EUROSAI - The Importance of Ethics Leadership

<table>
<thead>
<tr>
<th>Don’t do this!</th>
<th>A must do</th>
<th>Role</th>
<th>SAI current practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Not having a code of ethics in your SAI</td>
<td>• Establishing a code of ethics in your SAI to:</td>
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<td></td>
<td>» State values</td>
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<td></td>
<td>» Guide</td>
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<td></td>
<td>» Set criteria for behaviour and performance</td>
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<td>» Ensure stakeholders’ trust</td>
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<td>• Closing your eyes to integrity risks</td>
<td>• Making it clear, through frequent statements and specific policies, that ethics is a priority</td>
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<td>Strategic Approach to Integrity</td>
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<td>• Denying integrity problems</td>
<td>• Putting ethics in the top management agenda</td>
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<td>• Solely relying on individuals’ actions</td>
<td>• Putting in place a strategic approach to ethics, targeted at building an ethics infrastructure</td>
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<td></td>
<td>• Allocating resources to ethics (time, staff, space, training)</td>
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<td>• Not giving a good example, doing the opposite of the requirements</td>
<td>• Demonstrating fundamental values</td>
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<td>Lead by Example: Being the Model</td>
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<td>• Abusing your power</td>
<td>• Concerning for others and showing it</td>
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<td>• Using your position for personal benefits or using the office for political power</td>
<td>• Being consistent with what is required from everyone</td>
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<td>• Trying to influence the recommendations and outcomes of the audit missions or refraining from publishing some of the audit results, due to political or personal reasons (e.g. career)</td>
<td>• Reacting ethically in critical situations</td>
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<td>• Being arrogant: “I’m the boss. I don’t need to respect my staff”</td>
<td>• Ensuring true professional management</td>
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<td>• Not taking responsibility</td>
<td>• Respecting, guiding and giving feedback</td>
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<td>• Being fully accountable for own and other’s decisions and behaviours</td>
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<td>• Ensuring high standards of accountability and transparency</td>
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1. This table is based on the EUROSAI document “The importance of Ethics Leadership”, which can be found at website [http://www.eurosai-tfae.tcontas.pt/default.aspx](http://www.eurosai-tfae.tcontas.pt/default.aspx).
### Don’t do this!
- Allowing nepotism, employing relatives and friends
- Not demanding enough from your staff: accepting or stimulating unqualified workforce
- Demanding too much from staff and not providing enough resources
- Making or allowing promotions not based on merit

### A must do
- Apply merit and ethics as the main features of the daily management practices, e.g. in the human resources policies (recruitment, performance appraisal, professional development)
- Recognising and rewarding good behaviour
- Taking actions that develop trust, such as sharing useful information

### Role
- Ethical Management

### SAI current practice

### Don’t do this!
- Deciding alone, not involving teams and staff
- Ignoring needs and expectations of others
- Not discussing ethics problems
- Not facilitating advice and guidance

### A must do
- Being inclusive
- Giving employees a voice in the decision making processes
- Encouraging discussion of ethics’ issues, problems and dilemmas
- Ensuring an open and mutual learning environment
- Providing guidance
- Making sure that ethics’ advice is available to staff wanting to discuss concrete situations

### Role
- Open Door Policy

### SAI current practice

### Don’t do this!
- Doing nothing to prevent unethical behaviour
- Doing nothing to face problems
- Disobeying code of ethics
- Not managing unethical situations
- Not taking care of working discipline

### A must do
- Identifying and solving potential ethical risks or conflicts
- Assessing behaviours and reviewing intentions
- Using permanent awareness and monitoring/control tools
- Taking firm corrective actions when needed
- Establishing whistleblowing policies
- Ensuring fair hearing procedures
- Never stop re-examining

### Role
- Enforcement

### SAI current practice