

Conduct and culture audits

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Content overview

Conduct and culture audits

- 1** The world we live in today

- 2** The meaning of corporate values

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What is the purpose of your organization?



FAIRPHONE

A question for you...

Do you know the purpose of your organisation by heart?

Log in @ kahoot.it



The world we live in today

Culture eats strategy for breakfast, operational excellence for lunch, and everything else for dinner.

The world we live in today

Recent headlines show culture and behaviour is on-top-of-mind

Horsemeat scandal – culture of adversarial procurement within large food retailers.



'The biggest lesson from Volkswagen – culture dictates behaviour.'

BP – investigators see 'culture of complacency' behind gulf oil spill.



For AFM culture and behaviour is one of the important themes due to the effect it has on the behaviour of people.

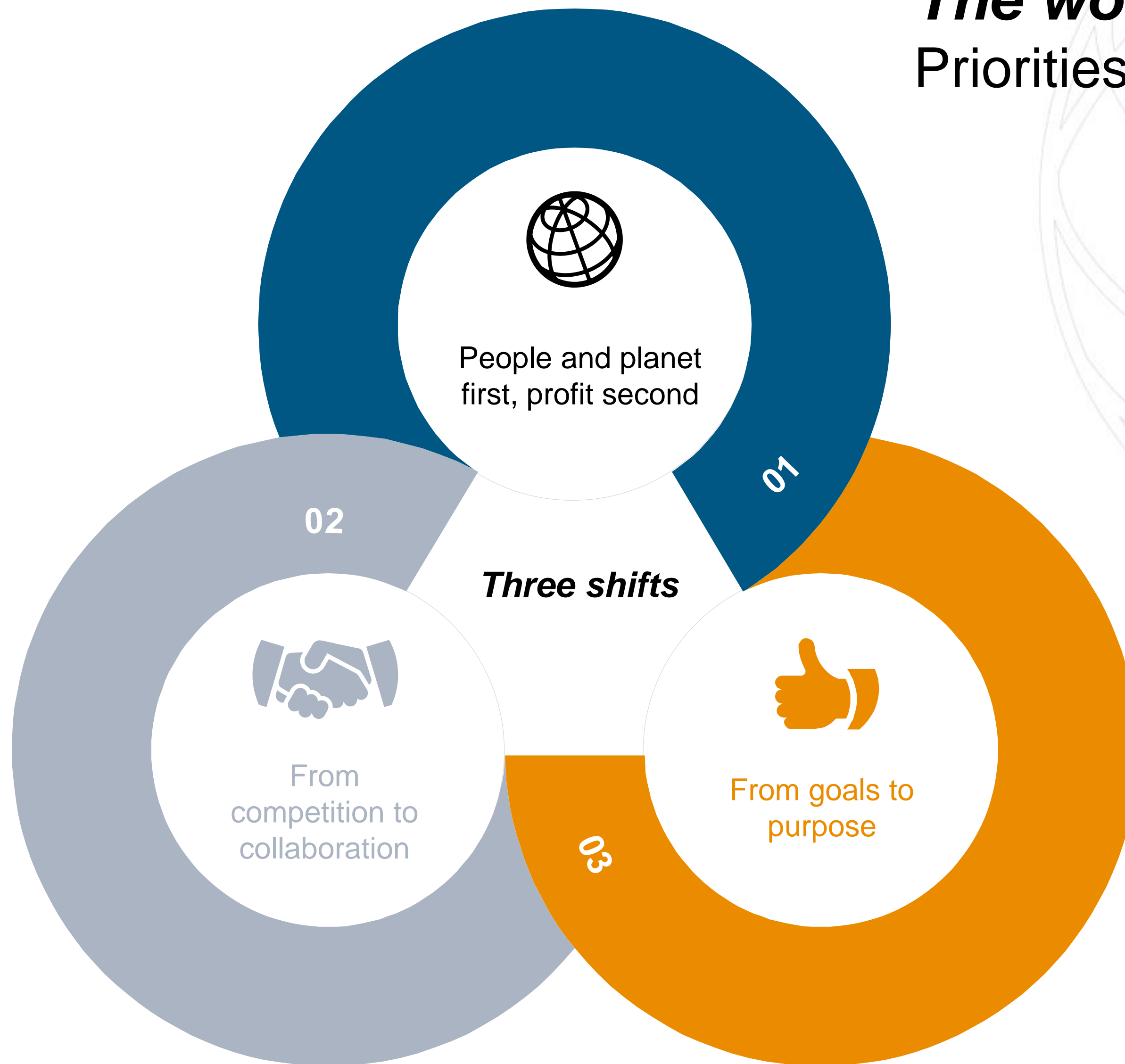
Corporate Governance Code: Culture can set people in motion by providing guidance about everyday choices. As such, culture is one of the drivers for an effective functioning of the corporate governance.



Employees complain about culture of fear at Ikea.

The world we live in today

Priorities are shifting in society



The world we live in today

What does this tell us about ourselves and the world we live in today?

Corporate purpose

We have to find a common platform to engage our people in the way that they behave and make decisions - **corporate values** are key to unlocking the right behaviours.

More rules and processes

More rules and **processes** will not address the underlying drivers of poor behaviours.

Values are personal

Values are not transactional or process driven - **they are personal.**

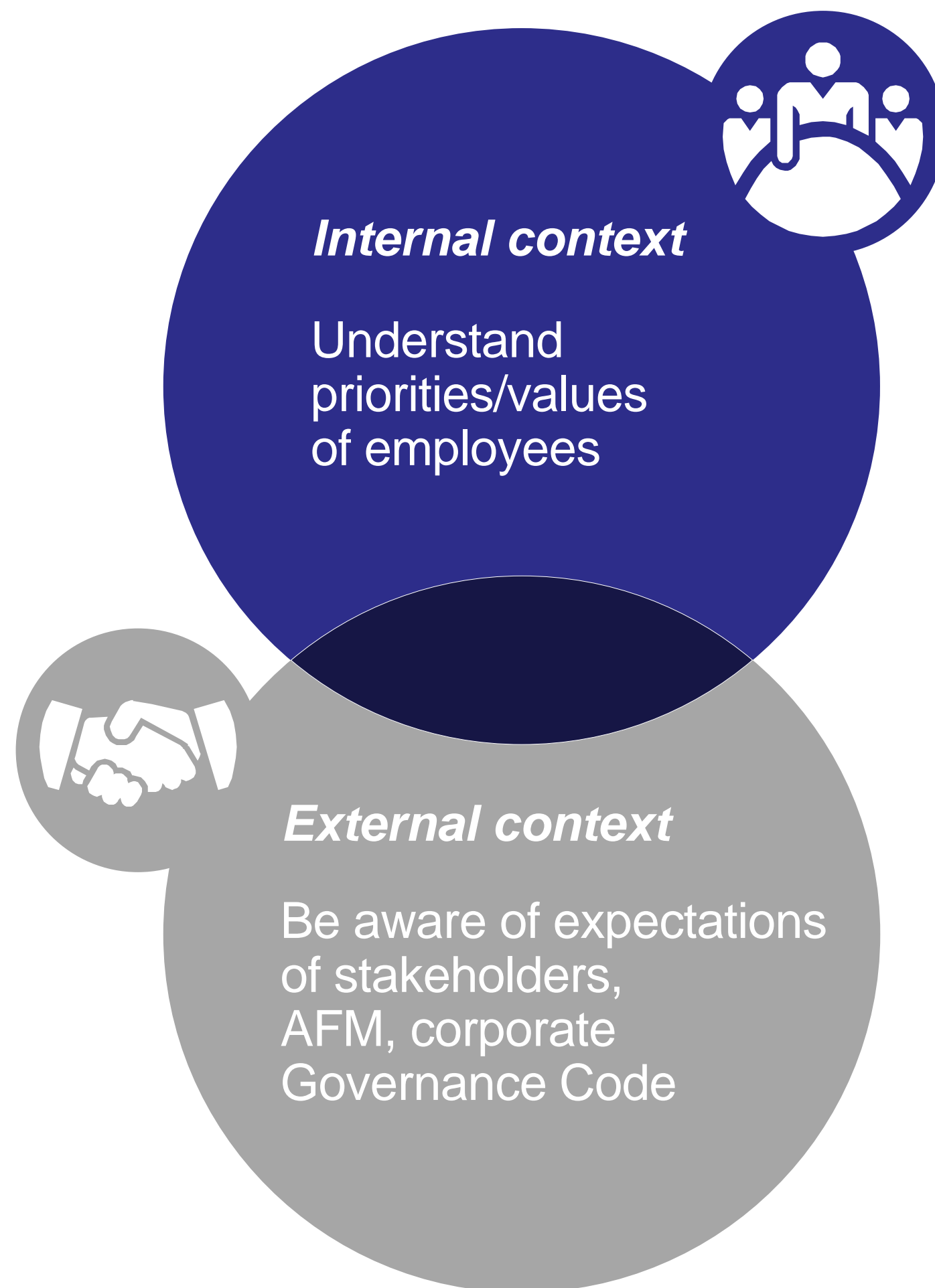
Complex decision making

Our decision making process is influenced by a myriad of factors which are **complex and dynamic** - it is not one dimensional.

This can lead to us making decisions which are not aligned to our organisation's values

The world we live in today

What does this mean for you?



If you understand priorities and expectations you get an understanding of the culture





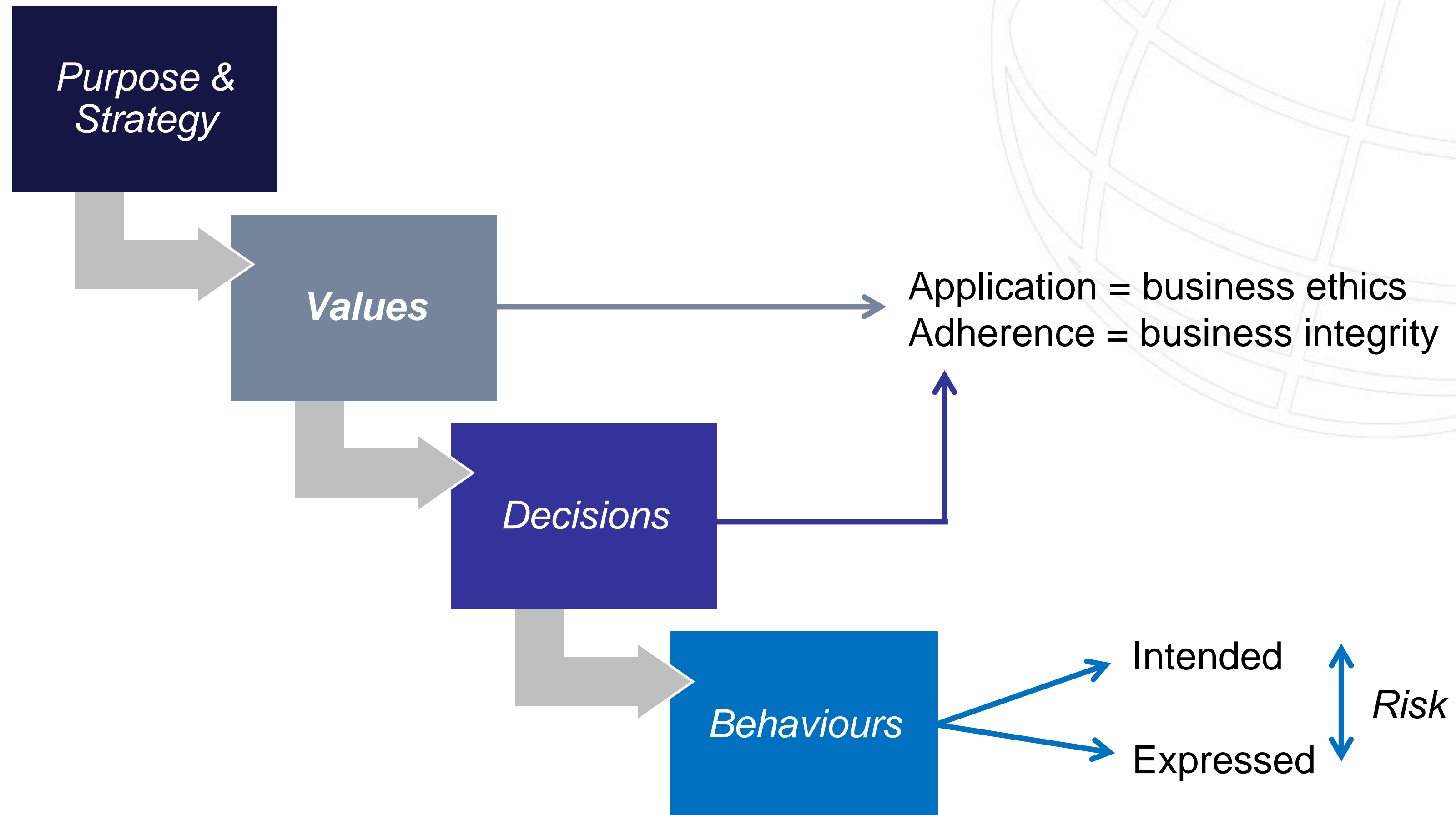
The meaning of corporate values

Values are like fingerprints. Nobody's are the same, but you leave them all over everything you do.

Elvis Presley

The meaning of corporate values

So, where do values fit in?



The meaning of corporate values

An example



The meaning of corporate values

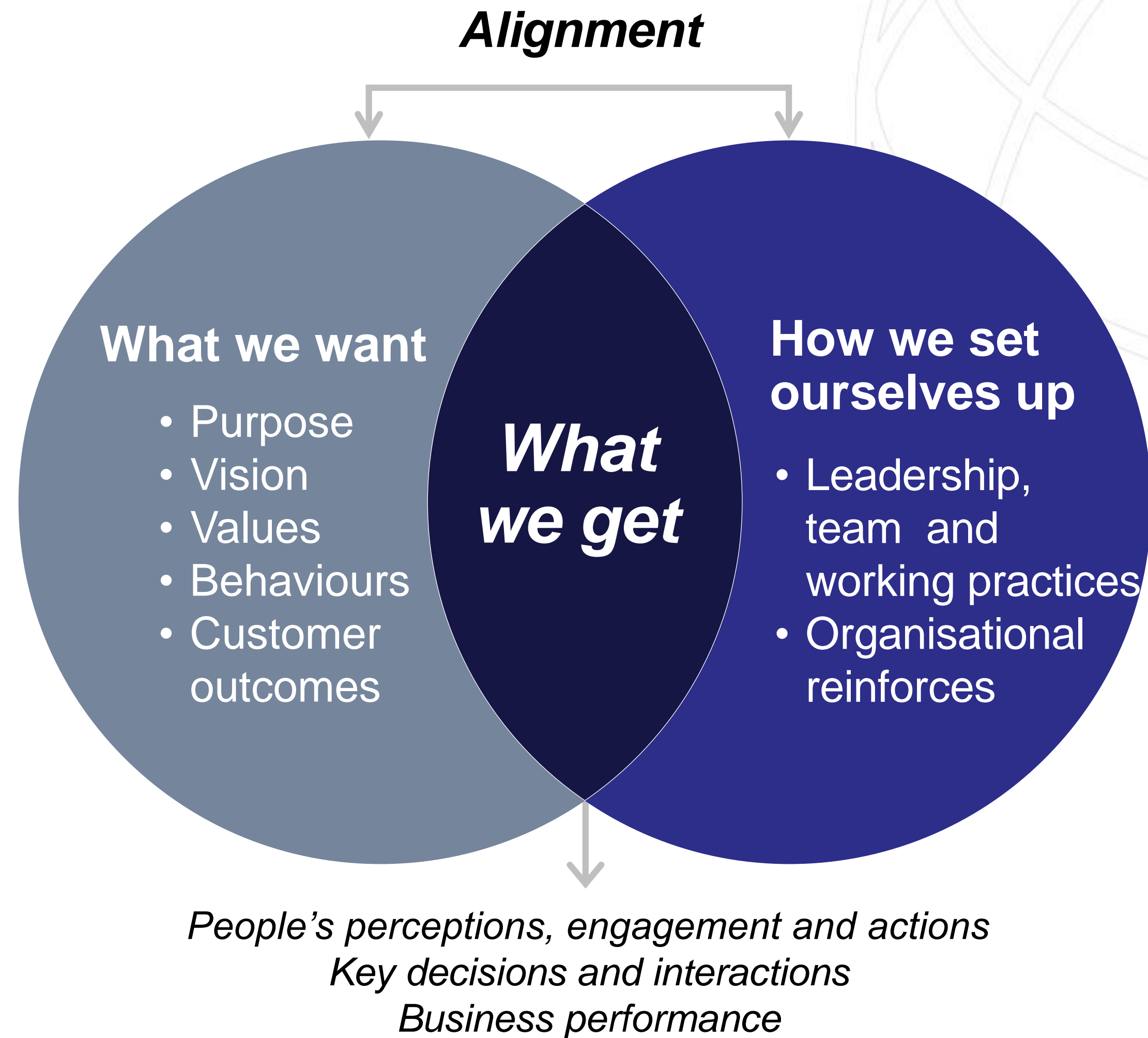
When do you show integrity?



‘Integrity means consistency. It is the refusal to justify or rationalize any thought, deed or motivation which is consistent to the principles and commands of our heart. If we are able to close the values in our hearts, we can live in integrity.’

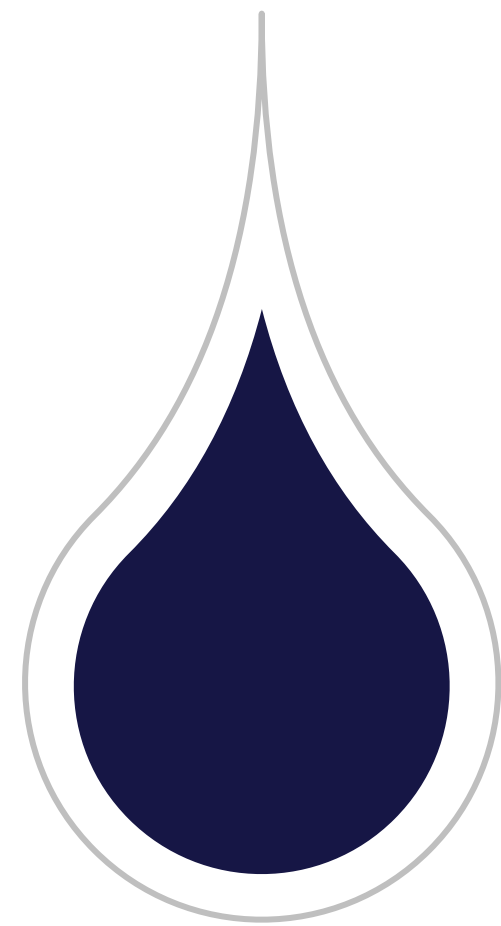
The meaning of corporate values

Cultural risk

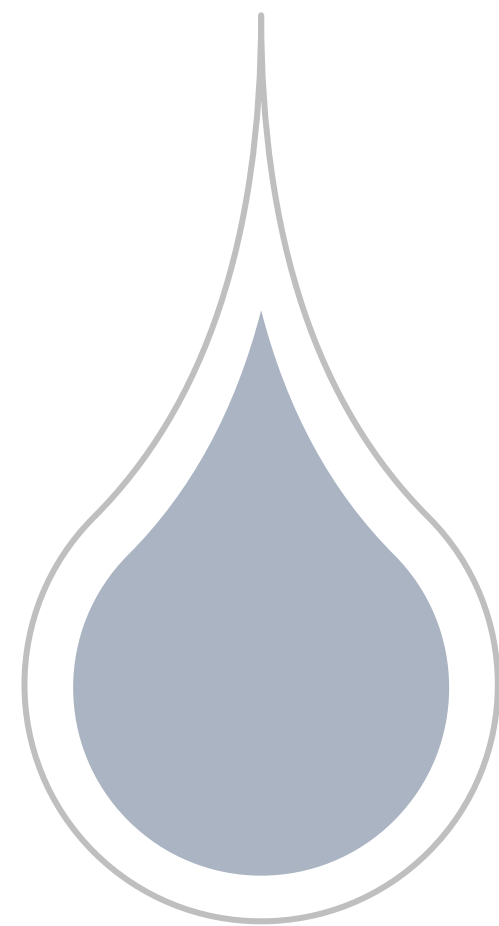


The meaning of corporate values

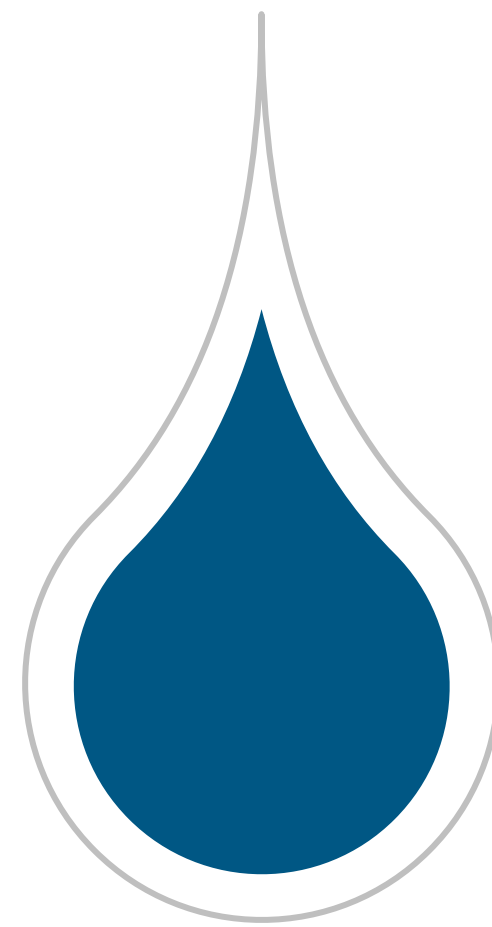
Bringing this to life – an example



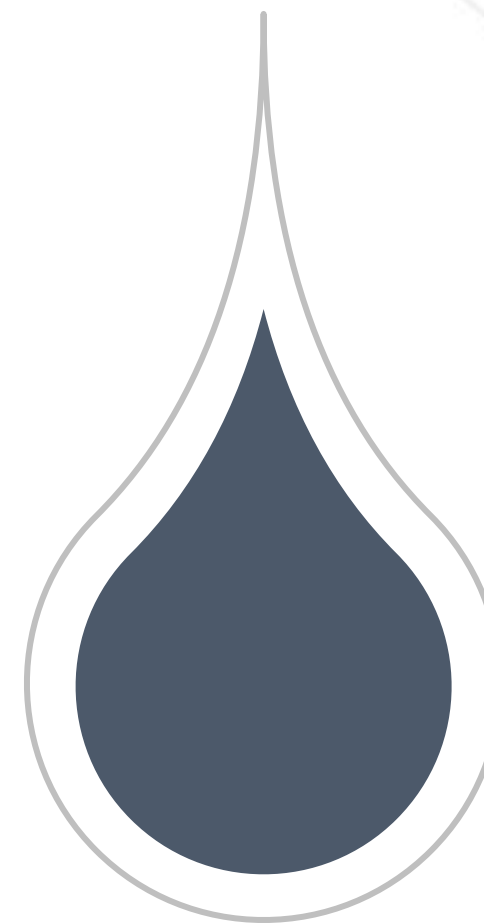
Be the best



Together



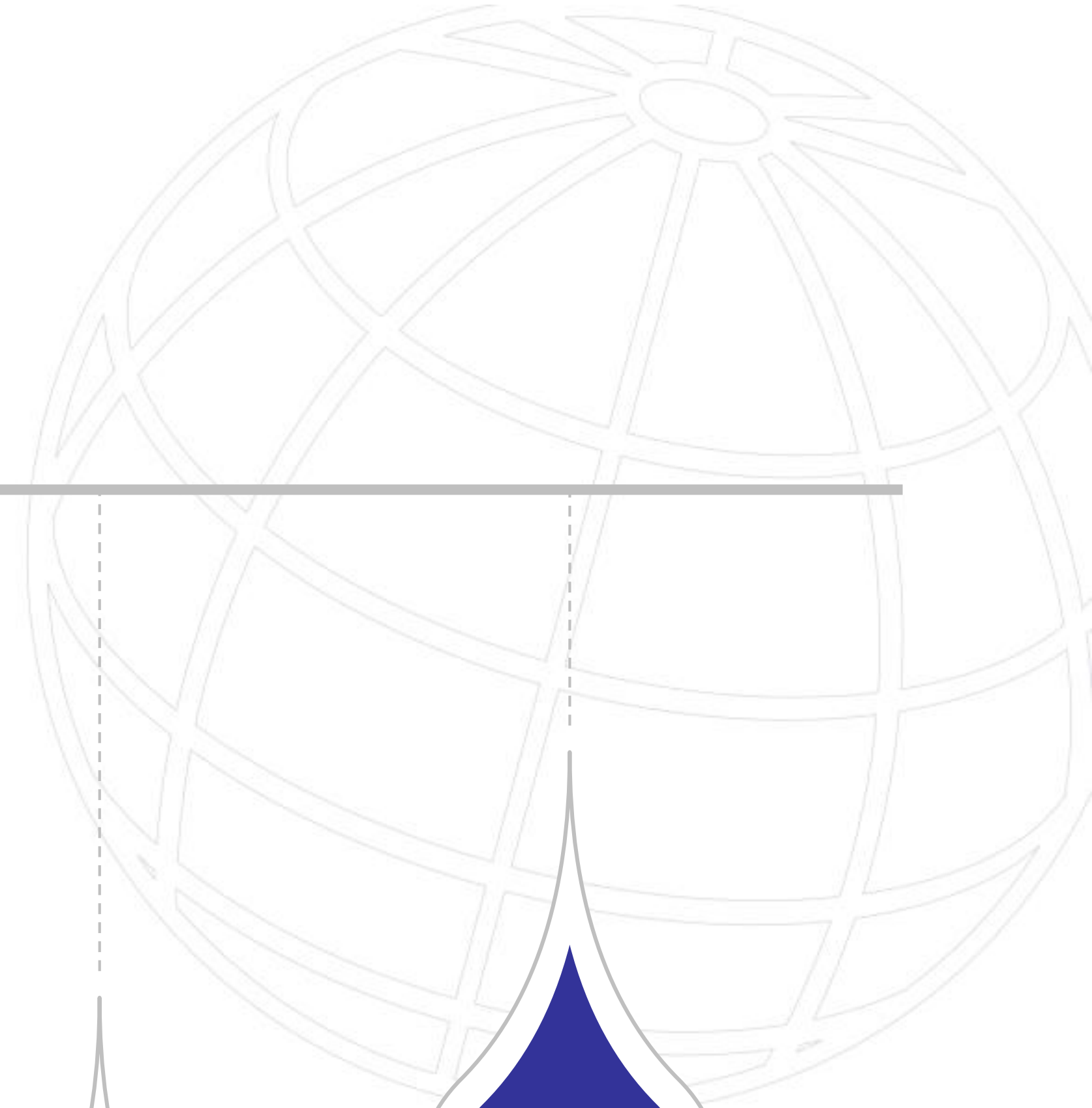
***Honest
pricing***



Good service



***Putting
customer first***



What would you find odd, if this was a supermarket?

A: 35% of the staff leave the organization within one year

B: yearly adjustments in pricing

C: cross-functional collaboration

D: differentiation in product assortment based on location

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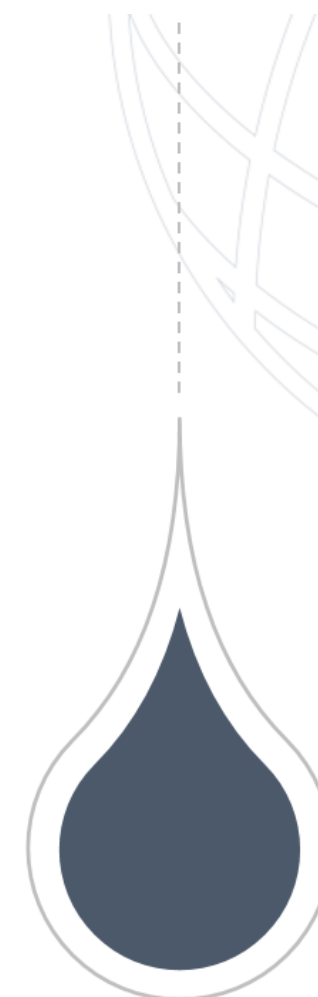
Be the best



Together



*Honest
pricing*



Good service



*Putting
customer first*

... and if this was a bank?

A: 35% of the staff leave the organization within one year

B: yearly adjustments in pricing

C: cross-functional collaboration

D: differentiation in product assortment based on location

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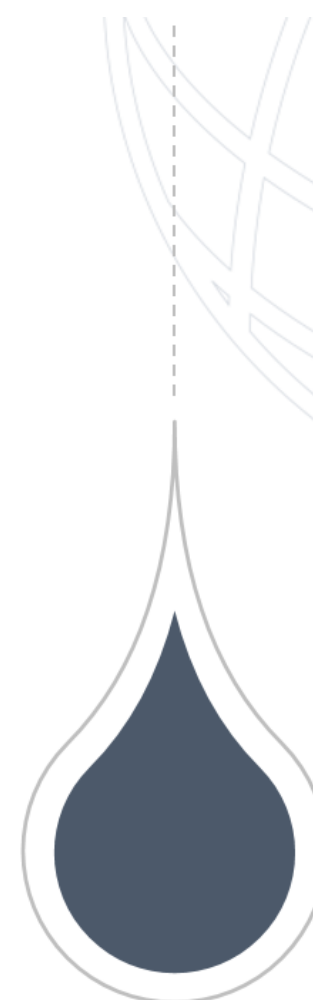
Be the best



Together



***Honest
pricing***



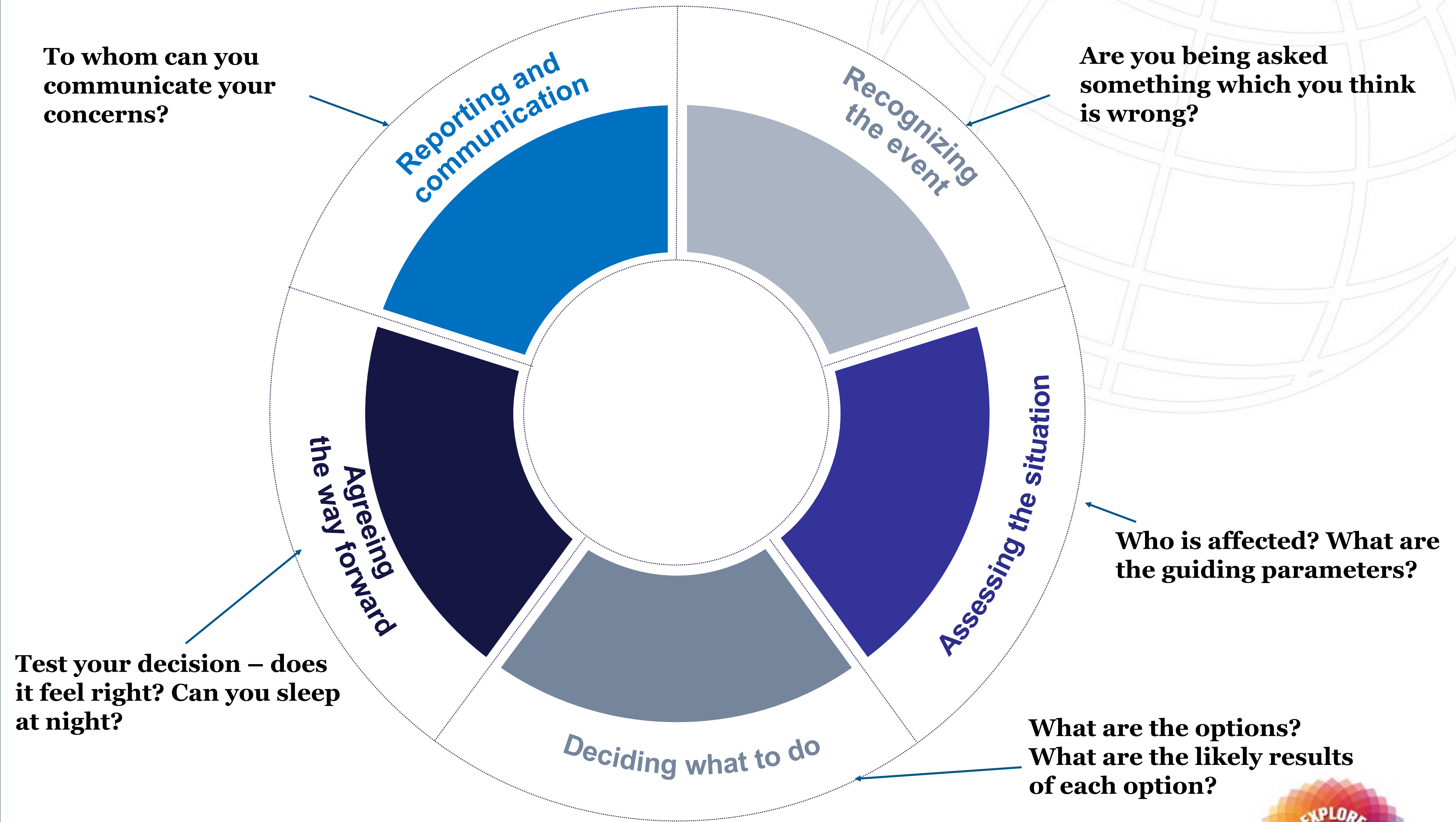
Good service



***Putting
customer first***

The meaning of corporate values

A values-based operational decision-making framework





Assessment and quantification

Many of the things you can count, don't count.
Many of the things you can't count, really count.

Albert Einstein

Assessment and quantification

The corporate compass

These are just some of the areas that organisations should be focusing on and deploying to ensure their behaviours and decisions making are aligned to their values.



Conclusion



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