

European Institute of Public Administration - Institut européen d'administration publique



Understanding, managing and measuring ethics and ethics frameworks

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 EIPA learning and development - consultancy - research

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Presentation contents

- 1 Introduction and Definitions, Integrity systems
- 2 Why is managing and measuring ethics so difficult?
- 3 a) The Legal Dimension
- 4 b) The political Dimension
- 5 c) The cultural and organisational dimension
- 6 How to manage and audit Ethics?

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Intro: Justifying auditing ethics without legal mandate

- There is a growing interest in organisational performance, organisational innovation and the link to country performance as such
- Scientists argue that a strong ethical climate and organizational fairness/justice is associated with the values of efficiency, effectiveness, quality, trust and cooperation. A good ethical climate is positively linked to organizational performance.
- Also trend towards so-called ethics audits/health checks for ethics
- Link to Good Governance, Good administration and EU 2020 Strategy



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Defining criteria for measuring the effectiveness of ethics. But: Challenges !

- **Added value** – better outcomes of policies
- **Rule of law**: was the law applied, was accountability assured, were rights protected, was justice done, were procedures applied?
- **Efficiency/Effectiveness**: was inefficiency avoided?
- **Fairness/Merit/Trust**: was trust established/enhanced?, less discrimination, did
- **Workplace behavior**: job satisfaction increase?, did attitudes improve?, fairness ?
- **Integrity**: less Col, less farud, less corruption, less mobbing



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Why is managing/measuring the effectiveness of ethics so difficult?

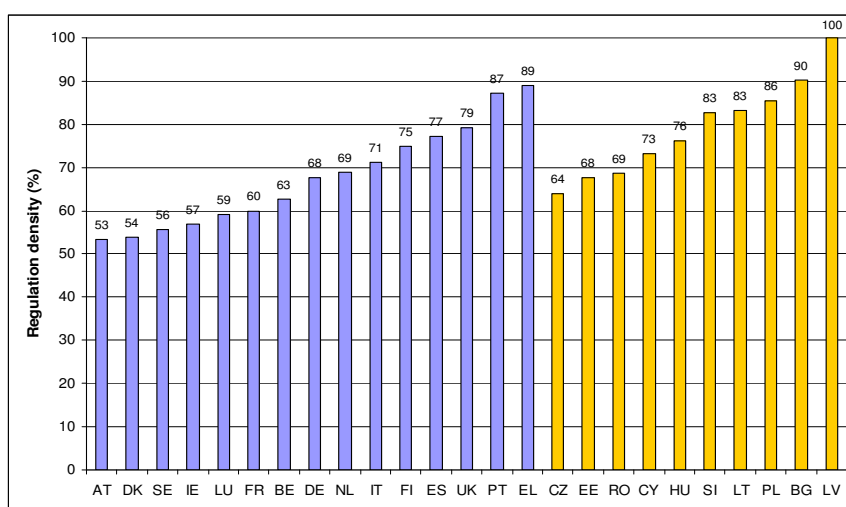
■ Regulatory activity and effectiveness

- More laws, regulations, rules, standards, codes
- = Measuring the effectiveness



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Regulation density by EU Member State



Demmke et al. (2008). Regulating Conflicts of Interest for Holders of Public Office in the European Union: A Comparative Study of the Rules and Standards of Professional Ethics for the Holders of Public Office in the EU-27 and EU Institutions

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„Codes are good“, it is politically accepted to ask for more codes as a symbolic reassurance against misconduct

- **88% of EU Member States (21) say that their country is using agency-specific codes of conduct**
- **89% of EU Member States (23) say that their country is using field-specific codes of conduct**
- Examples: every organisation is obliged to adapt its own code of conduct (NL); some directorates-general have their own codes of conduct which take into account specific situations in DGs (EC); Department of Customs and Excise & Treasury Department (CY); Police, internal affairs, defence (BE), police & customs (SI), some agencies & professions (SE)



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Ethics regulations: a widening gap among the Member States

- **Often, central and eastern european countries are still asking for more and better rules**
- **AT: generally no new rules needed but better quality of rules, new rules needed in post-employment, anti-corruption**
- **DK: no new rules needed in general, to lesser extent on gift policies**
- **SE: no new rules needed**



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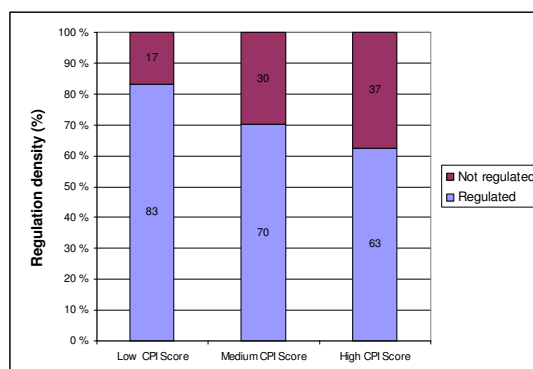
Evaluating the effectiveness of rules

- **Relationship Rules and Corruption**
 - More rules do not necessarily reduce corruption (etc.)
- **Relationship Rules and Awareness of rules**
 - More rules and less awareness of rules
- **Relationship Rules and Trust**
 - More rules do not enhance trust but less rules may enhance distrust
 - More rules, more broken rules, violations and distrust
- **Relationship Rules and Implementation, Enforcement and Evaluation of Rules**
 - Focus has been on the input, not implementation side



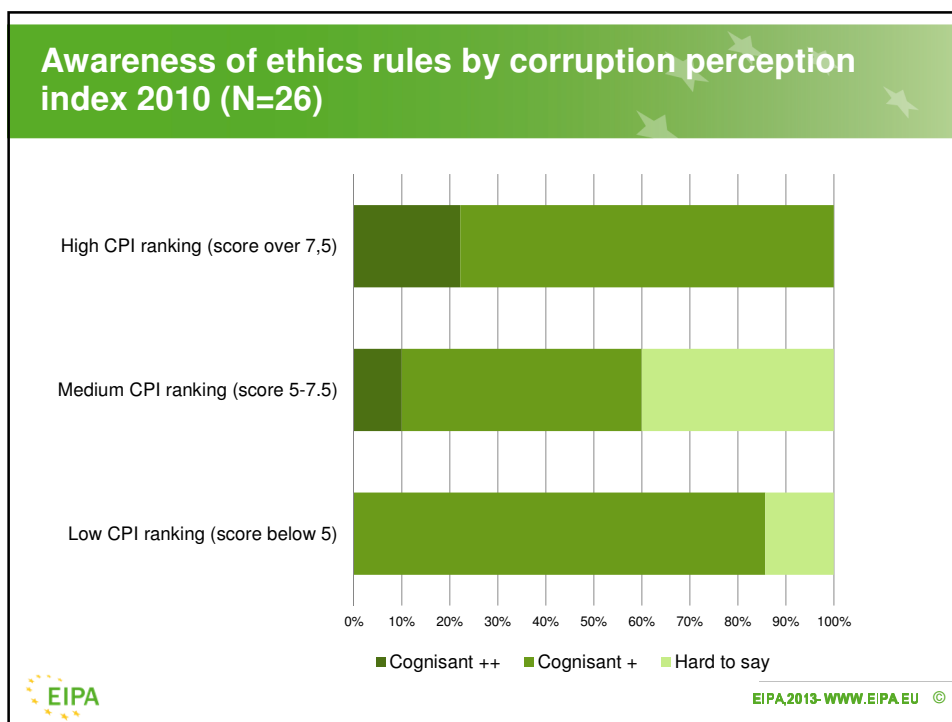
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Regulation density by CPI score (EU-27)



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Is deregulation of ethics rules possible?

- Deregulation would make things worse

and

- deregulation seems to be politically impossible in the field of ethics

but

- some countries provide extremely detailed provisions in the field of disclosure of financial interests – need for simplification?

Implementation challenge

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Why is managing/measuring the effectiveness of ethics so difficult?

- **Political developments and effectiveness**



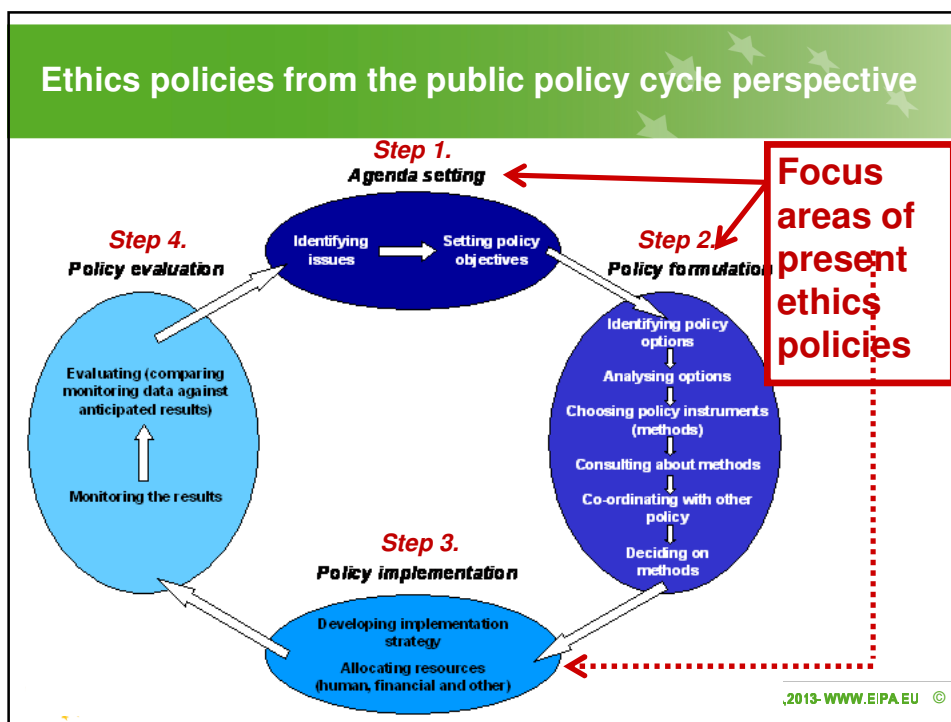
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Political reasons for the proliferation of ethics policies and rules

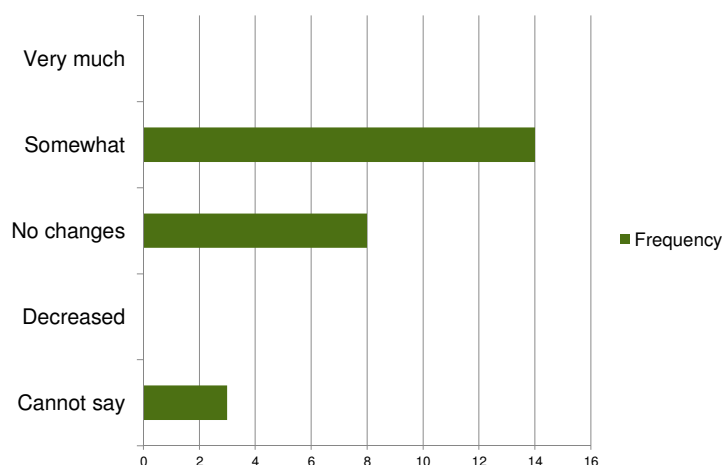
- **Good Governance and Ethics: More policies in the field of anti-discrimination, transparency, disclosure, ethics audits, participation, accountability etc**
- **Case: Codes of Ethics**
- **„Ethics is good“, it is politically accepted to ask for more rules as a symbolic reassurance against misconduct**
- **Ethics as a political instrument, it is politically difficult to be against more ethics**
- **Ethics policies are cheap to adopt because enforcement is weak**



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Have more issues been defined as subjects for potential unethical behaviour throughout last years? (N=25)



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Fine-tuning I: forms of unethical behavior – increasing?

- Bribing (misuse of public power for private gain)
- Favouritism (nepotism, cronyism, patronage)
- Fraud and theft of resources
- Conflict of interest through gifts (asking, offering, accepting)
- **New !** Conflict of interest through sideline activities (secondary jobs, financial interests)
- **New !** No/partial registration of information on conflicts of interest
- **New !** Violation of post-employment rules
- Improper use of authority (gifts, allowances, gratifications)
- **Expanding !** Misuse/manipulation of information (cheating, breaching confidentiality)
- **Expanding !** Indecent treatment of colleagues, citizens or customers (discrimination based on gender, race, or sexual orientation; intimidation and sexual harassment; bullying)
- **Expanding !** Waste/abuse of organisational resources (e.g. private use of the Internet)
- Misconduct in private time (e.g. driving under influence of alcohol or drugs)
- Sickness leaves while healthy
- Not following orders or procedures
- Violation of fair and merit based procedures
- Private travelling at the expense of the organisation.



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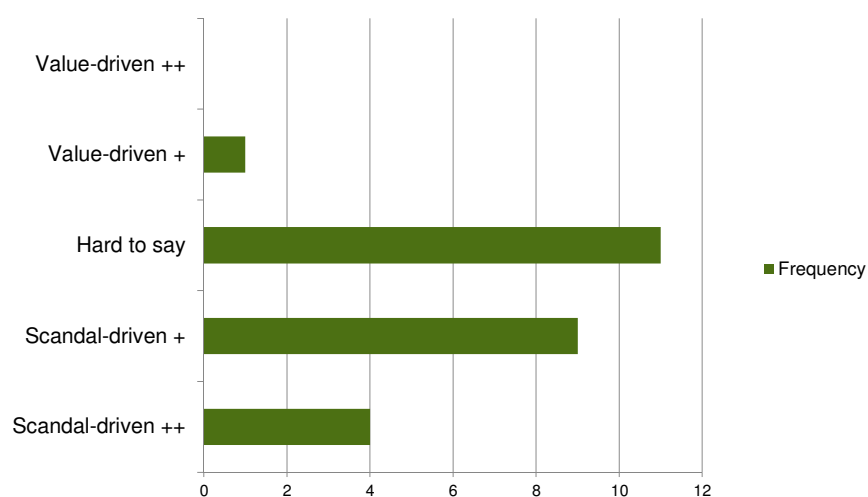
Why is managing/measuring the effectiveness of ethics so difficult?

- **Communicating ethics and the role of the media**

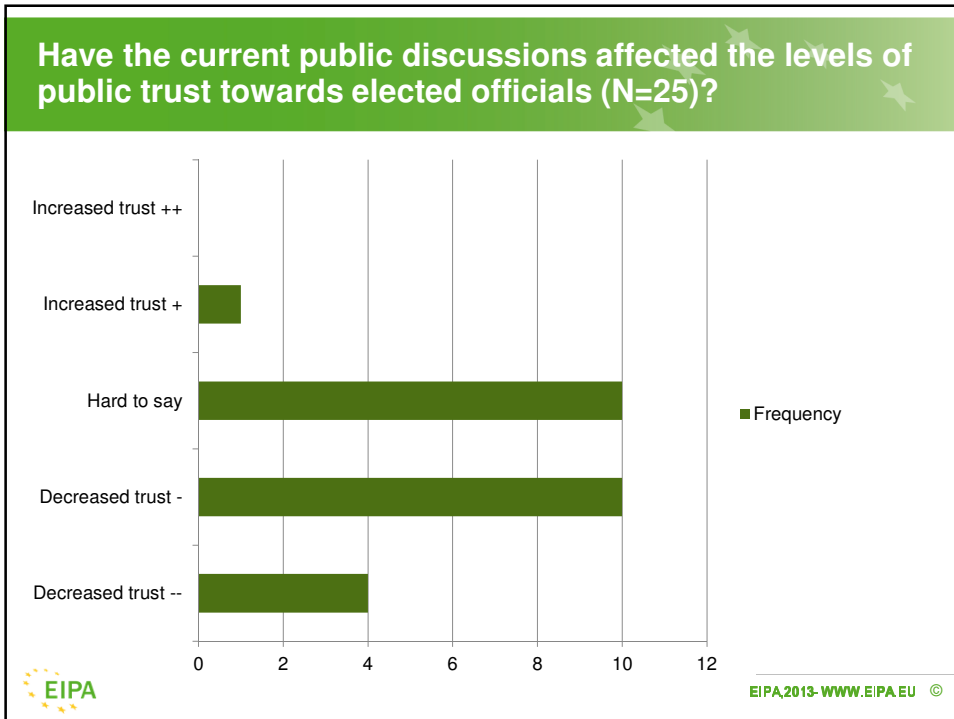
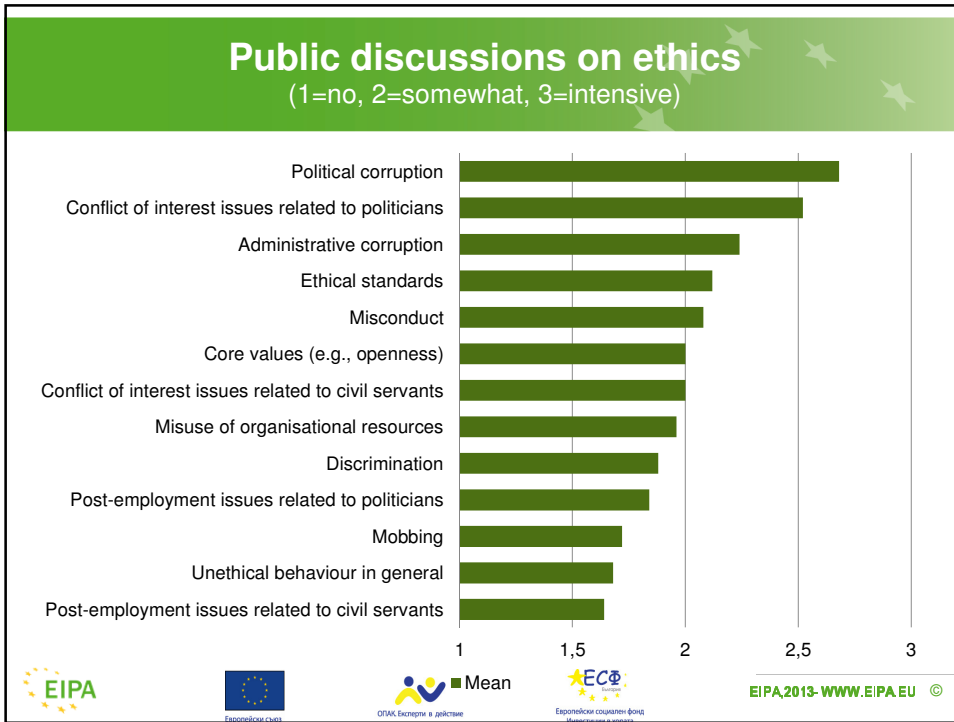


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Communicating ethics: Are public discussions on ethics value-driven or scandal-driven? (N=25)



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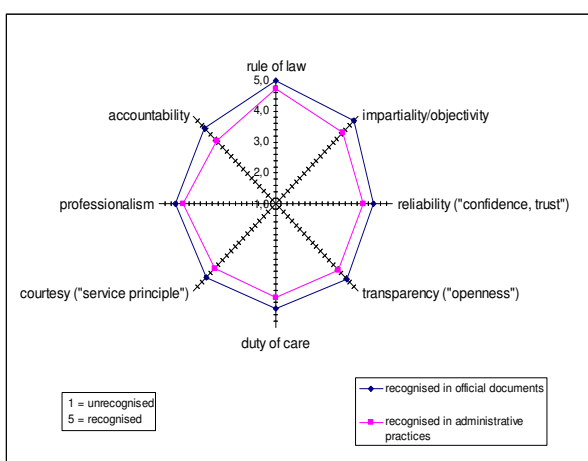
Why is managing/measuring the effectiveness of ethics so difficult?

- **Shortcomings in implementing and auditing ethics**



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Reflection of core values in official documents vs. administrative practices (n=28)



- core values were clearly recognised in the official documents
- administrative practices seemed to follow the core values fairly well; however, due to methodological reasons these findings are hard to be generalised



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Challenges in identifying developments in the field

What is unethical is subject to cultural developments and value changes

- Sexual intimidation is perceived differently in the USA, France and Italy....
- Use of soft-drugs



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Obstacles and difficulties for effective ethics management (1=not an obstacle, 2=minor obstacle, 3=major obstacle)



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Why is managing/measuring the effectiveness of ethics so difficult?

- **(Un-) intended effects of other developments: the effects of the financial crisis and the effects of new public management reforms**



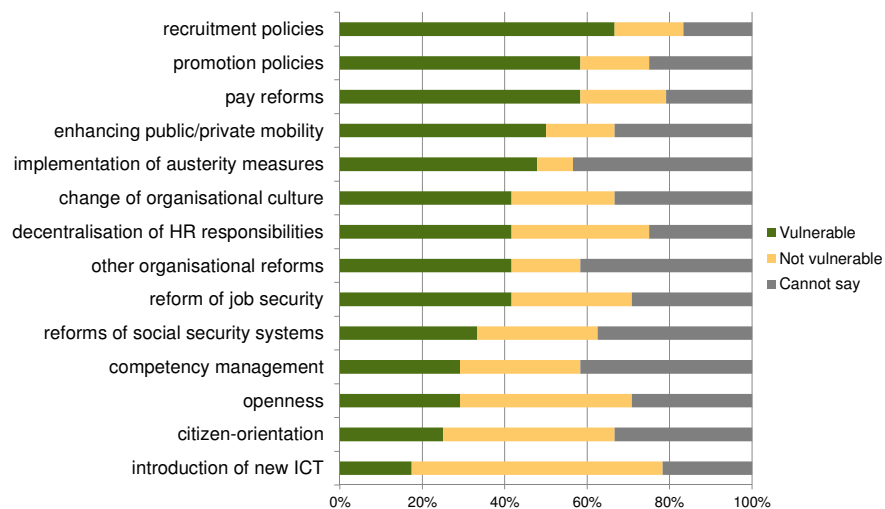
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Impact of austerity measures on workplace level (N=25)



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Vulnerability of HR-reform trends to integrity violations (N=24)



Conclusions: Ever more regulations, policies, ethics instruments and public attention

- **definition of more issues as being unethical**
- **trend towards more and stricter regulations continues**
- **more codes of conduct and codes of ethics**
- **more disclosure requirements**
- **more ethics committees and controls – slow institutionalisation**