and personality reactions**
- The «**chances/opportunities**» feature is ruled by the **context**
- The **«rationalisation/self-excuse»** feature is performed by the individual and yet **influenced by the context**

The «fraud triangle» or ethical risk

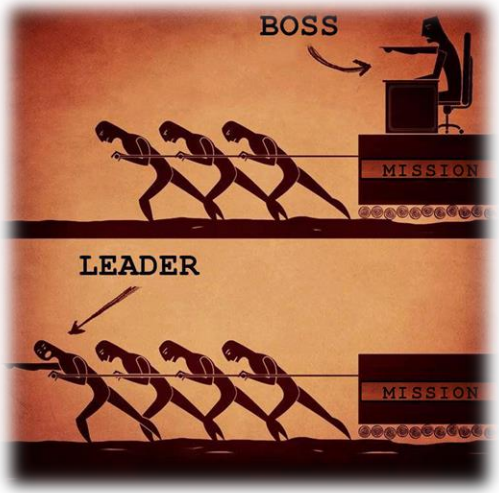
**Source: American sociologist and criminologist Donald Cressey*

WE OFTEN SAY «LEADING BY EXAMPLE» …

… BUT, THERE CAN BE DIFFERENT WAYS TO DO IT…

✓ *For example, we can call ourselves "leaders" because we are **"charismatic",** because our strong personality almost **hypnotizes people** … and that **can equally be for good or bad**!*

People will follow us no matter what we do, because they are hypnotized by our personality



✓ *Instead, we can call ourselves "leaders" because we **first act consistently with ethical principles** … whenever needed.*

People will choose to follow us because they get inspired by our behaviour and not hypnotized by our personality

THE TASK TEAM ON ETHICAL LEADERSHIP

- The Task Team on Ethical Leadership **started its activity in 2021** as a **follow up of the Risk Management** Framework and related **Guidelines**, released in 2017 by the Modernisation Committee on Organisational Framework and Evaluation, under the coordination of the UNECE HLG-MOS.
- The team **has been focusing both on data ethics (under the coordination of Canada) and on ethics management** as a key strategy to all processes and activities within an organization, namely "business ethics" or "corporate ethics" **(under the coordination of Italy)** .

Among the others, the **Task teams goals, approved by the HLG-MOS** are:

1. *To **identify** possible **common practices** in ethics management;*
2. *To **define a common vocabulary** and **give concrete suggestions** to support NSOs' leadership in real-work-type*
3. *To **try to figure out how to deal with** potential behavioural **dilemmas***

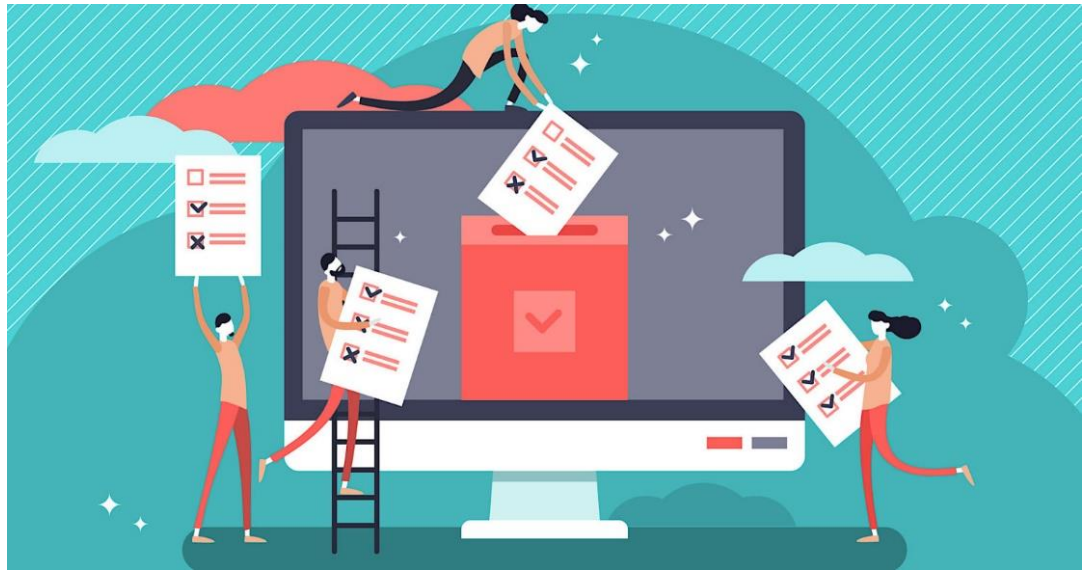
TASK TEAM MEMBERS: ***Co-chairs: Italy and Canada; Italy, Albania, Statistics Canada, ONS UK, Denmark, Slovenia, Hungary, Liechtenstein, Switzerland, UNECE***

TASK TEAM ON ETHICAL LEADERSHIP: THE PRELIMINARY POLL

1° survey: 60% resp. → 2° survey: 78% resp. → 3° survey: ongoing

- Early in 2021 the task team delivered **a short preliminary poll** to know how many NSOs had been implementing policies, procedures and programmes on ethics management.

The preliminary poll **was also intended to learn which NSOs were interested to be informed** about successful **ethics management practices** from the NSOs that had developed or were developing them.



- The poll has **achieved good results**: more than half of the recipients have responded to the short questionnaire and expressed interest in the subject.

TASK TEAM ON ETHICAL LEADERSHIP – THE MAIN SURVEY

1° survey: 60% resp. → 2° survey: 78% resp. → 3° survey: ongoing

Based on the encouraging results, the **Task Team submitted a second survey** to collect as much information as possible about the existence **of practices on Ethics management and Ethical Leadership** which may reflect on **organisational process** (**business ethics**) and **on** both **statistical production and research** (**data-ethics**).

Possible **ethical issues related with the business are:** *Pressure to compromise organizational standards, Observed misconduct, Retaliation against misconduct complainant, abuse of authority, Unethical Accounting*.

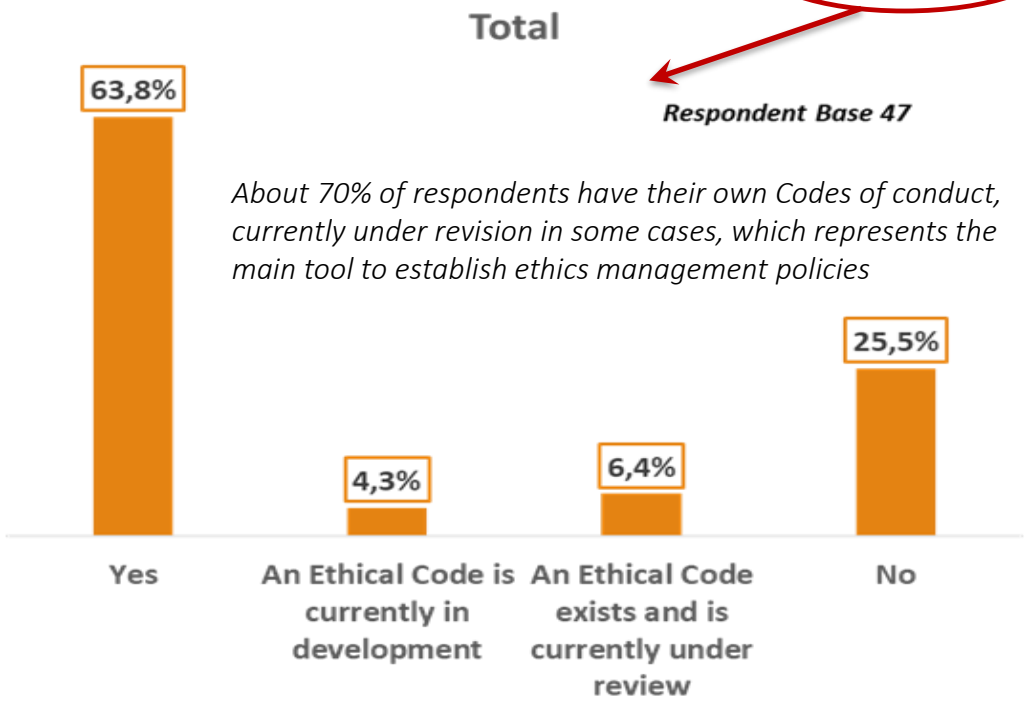
On the other hand, the multiplication of data sources and the development of technology have highlighted the importance of **data ethics** that addresses questions about the appropriate use of data at various stages of their life cycle.

Example of **ethical issues related with the use of data are**: *using biased data to inform decision makers, using data that can reinforce existing inequalities and privacy intrusion that is not proportional to the benefit of a project*.

TASK TEAM ON ETHICAL LEADERSHIP – MAIN SURVEYS RESULTS

The **common thread of the analysis** seems to be the consideration that **Ethical leadership is a driver for Ethics management:** people are more motivated to perform at their best in those organisations whose leaders' ethical example is **so convincing** to generate in them a better sense of belonging.

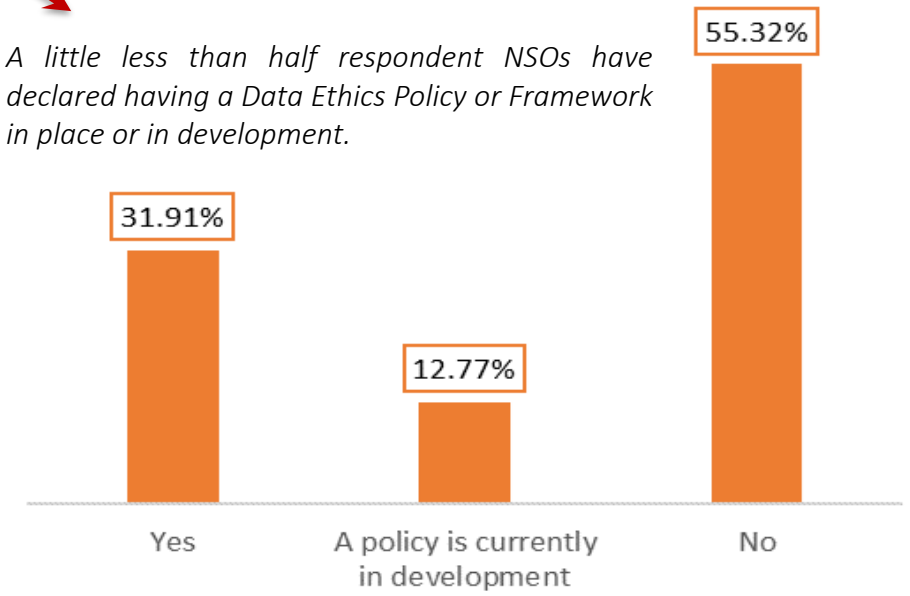
The results of the analysis give an overall picture of the **different ways to manage ethics** among the NSOs surveyed, by exploring the two **different areas of ethics management**: **business ethics** and **data-ethics**.



Respondent Base 47

About 70% of respondents have their own Codes of conduct, currently under revision in some cases, which represents the main tool to establish ethics management policies

A little less than half respondent NSOs have declared having a Data Ethics Policy or Framework in place or in development.



TASK TEAM ON ETHICAL LEADERSHIP – IN-DEPTH SURVEY

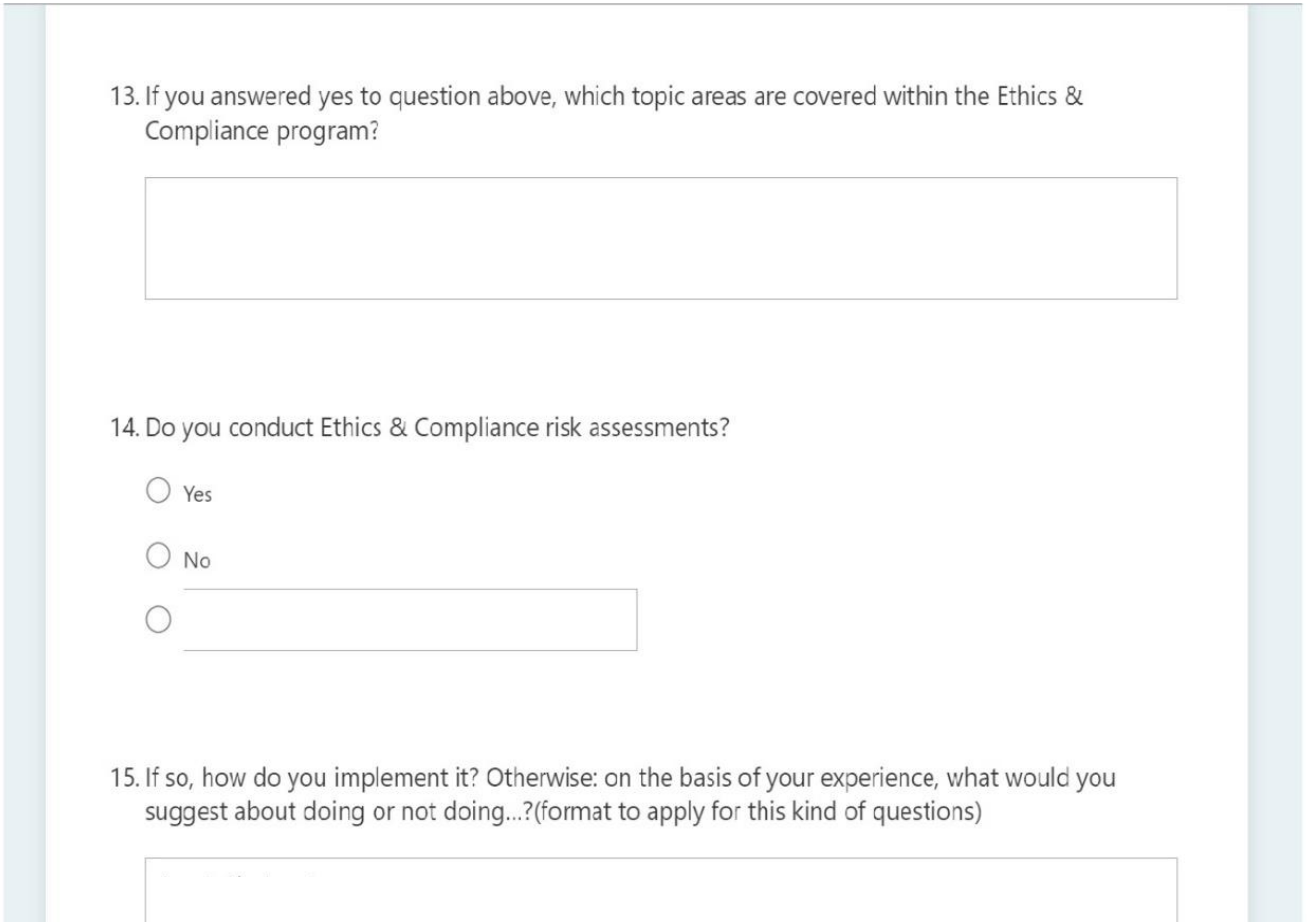
1° survey: 60% resp. → 2° survey: 78% resp. → 3° survey: ongoing

This additional survey is expected **to delve into the suggestions** come from the response analysis of the 2021 survey.

It **especially investigates "business ethics"** or **"corporate ethics",** that is, ethics as a cross-cutting element throughout the organisation and representing a key for a qualitative performance improvement.

It also contains **some references to data-ethics** that is further investigated by other teams within UNECE.

Where information collected through this third survey makes it possible, **the next step is to try to locate business ethics practices within GAMSO and GSBPM**.



13. If you answered yes to question above, which topic areas are covered within the Ethics & Compliance program?

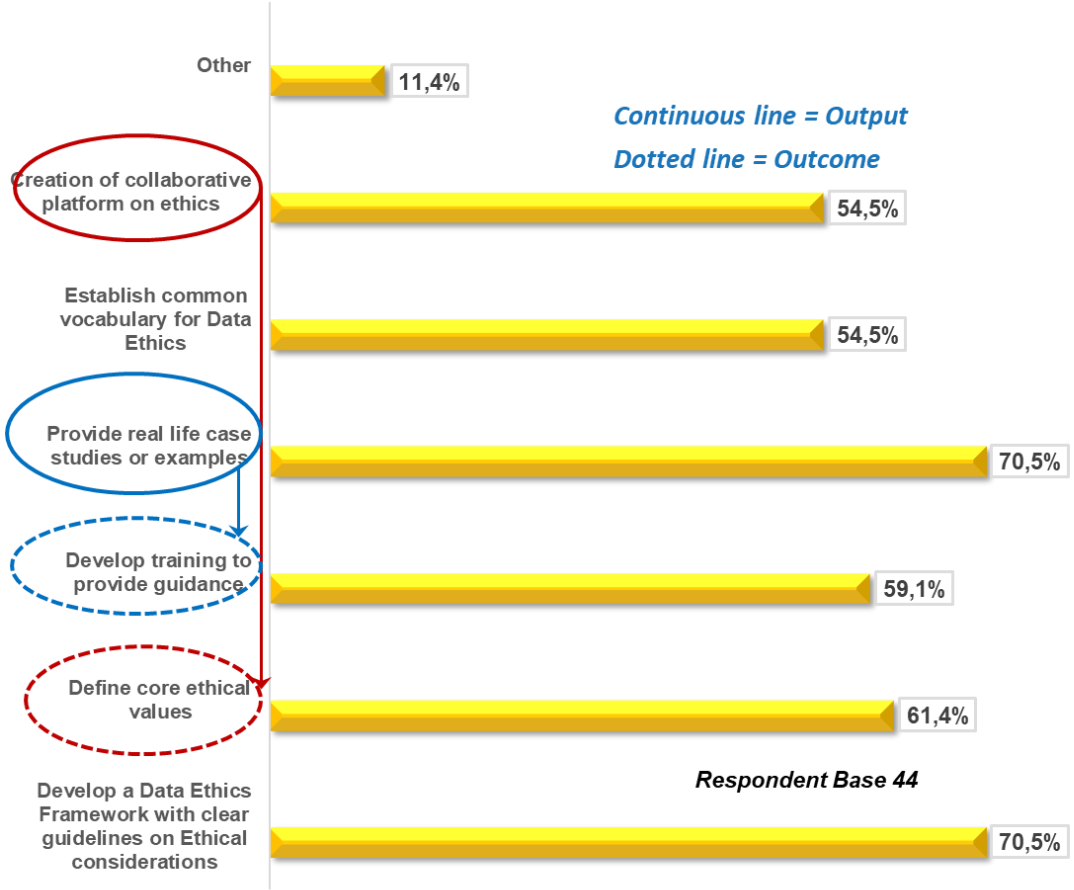
14. Do you conduct Ethics & Compliance risk assessments?

- Yes
- No
-

15. If so, how do you implement it? Otherwise: on the basis of your experience, what would you suggest about doing or not doing...?(format to apply for this kind of questions)

TASK TEAM ON ETHICAL LEADERSHIP – 2022 PROPOSALS

The Task Team takes into great consideration the expectations expressed by the NSOs in the second survey, in order **to better define the outputs for 2022**; the proposals have been **included in the Business Case** presented to the HLG-MOS.



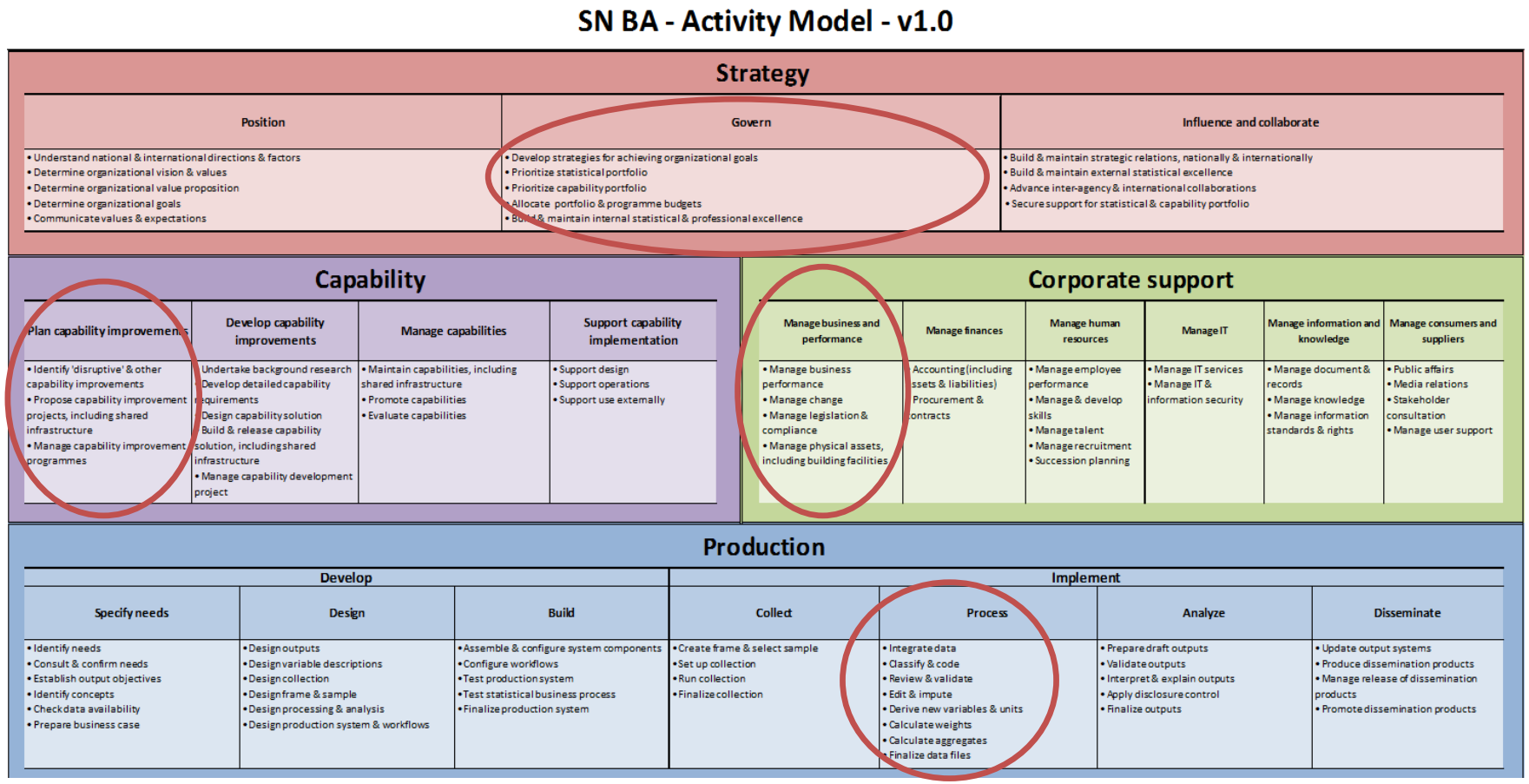
Q21. What are the expectations of your NSO towards the UNECE Task Team on Ethics in terms of concrete guidance on the topic of Ethics? *(from the TT 2nd Survey)*

The **main Task Team outputs proposed for 2022** are:

- defining a **common vocabulary** as regard with Ethics management, data ethics, leadership, performances, etc.;
- representing an **organizational framework** grounded on ethics principles;
- giving **concrete suggestions** (a sort of Handbook, including case studies) to support NSOs' in real-work-type situations;
- setting up **a collaborative platform** and **organizing a meeting**, where sharing information, experience and good practices on Ethics management;
- proposing **possible changes in the "Strategy and Leadership"** activity area of the Generic Activity Model for Statistical Organisations (**GAMSO**), in order to align the model with the ethics framework.

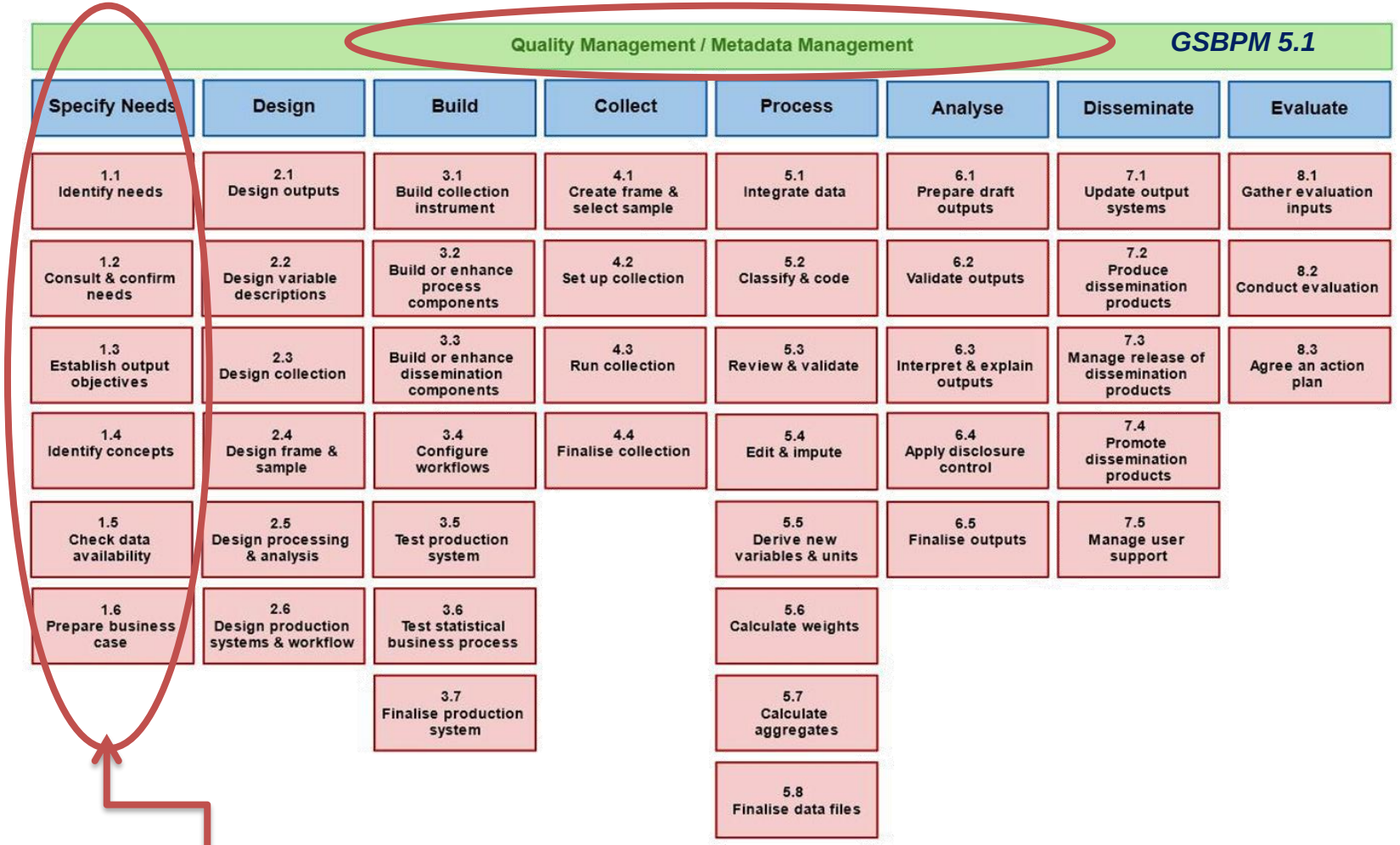
ETHICS & GAMSO

Ethics cuts across the entire Business Architecture framework: understanding how it comes through strategies to production processes – thanks to proper assets and tools – is a key to turn ethical principles into action.



Ethics implementation must be measurable and that is possible **through providing**, for example: *strategic objectives on ethics implementation (strategy); training on ethics (capability); set up of ethics implementation systems or anticorruption systems (corporate support) and **their application to all production as well as supporting processes**.*

ETHICS & GSBPM

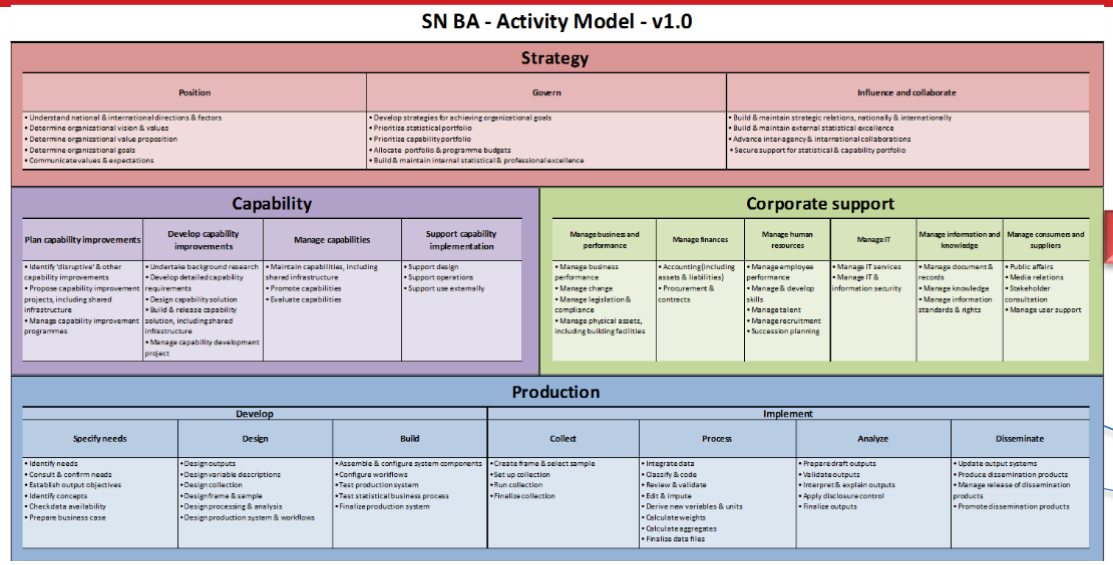


*The GSBPM recognises **several over-arching processes** that apply throughout the production phases, and across statistical business processes, including, among these, quality management.*

*Quality is a **complex and multi-faceted concept**, usually defined in terms of several quality dimensions. The dimensions of quality that are considered most important depend on user perspectives, **needs and priorities**, which vary between processes and across groups of users.*

Ethics still impacts on every step of the production process and, above all, **it affects the end result thanks to the product quality improvement**, because this latter comes forth from a **work environment where people do their best by choosing to follow leaders' behaviour** ("leading by example").

INTEGRATED COMMON FRAMEWORK



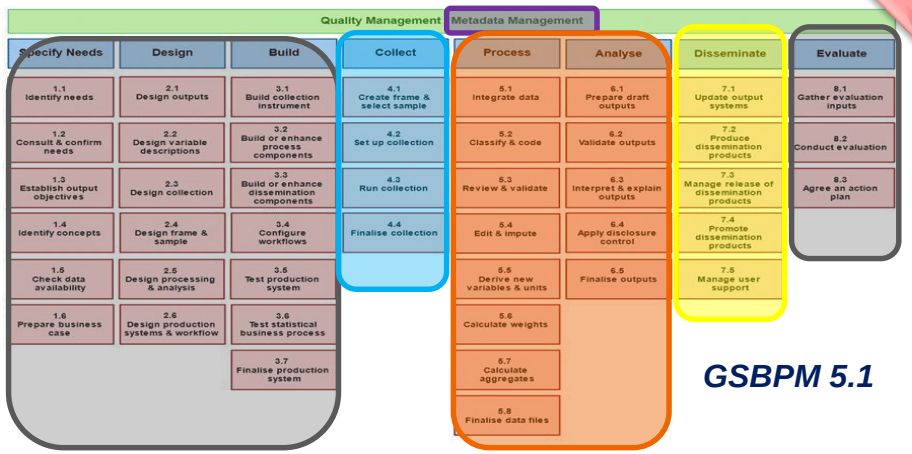
From the Model

By the Tool

Ethics Self-assessment

*The organizational **Ethics Self-Assessment** may encourage practices based on the early planning of activities **complying with Ethics principles**, anticipating possible obstacles in achieving **Ethics objectives**, instead of the logic of urgency.*

General Overarching Processes



GSBPM 5.1

To the Standardized process

ETHICAL ASSESSMENT – UK EXAMPLE

From UKSA's Guidelines on using the ethics self-assessment process:

*"The self-assessment process is designed to provide researchers with an **easy-to-use framework** to **consistently review the ethics of their projects**. […], it is designed to help **identify an accurate** and consistent **estimation** of the "**ethical risks**" of research proposals.*

***Identification** of **any potential ethical risks** should be used to shape discussions that will drive improvements in **research proposals and activities**.*

***Ensuring** that researchers and analysts continuously **consider research in light of the UKSA's ethical principles** will ensure that the use of data for research and statistical purposes continues to be ethical and for the public good".*

https://uksa.statisticsauthority.gov.uk/publication/guidelines-on-using-the-ethics-self-assessment-process/

Source: UK Statistics Authority

Thanks for your attention !!!

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