Workshop on HRMT:
The future of work, working for the future
ETHICS MANAGEMENT, LEADERSHIP & PERFORMANCE

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UNECE CapComm Group
On the behalf of the 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.
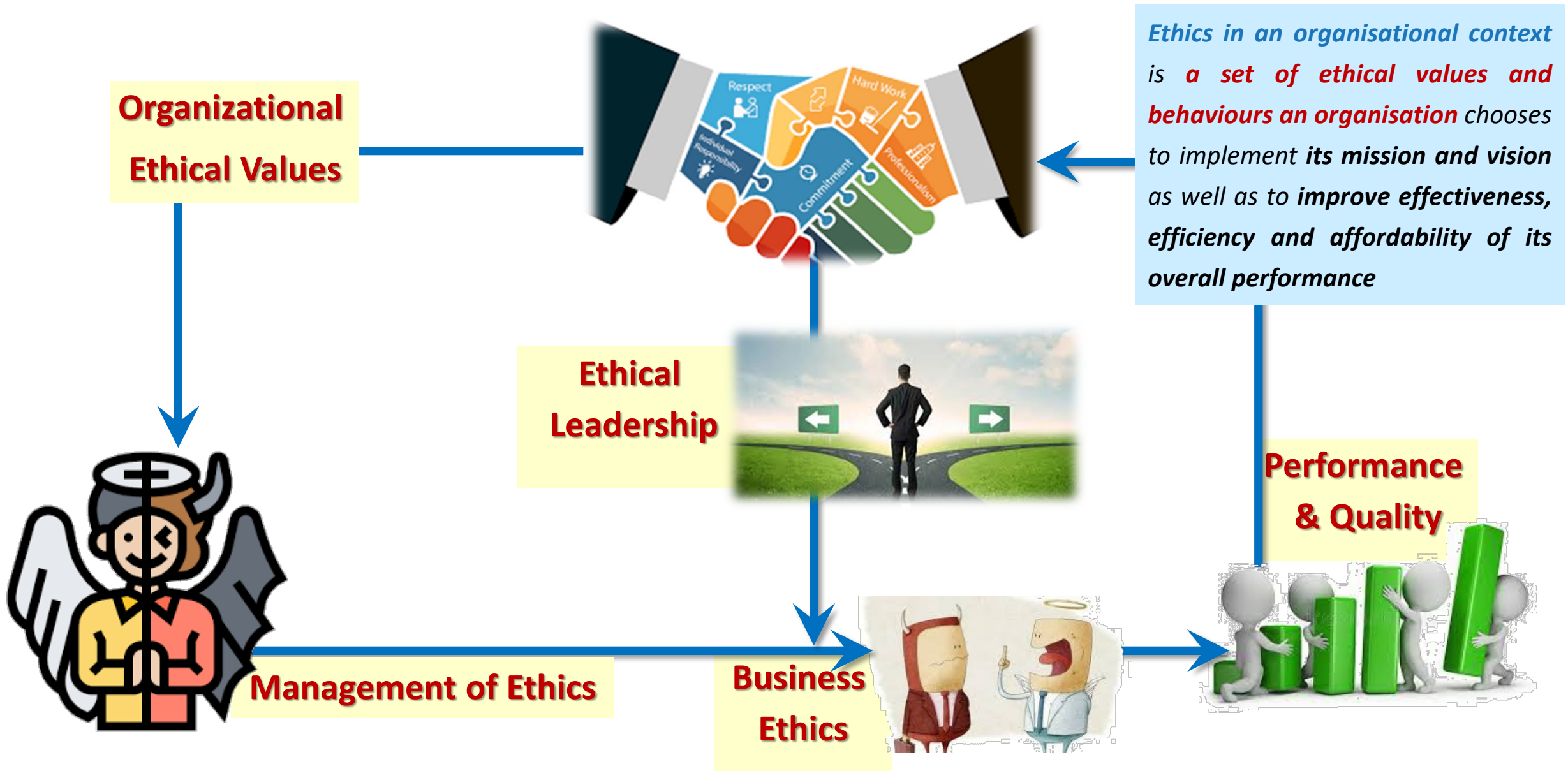
But, **sometimes people try hard to understand what to do day by day**.

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.

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?
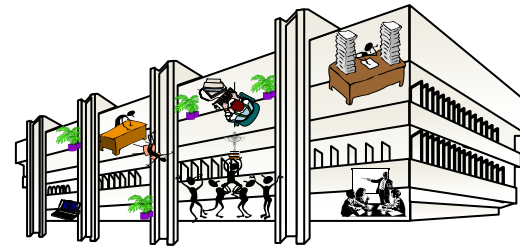
Performance **is:**

- 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»

«ORGANIZATIONAL FACTORS»

HINDERING FACTORS
deficit of controls
deficit of transparency
overregulation
lack of turnover in responsibilities
deficit of accountability;
deficit or lack of competencies
deficit of law compliance
blurred separation between policy and management roles

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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

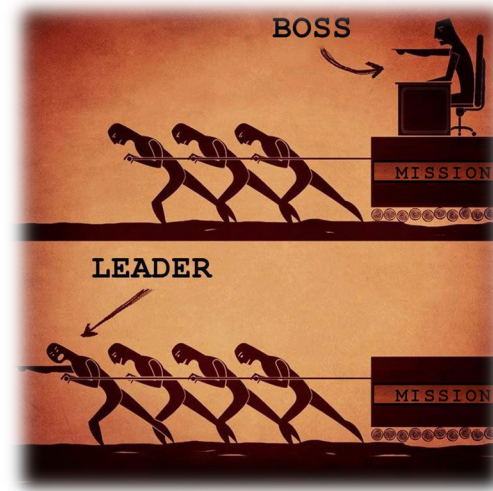*Source: American sociologist and criminologist Donald Cressey*

… 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**!*

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

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

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

- **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;

- **has been focusing both on ethics management** as a key strategy to all processes and activities within an organization, namely "**business ethics**" (or corporate ethics) and on **data ethics**;

- **acknowledges** the excellent work carried out by the **Task Team, coordinated by CSO Ireland,** on **mapping** and **describing a list of "*core values to the Fundamental Principles of Official Statistics*"** that was proposed to the **CES Bureau as follow-up** of the discussion on "*How national statistical systems adhere to the core values of official statistics*" at the Plenary Session of the Conference of European Statisticians (CES) held in June 2021.

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 provide a reference handbook to figure out how to deal with*** potential behavioural dilemmas

TASK TEAM MEMBERS

Co-chairs: Fabrizio Rotundi, Italy and Eric Rancourt, Canada

Angela Leonetti, Italy

Elsa Dhuli, Helda Mitre, Alma Kondi, Albania

Martin-J Beaulieu, Susie Fortier, Canada

Simon Whitworth, Alice Toms, UK

Niels Ploug, Denmark

Tine Pestaj, Slovenia

Andrea Ordaz-Németh, Hungary

Samuel Schuetz, Switzerland

Taeke Gjaltema, Tetyana Kolomiyets, UNECE

Feb '21

Sep '21

Jun '22

1° survey: 60% resp.

2° survey: 78% resp.

3° survey: 72% resp.
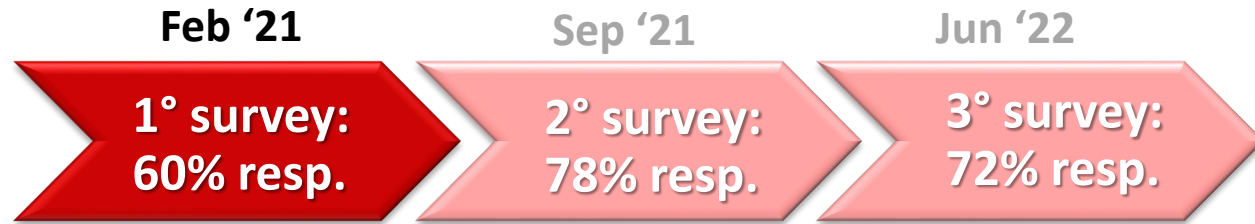
- Early in 2021 the task team delivered **a short preliminary poll** to know how many NSOs had been implementing policies, procedures and programmes on ethics management.

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.

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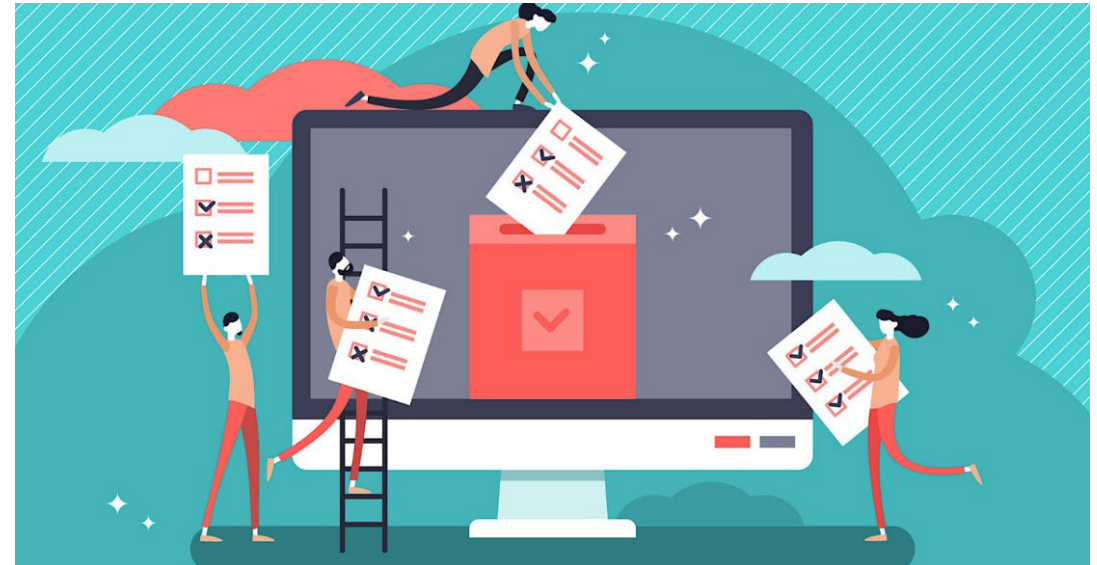
TASK TEAM ON ETHICAL LEADERSHIP – THE MAIN SURVEY

Feb '21   **SEP '21**   **JUN '22**

| 1° survey: 60% resp. | 2° survey: 78% resp. | 3° survey: 72% resp. |

Are there any Ethics management/Ethical leadership policies/practices in your Organisation?

Yes = 80,6 %   No = 19,4 %

Source: First Survey on Ethics

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.*

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**.

Total

Respondent Base 47

63,8% — Yes
4,3% — An Ethical Code is currently in development
6,4% — An Ethical Code exists and is currently under review
25,5% — No

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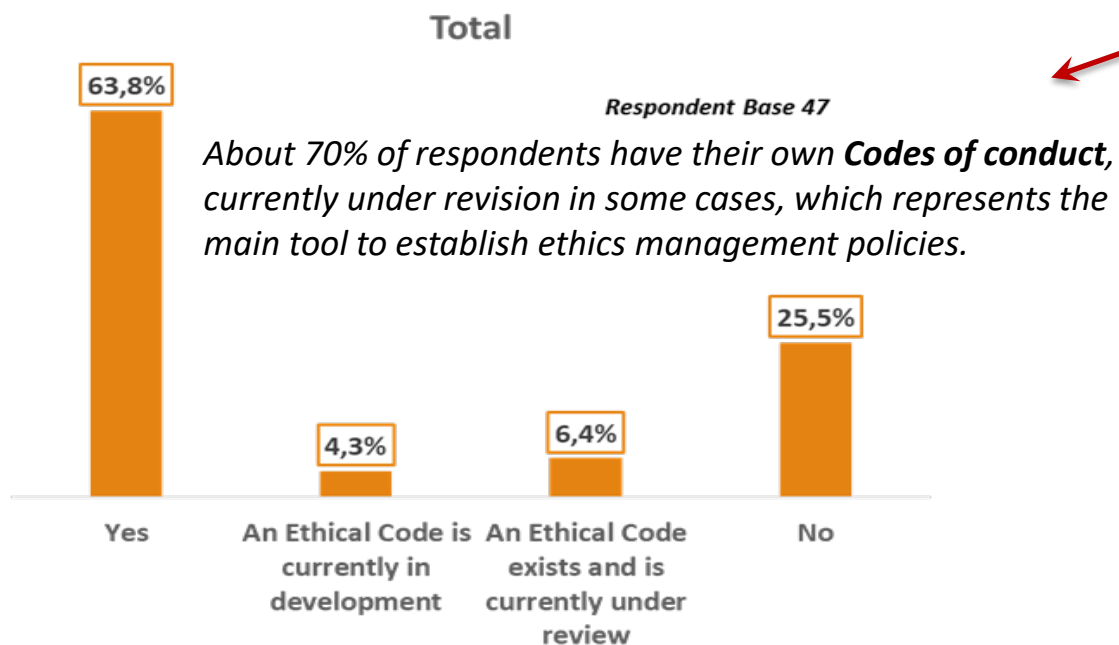
*A little less than half respondent NSOs have declared having a **Data Ethics Policy** or Framework in place or in development.*

31.91% — Yes
12.77% — A policy is currently in development
55.32% — No
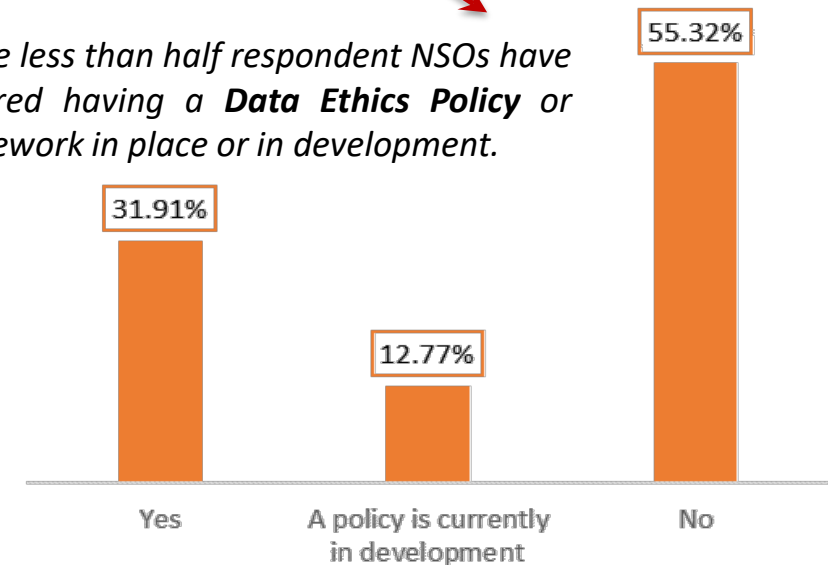
From this point on, this Task Team activity **has been focusing on business Ethics**, since **data ethics is being investigated** by the **Task team** which is carrying out the **in-depth review** on the data ethics policies applied by the NSOs, under the coordination of the CES Bureau.

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Feb '21 **Sep '21** **Jun '22**

| 1° survey: 60% resp. | 2° survey: 78% resp. | 3° survey: 72% resp. |

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 goal is to try connect business ethics practices to GAMSO and GSBPM** and include some **specific stetements on ethics** in these models.

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

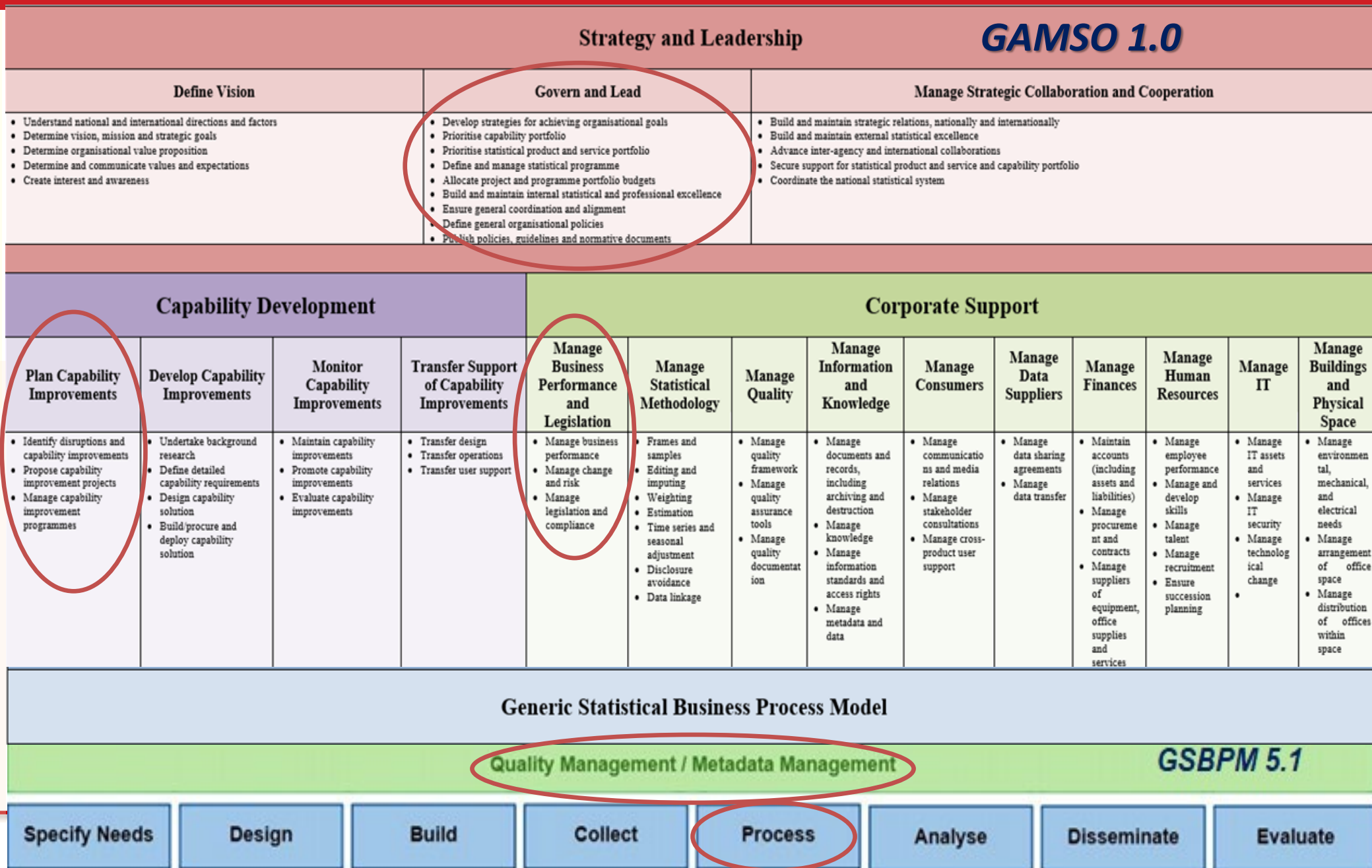14. Do you conduct Ethics & Compliance risk assessments?
- ○ Yes
- ○ No
- ○

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)
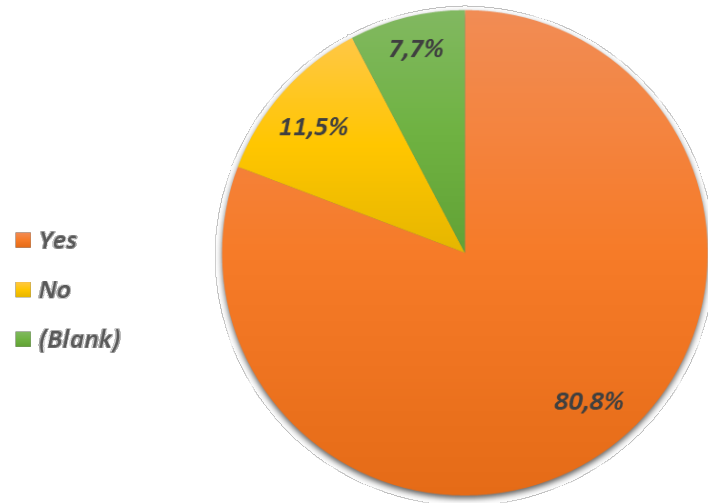
GAMSO & GSBPM: ETHICS APPROACH

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

The GSBPM recognises several over-arching processes that apply throughout the production phases, and across statistical business processes, including quality management which is significantly affected, like the others, by Ethics.

GAMSO 1.0

Strategy and Leadership

Define Vision	Govern and Lead	Manage Strategic Collaboration and Cooperation
• Understand national and international directions and factors • Determine vision, mission and strategic goals • Determine organisational value proposition • Determine and communicate values and expectations • Create interest and awareness	• Develop strategies for achieving organisational goals • Prioritise capability portfolio • Prioritise statistical product and service portfolio • Define and manage statistical programme • Allocate project and programme portfolio budgets • Build and maintain internal statistical and professional excellence • Ensure general coordination and alignment • Define general organisational policies • Publish policies, guidelines and normative documents	• Build and maintain strategic relations, nationally and internationally • Build and maintain external statistical excellence • Advance inter-agency and international collaborations • Secure support for statistical product and service and capability portfolio • Coordinate the national statistical system

Capability Development / Corporate Support

Plan Capability Improvements	Develop Capability Improvements	Monitor Capability Improvements	Transfer Support of Capability Improvements	Manage Business Performance and Legislation	Manage Statistical Methodology	Manage Quality	Manage Information and Knowledge	Manage Consumers	Manage Data Suppliers	Manage Finances	Manage Human Resources	Manage IT	Manage Buildings and Physical Space
• Identify disruptions and capability improvements • Propose capability improvement projects • Manage capability improvement programmes	• Undertake background research • Define detailed capability requirements • Design capability solution • Build/procure and deploy capability solution	• Maintain capability improvements • Promote capability improvements • Evaluate capability improvements	• Transfer design • Transfer operations • Transfer user support	• Manage business performance • Manage change and risk • Manage legislation and compliance	• Frames and samples • Editing and imputing • Weighting • Estimation • Time series and seasonal adjustment • Disclosure avoidance • Data linkage	• Manage quality framework • Manage quality assurance tools • Manage quality documentation	• Manage documents and records, including archiving and destruction • Manage knowledge • Manage information standards and access rights • Manage metadata and data	• Manage communications and media relations • Manage stakeholder consultations • Manage cross-product user support	• Manage data sharing agreements • Manage data transfer	• Maintain accounts (including assets and liabilities) • Manage procurement and contracts • Manage suppliers of equipment, office supplies and services	• Manage employee performance • Manage and develop skills • Manage talent • Manage recruitment • Ensure succession planning	• Manage IT assets and services • Manage IT security • Manage technological change	• Manage environmental, mechanical, and electrical needs • Manage arrangement of office space • Manage distribution of offices within space

Generic Statistical Business Process Model

Quality Management / Metadata Management

GSBPM 5.1

Specify Needs	Design	Build	Collect	Process	Analyse	Disseminate	Evaluate

modernstats
by HLG - MOS

**Do any Vision, Governance and Leadership statements in your Organisation take into account ethical perspective?**

- Yes
- No
- (Blank)

7,7%
11,5%
80,8%

NSOs recognize the importance of **aligning strategic goals and the statistical production processes** with a set of **values anchored in ethics.**

In countries **where ethics management is still in development**, **references** are often **made to international recommendations for quality and methodology** (e.g., *Recommendation of the OECD Council on Good Statistical Practice and the European Code of Practice*).

Does your Organisation provide for the allocation of any performance objectives that are linked to the fulfillment of strategic projects for the implementation of ethics?

- Yes
- No
- (Blank)

6,7%
46,7%
46,7%

However, it is important to acknowledge that **it is possible to follow the international recommendations to the letter**, and still **encounter or take unethical actions or decisions in the production of official statistics**.
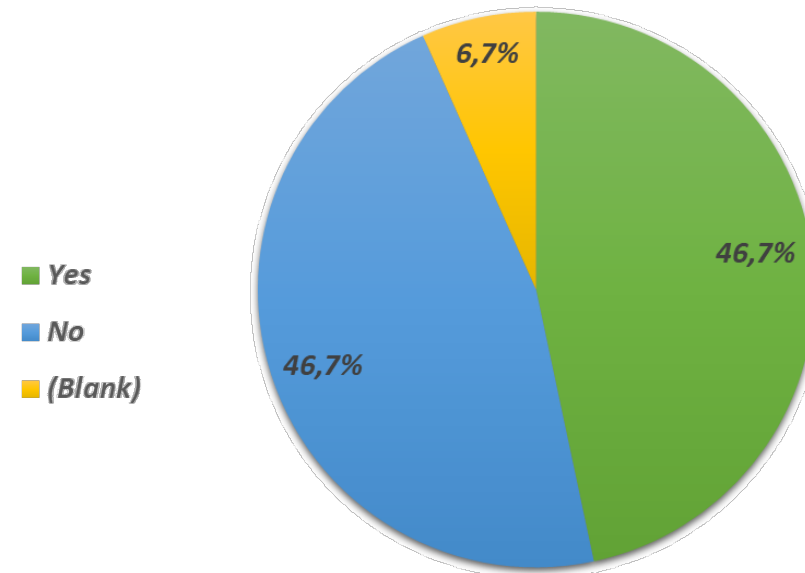
A: The creation and implementation of a Statistical Ethics System was a bet of the current administration of DANE, pursuing the idea that it is relevant to incorporate and adapt in the mission of the entity, an ethical dimension beyond the adoption of declarations, agreements and good practices agreed upon by the international statistical community. The constitution of this statistical ethics system seeks to: 1) contribute to the improvement of quality in the production of statistical information by considering an ethical dimension in statistical production; 2) meet the moral demands of society; 3) strengthen the credibility and legitimacy of the institution in the eyes of citizens; and 4) provide instruments and tools that enable it to diagnose and address ethical risks that may arise in the production of statistical information. **(Colombia)**

Strategy & Leadership: GOVERN AND LEAD

- ❖ *Develop strategies for achieving organisational goals*
- ❖ *Prioritise capability portfolio*
- ❖ *Prioritise statistical product and service portfolio*
- ❖ *Define and manage statistical programme*
- ❖ *Allocate project and programme portfolio budgets*
- ❖ *Build and maintain internal statistical and professional excellence*
- ❖ *Ensure general coordination and alignment*
- ❖ *Define general organisational policies*
- ❖ *Publish policies, guidelines and normative documents*

A: We have a strategic transformational priority around making the organisation work in a more open and transparent manner and have set objectives and plans for this. **(New Zealand)**

Q: Does your Organisation provide for the allocation of any performance objectives that are linked to the fulfilment of strategic projects for the implementation of ethics?

A: Statistics Austria adheres to various standards which are part of generic quality frameworks relevant for official statistics as the European Statistics Code of Practice, the United Nations fundamental principles of official statistics and the OECD Recommendation of the Council on Good Statistical Practice. Within the principles of those standards ethical issues are mapped to a wide extent. **(Austria)**

A: Law on the Civil Service defines principles of civil servants' official ethics, therefore no local provisions are necessary **(Lithuania)**

3° SURVEY FINDINGS - CAPABILITY DEVELOPMENT

On the basis of your experience, have you found a connection between the delivery of training on the Code and a decrease of disciplinary measures?

- Yes — 28,6%
- No — 50,0%
- (Blank) — 21,4%
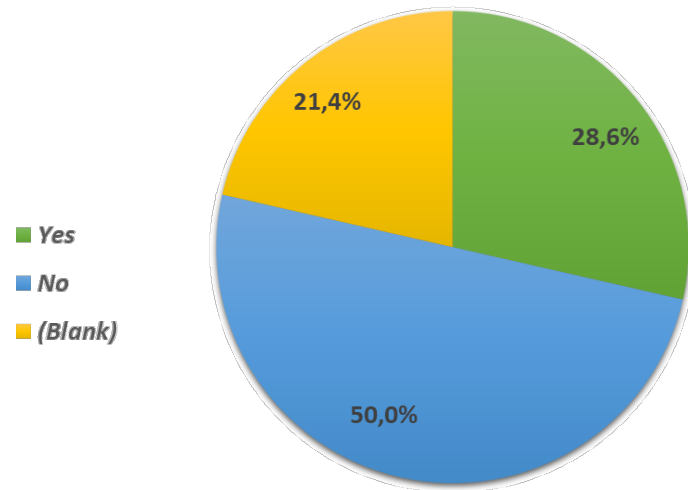
There is **an overlap between civil service or public administration ethical guidelines and NSO guidelines**: where there are **gaps in ethics management**, **NSOs refer to ethics codes in the public sphere**. Employees of national statistical offices are civil servants; however, **there are specificities to the official statistics production** process that deserve/need to be **explicitly addressed in terms of ethics**.

The parameters determining ethical behavior in NSOs range **from subjective** (e.g., do they know how they are acting is right?) **to rule-based** (e.g., Codes of Ethics, Codes of Conduct).

On the basis of your experience, has the Ethics management increased the performance of your Organisation?

- Yes — 65,4%
- No — 7,7%
- (Blank) — 26,9%

There **NSOs that are active in ethics management** **reported having scarce dedicated measures that link ethics to decreased disciplinary measures, increased performance** or improved well-being at work; however, the NSOs overwhelmingly consider ethics management to have boosted improvement in these areas.
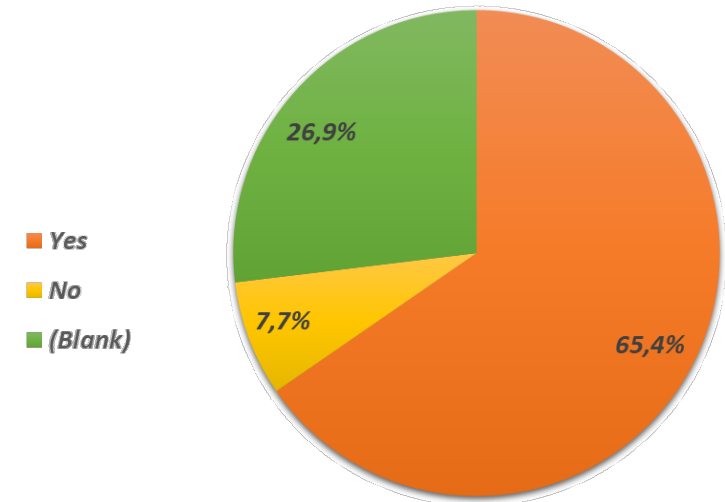
GAMSO & 3° SURVEY: CAPABILITY DEVELOPMENT

Capability development: MONITOR CAPABILITY IMPROVEMENTS

- ❖ *Maintain capability improvements*
- ❖ *Promote capability improvements*
- ❖ *Evaluate capability improvements*

Q: On the basis of your experience, has the Ethics management within your Organisation improved well-being at work?

Q: On the basis of your experience, has the Ethics management increased the performance of your Organisation?

A: We would say yes, because staff now knows where to ask for advice. Also, our ethics management is incorporated into our staff training programmes and we provide a lot of information on ethical issues for our staff. **(Finland)**

A: Ethics management and ethical principles are considered as part of standard ABS business practices. For instance, ABS employees are expected to adhere to ethical standards of behaviour in all work-related matters, as per the APS Code of Conduct. The ABS recognise that ethics management promotes integrity among employees and gain trust from key stakeholders which can improve overall staff well-being at work and organisational performance. The application of ethics management can further increase organisational performance by reducing unethical behaviour and improving staff commitment to the organisation. **(Australia)**
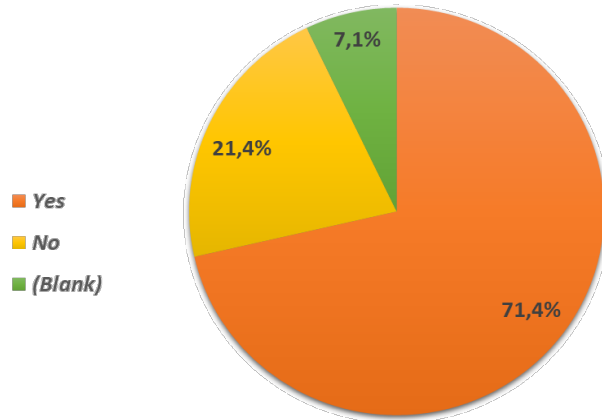
A: While this is something difficult to accurately measure, employees are clearly informed of the core values, expected behaviours, roles and responsibilities and possibilities to disclose potential ethical issues without reprisal. Employee awareness improves the well-being at work by ensuring an application of the Code of Conduct and Values and Ethics Code. **(Canada)**

Does your Organisation have any Ethics & Compliance program?

- Yes — 71,4%
- No — 21,4%
- (Blank) — 7,1%

Do you conduct Ethics & Compliance risk assessments?

- Yes — 64,3%
- No — 28,6%
- Other — 7,1%
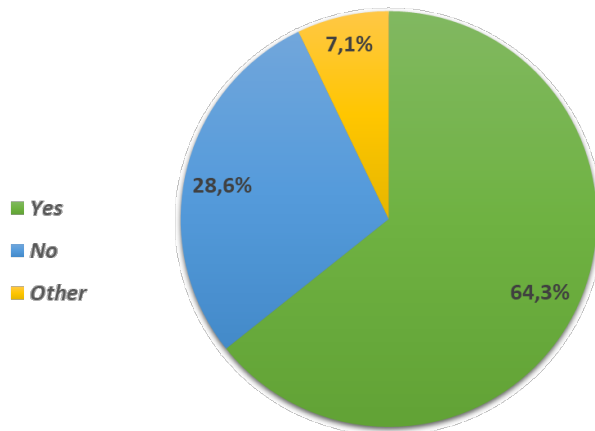
Where **ethics management or guidelines** are **in place**, there is a **range in terms of disposition (active/passive)** and type of management **(preventative/remedial)**.

Disposition	Preventative	Remedial
Passive	Employees sign documents acknowledging they have **read the relevant ethics/conduct documents**.	**Whistleblowing** channels.
	Ethics officer/team serves as a **consultant/consultation body**.	Protective disclosures, **Public Servants Disclosure Protection** frameworks.
Active	Ethics officer/team conducts **preventative conversations** with units.	**Disciplinary measures** following **breaches of the codes** of conduct/ethics.
	Communication campaigns for ethics.	
	Internal **training**.	
	Due diligence, risk assessments.	**Regular reports** within NSO to Director-Generals, and outside of NSO to Public Ethical Commissions, State Auditors or equivalent.
	Ethics management ensures that the **NSO does not face ethical issues via the public debate or by data protection authorities**, saving resources putting out fires and instead gain the public's trust.	

Corporate support: MANAGE BUSINESS PERFORMANCE AND LEGISLATION

❖ *Manage business performance*

❖ *Manage change and risk*

❖ *Manage legislation and compliance*

Q: Do you conduct Ethics & Compliance risk assessments?

Q: Does your Organisation have any Ethics & Compliance program?

Q: Does your Organisation provide for the allocation of any performance objectives that are linked to the fulfilment of strategic projects for the implementation of ethics?

A: The NSO submits to several types of periodic assessments and audits: (1) internal; (2) by the Malta Competition & Consumer Affairs Authority; (3) by an organisation subcontracted by EUROSTAT, among others. The role of the Malta Statistics Authority is overarching: it monitors governance, technical and financial matters through structured meetings and sub-committees. **(Malta)**

A: The Code of Ethics for Officials consists of values that are characteristic of democratic civil service. The Code highlights six core values: lawfulness; focus on people; trustworthiness; professionalism; impartiality; openness and cooperation. Each core value consists of explanatory principles. For instance, the core value of impartiality includes the principle of equal treatment and the core value of focusing on people includes the principle of politeness. The explanatory part of the Code of Ethics gives examples for the purpose of better understanding and implementation of core values and principles. **(Estonia)**

A: The Anti-corruption Plan identifies and assesses which behaviors can facilitate fraud or any actions against ethics that may occur in Istat. 1. what to do: to engage stakeholders in every step of ethics management implementation process; to make strategic ethical objectives clear; to set up individual objectives on ethics compliance; to regularly make room for discussion on ethics and "grey zones" (circumstances where the line between ethics and discretionary power is not that clear) among managers and employees; to fully integrate different management systems. 2. What not to do: to enforce ethics objectives without preliminary consultation; to consider ethics management as something apart from the other management systems; to set up a performance assessment system that doesn't take into account the importance of leading by example. **(Italy)**
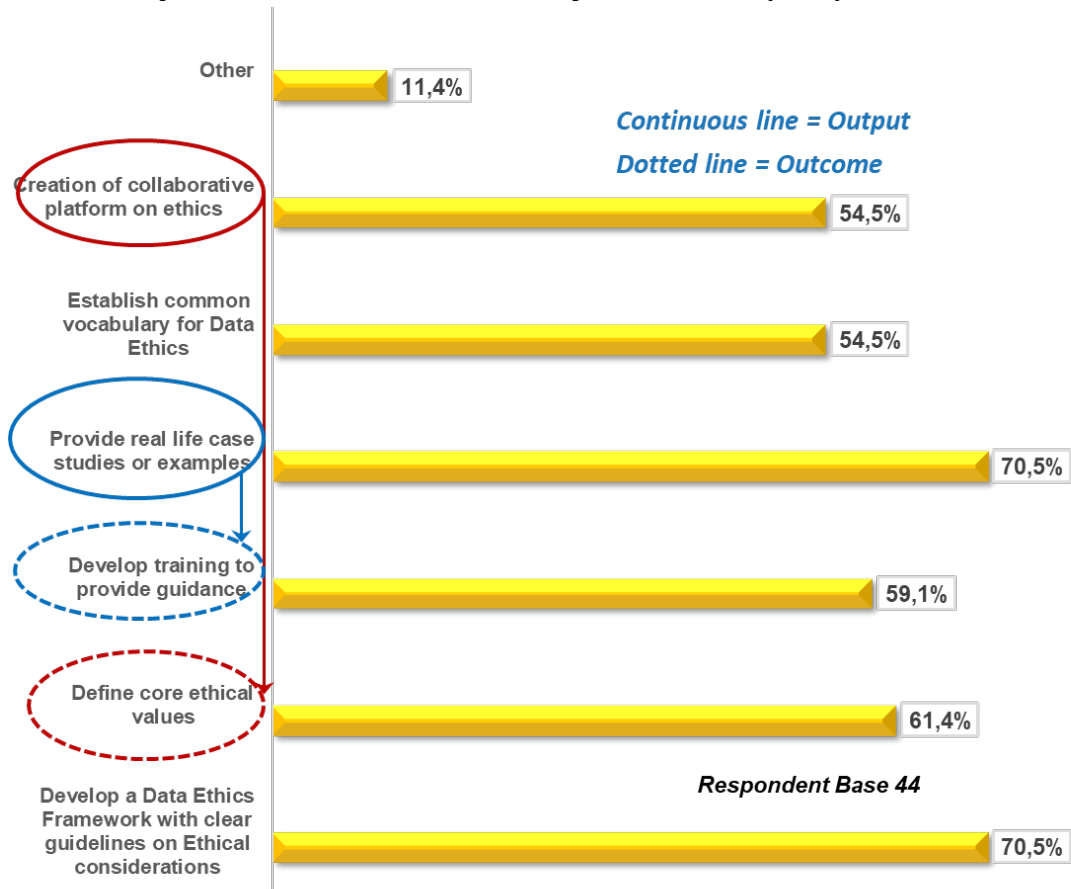
The Task Team really considers the expectations expressed by the NSOs in the second survey, in order **to better define the outputs for 2022 and beyond**; the proposals have been **included in the Business Case** presented to the HLG-MOS.

Continuous line = Output
Dotted line = Outcome

Other — 11,4%

Creation of collaborative platform on ethics — 54,5%

Establish common vocabulary for Data Ethics — 54,5%

Provide real life case studies or examples — 70,5%

Develop training to provide guidance — 59,1%

Define core ethical values — 61,4%

Develop a Data Ethics Framework with clear guidelines on Ethical considerations — 70,5%

Respondent Base 44

The **main Task Team outputs proposed for 2022/23** are:

- **common vocabulary** as regard with Ethics management, data ethics, leadership, performances, etc.;

- **organizational framework** grounded on ethics principles;

- **concrete suggestions** (a sort of **Reference Handbook**, including case studies) to support NSOs' in real-work-type situations;

- **collaborative platform** and **meeting** where sharing information, experience and Ethics management practices;

- **possible specific statements on Ethics in the GAMSO and GSBPM models**, to align them with the ethics framework.

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)*

Thanks for your attention !!!

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