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Codes of Ethics: A Virtue Theoretic Perspective

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Abstract

This paper presents the thesis that concerns about organisational and professional codes of ethics are mostly legitimate. However, it will be shown that these objections are in fact objections to contingent features of codes as they are ordinarily formulated. It is possible to devise codes of ethics that are not susceptible to these concerns, specifically, codes formulated in terms of the virtue concepts and without absolute deontological prohibitions. Moreover, it will be demonstrated that the codes formulated in this way may be morally justified in terms of their capacity to bring about moral and professional development.

Declaration

I declare that this research report is my own unaided work. It is submitted for the degree of Master of Arts, Applied Ethics for Professionals, in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any other degree or examination in any other university.

_____

Liezl M. Groenewald

19 January 2011

My sincerest thanks to my husband Fanie and my daughter Stephanie for their love, encouragement and patience. They have made me the person who I am today.

Thank you also to my colleagues and friends at the Ethics Institute of South Africa. They are all an inspiration to me.

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"By promoting and facilitating methods of moral education, character development, and emotional well-being of the actor, an ethic of virtue can serve as a framework for implementing positive change in behaviour"

– J. Thomas Whetstone

Introduction

While codes of ethics are arguably traceable back to 18th Century BC the last thirty years have seen a proliferation of codes of ethics in private and public sector organisations. In fact, codes of ethics have gained such prominence that they are now often regarded as the "sole mechanism for managing ethics in business."[1] Nevertheless, despite their current prominence, significant questions may be raised about the moral justification for their implementation.

According to critics, the implementation of codes of ethics is either morally unjustified or morally wrong. Codes of ethics are said to be unjustified because they are morally useless—in one version of this criticism, they do no more than express the norms and values of ordinary moral agents and this expression is deemed morally useless. On the other hand, some critics argue that it is in fact morally wrong for an organization to implement codes of ethics because they are inherently coercive and compromise the moral autonomy of employees.

[1] Rossouw, Deon, van Vuuren, Leon., "Business Ethics" (Cape Town, Oxford University Press, 2004), p. 215

This essay argues that the above (and similar) concerns are legitimately targeted against many organisational and professional codes of ethics. However, it will be shown that these objections are in fact objections to contingent features of codes as they are ordinarily formulated. It is possible to devise codes of ethics that are not susceptible to these concerns, specifically, codes formulated in terms of the virtue concepts and without absolute deontological prohibitions. Moreover, it will be demonstrated that the codes formulated in this way may be morally justified in terms of their capacity to bring about moral and professional development.

Chapter 1

a. Intended function of codes

Codes of ethics are often referred to by other names such as credos, standards of conduct and value statements. Rossouw and van Vuuren define[2] a code of ethics as "a document or agreement that stipulates morally acceptable behaviour within an organization. It defines the moral standards or guidelines that need to be respected by all members of an organization in their decisions and actions."[3]

Accordingly codes seem to have originally been intended to set standards within a profession and organisation and contribute to the moral education of (mostly) internal stakeholders. Miller holds that codes have to do with, and are about "what actions an individual person or member of an occupation *ought* to do, and … what kind of *character* an individual person or member of an occupation ought to have. (Importantly) [i]t is also about what features the organisation which employs members of specific occupations ought to have."[4] For example, journalists ought to seek the truth (action) and firemen ought to be courageous (character). In

[2] In this section I give an account of the most common conceptions of codes with which I do not necessarily completely agree.

[3] Rossouw, Deon, van Vuuren, Leon. "Business Ethics" (Cape Town: Oxford University Press, 2004), p. 216

[4] Miller, S. Professor. "Model Code of Ethical Principles", *Centre for Applied Philosophy and Public Ethics*, http://www.cappe.edu.au/docs/reports/consultancy/PSCModelCode.pdf, 2002, p. 15

order to fulfil their function, codes for these two professions should therefore place impetus on, and communicate the importance of the values of truth and courage respectively.

Codes of ethics can serve a variety of purposes which informs their definition. The purpose or function can be divided into external and internal purposes. Codes for external purposes are primarily adopted for reasons of guiding, satisfying or pacifying external stakeholders and it seems that originally codes have been intended to serve mostly these external purposes. Rossouw and van Vuuren hold that "[i]n some instances codes of ethics are not intended for the staff of an organisation at all, but solely directed towards external stakeholders."[5]

The purpose of a code of ethics for external reasons might be to communicate to external stakeholders that the organisation or profession can be trusted and can be held accountable for actions pertaining to the violation of its ethical standards. The purpose might also be to enhance and promote its reputation, to pre-empt legal action, to pre-empt regulation by external authorities or to pacify external stakeholders such as special interest groups, customers or clients who might be concerned about specific organisational practices.

In more recent times, codes of ethics seem to have been adopted to fulfil mostly internal purposes which would aim to achieve, *inter alia*, standard-setting for ethical behaviour in an organisation or profession, raising awareness of, and communicating these standards,

[5] Rossouw, Deon, van Vuuren, Leon. "Business Ethics" (Cape Town: Oxford University Press, 2010), p. 239

promoting ethical responsibility by articulating the organisational values, providing guidance for ethical decision-making, fostering moral and professional development, fostering a process of cultural change by mobilising staff around core ethical values, boosting morale, and preventing unethical conduct by stipulating unacceptable conduct.

Codes of ethics for internal purposes therefore provide a means of self-regulation for organisations and professions as well as a means of demonstrating to internal stakeholders that the organisation or profession wants to do business ethically, while codes of ethics for external purposes focus primarily on compliance with the law and the relation between the organisation or professional body and its external stakeholders (e.g. their clients, customers, regulatory bodies and special interest groups).

Internal codes will enable staff and practitioners to best fulfil the function of their organisation and profession should we accept that the function of organisations and professions entails bringing about and caring for the social good in accordance with the social contract between organisations, professions and society.[6] Since the adoption of codes for external aims does not relate directly to the actual moral acceptability of the organization and its actions, but its success in more economic or pragmatic goals, it appears that external reasons cannot morally

[6] I do not discuss or defend the concepts of the social good as defined and embraced by Jeremy Bentham (1748 – 1832) or others or the social contract as defined by, amongst others, Thomas Hobbes (1588-1679) and John Locke (1632–1704), since it is beyond the scope of this report. Suffice it to say that I generally accept these concepts.

legitimize the adoption of codes of ethics. Codes of ethics can, of course, have either internal or external purposes, or a combination of both.

b. The current state of thinking on the formulation of codes

Codes of ethics may be formulated in various ways. The current practice in terms of the formulation of codes of ethics is to use one of two basic formats, namely (i) an aspirational code or (ii) a directional code.

Aspirational codes are usually short documents that state the organisational values which should guide employees' or professionals' behaviour. Johnson and Johnson's Credo serves as a good example of such a code (see Appendix 1). These codes are beneficial in the sense that they are easy to recall, they allow for discretion since they do not spell out every ethical action that the staff member or professional have to comply with and they are inclusive because, as a general standard of ethics, it can be applied to many situations. However, they have the disadvantage of being too broad to provide guidance to organisational members faced with morally complex situations, or to those who are ethically immature; and they are difficult to enforce which in turn might undermine the credibility of the code.

Directional codes, on the other hand, are extended documents providing more specific guidelines for specific circumstances, thereby providing clear direction for behaviour. The latter

is beneficial, but directional codes, being very narrow, have, according to Rossouw and van Vuuren, the disadvantage of creating an attitude amongst organisational members of "Thou shalt not be caught out"[7]. They therefore fail in their function of serving as a tool for moral education and creating the appropriate attitudes among members of an organisation or profession.

In the next chapter I will discuss some of the criticisms against codes of ethics which, in my opinion, are aimed mostly at codes formulated in the seemingly prevailing deontological or rules-based manner.

[7] Rossouw and van Vuuren, p. 218

Chapter 2

a. The problem of morally justifying codes of ethics

Many questions have been posed about the moral justification of codes of ethics. For example it has been argued that the relationship between individual professionals and their clients simply involve the ordinary notions of honesty, decency, civility, humanity, considerateness, respect and responsibility. To supply professionals with a special code to guide their ethical behaviour may imply that they are immoral.

Regarding the above, John Ladd draws a distinction between macro-ethics and micro-ethics. He defines the former as comprising "what might be called collective or social problems, that is, problems confronting members of a profession as a group in their relation to society."[8] Micro-ethics concerns the moral aspects of personal relationships between individuals where the latter comprise individual professionals and their clients.

Ladd holds that macro-ethical issues in professions are problematic in view of questions such as "what are the social responsibilities of professionals as a group?" or "how do they exert their

[8] Ladd, J. "The Quest for a Code of Professional Ethics: An Intellectual and Moral Confusion", reprinted in *AAAS Professional Ethics Activities in the Scientific and Engineering Societies,* eds. Rosemary Chalk, Mark S. Frankel, and Sallie B. Chafer (Washington, D.C.: AAAS, 1980), pp. 132

power to influence?". Referring to micro-ethical issues, Ladd is of the opinion that many of the relationship issues between individual professionals and their clients simply involve ordinary values. Therefore, Ladd submits that codes are morally unjustifiable because "it should not be necessary to devise a special code to tell professionals that they ought to refrain from cheating and lying, or to make them treat their clients … with respect, … ".[9]

I, however, submit that one possible moral justification for codes of ethics is that they promote morally right behaviour. In this regard I concur with Michael Davis[10]. He seemingly accepts the moral autonomy of professionals, but defends the necessity of codes by submitting, with specific reference to the engineering profession, that they are "central to advising individual engineers how to conduct themselves, to judging their conduct, and to understanding engineering as a profession."[11] Davis describes codes of ethics as a convention between professionals. According to his explanation "a profession is a group of persons who want to cooperate in serving the same ideal better than they could if they did not cooperate."[12] A code of ethics is then aimed at enabling the group of professionals to understand the

[9] Ladd, p. 132

[10] Davis, Michael, "Thinking Like an Engineer: The Place of a Code of Ethics in the Practice of a Profession", *Philosophy and Public Affairs*, 20, 2 (Spring 1991), (Academic Research Library), pp.150 - 167

[11] Davis, p. 150

[12] Davis, p. 153

recommendations for pursuing their common goal "so that each may do the best she can at minimal cost to herself and those she cares about."[13]

Davis submits that a code of ethics is morally justified because it protects the professional from pressures she might experience to behave unethically (such as cutting corners) by making it "reasonably likely … that most other members of the profession will *not* take advantage of her good conduct."[14] The code furthermore protects the professional from competition and certain consequences of action; and it stipulates the behaviour, virtues and character traits required of the specific profession, making clear to both other professionals and external stakeholders, the behaviour which they can expect from these professionals.

I agree with Davis, as opposed to Ladd, that if we accept that a code of ethics is actually a convention between professionals and employees, then we can understand why, even if they are morally autonomous agents, professionals and employees cannot simply depend on their private conscience alone to choose how they would practice their profession or career. Davis articulates this by submitting that "[w]hat conscience would tell us to do *absent* a certain convention is not necessarily what conscience would tell us given that convention."[15] An engineer could, for example, cut corners in terms of safety to finish a project within project

[13] Davis, p. 154

[14] Davis, p. 154

[15] Davis, p. 155

deadlines without giving proper regard to safety. In her conscience this might be the right thing to do because of the high value she places on meeting work targets. But, if the convention of upholding safety is provided and emphasised as such, she would most probably request an extension of the deadline in order to meet safety requirements.

Further to the above, we also have to take into account how human being's morality is primarily formed and developed by external influences. It cannot be accepted that such external influences are always positive. Neither can it be accepted that people have the same understanding of a particular virtue.

Take a developing country such as South Africa. There is a generation who grew up in societies where struggle activism ruled the day. This resulted in many youths of that particular generation growing up in possibly single-parent households that were regularly raided by an unfriendly police force who often showed little respect for human life and who did not always observe the dignity of others. In order for the recipients of these approaches to survive, a show of certain qualities that served well in the struggle, but not outside of it, was often the only solution. How the mother and community would struggle to instil values of integrity, respect for others and honesty in children who were bombarded on a daily basis with the reality that, in their circumstances, displaying the virtue of honesty can get them or a loved-one killed (for example telling the police that they know where an activist is hiding). As Mamphela Ramphele puts it "… struggle activism was not necessarily a good place for young people to learn how to

be professionals. Anti-authority behaviour was essential to challenging the oppressive system successfully, and was widely celebrated."[16]

Similar situations occurred in other countries such as the Democratic Republic of the Congo (DRC) where the war in the late 1990's resulted in many members of a generation of young people familiar only with formal and informal systems of corruption, bribery, lying and stealing. Many companies in the DRC acknowledge that they experience serious difficulty with staff's interpretation of ethical standards as a result of the prevailing situation in the country.[17]

The above are but two examples of external influences on the development of moral character being less than positive. Many more exist.

It is a given that organisations and professions are populated by individuals from different cultural and social backgrounds with different interpretations of the virtues. Within one large organisation or professional association a variety is to be found in terms of moral consciousness. The possibility that the moral discourse in such organisations and professions is one of differing views and interpretation of morally acceptable behaviour is therefore real and

[16] Ramphele, M., *Laying Ghosts to Rest – Dilemmas of the transformation in South Africa*, (Tafelberg, NB Publishers, Cape Town, 2008), p. 147

[17] Information was gathered from discussions at a CEO Roundtable regarding the development of ethics management and corruption prevention capacity in the private sector in the DRC on 30 March 2010, presented by the Federation of Congolese Enterprises (FEC), the Ethics Institute of South Africa (Ethics SA), represented by the writer, the African Institute of Corporate Citizenship (AICC) and the United States Institute of Peace (USIP).

it is often displayed not only in the micro-ethics environment, but also in the macro-ethics environment.

Furthermore, members of the professions or organisations often realise that the demands made on them by the organisation or profession is incompatible and contradictory. Every organisation and profession, to varying degrees, prioritise a set of virtues and vices which are to be inculcated or eradicated. Unfortunately the very same quality is often, especially in the micro-ethics environment, presented in one guise as a virtue and in another as a vice. To illustrate this I refer to MacIntyre's example of an executive who "is characteristically required to be meticulous in adhering to routines, to be a good committeeman, to be responsive to certain pressures from superiors and peers, to place the achievements of the team above those of individual members of it *and* to show initiative, to break rules creatively, to form independent opinions and to act on his or her own."[18]

Given the possible disunity in the organisational moral discourse as a result of the variety of social and cultural backgrounds and, in organisations (as opposed to professions), individuals' educational backgrounds, as well as the contradictory demands regarding behaviour, a common understanding of expected moral behaviour is imperative. It is thus not a matter of presupposing that professionals are immoral as some argue, but rather a matter of creating a

[18] Goodpaster, K.E., Sayre, K.M. eds, *Ethics & Problems of the 21st Century* (Notre Dame: University of Notre Dame Press, 1979), p.123

common moral ground to accommodate for organisational members' and professionals' often diverse interpretations of virtues.

We can now understand that if we accept that professionals and members of business enterprises are morally autonomous, it is clear that this autonomy is subjected to pressures which are sometimes beyond the individual professional or organisational member's control. It is also possible that the autonomous moral agent's previous experiences are misaligned with the profession's or organisation's moral goals, as explained earlier. Although the individual might thus be educated in the virtues to the extent where they would know what is good or bad, their previous experiences and individual interpretation of the virtues particular to her profession or organisation, could result in her choosing an action which is contrary to the good of the profession or organisation.

Hence the usefulness of a code of ethics which informs all members about the "actions an individual person or member of an occupation ought to do, and (especially[19]) … what kind of character an individual person or member of an occupation ought to have."[20]

[19] Own insertion to emphasise the point

[20] Miller, S. Professor., "Model Code of Ethical Principles", *Centre for Applied Philosophy and Public Ethics*, http://www.cappe.edu.au/docs/reports/consultancy/PSCModelCode.pdf, 2002, p. 15

Moreover, if the code is approached from a virtue theoretic perspective as opposed to a rules-based or deontological perspective, and if sufficient education and awareness about the code and the virtues it professes are provided and created, the code would enhance the moral autonomy of professionals and organisational members. In Chapter 3 I will attempt to explain and illustrate how this can be done.

b. The problem of codes being useless

It is argued by some that the codification of ethical principles in a code of ethics equals bringing ethical principles into existence through legislation, rules or policies. Codes confuse morality and law and are therefore useless. I submit that codes are predominantly formulated in a directional manner and that this criticism is aimed at codes formulated in such a way. A good example of a directional code is the National Society of Professional Engineers (NSPE) *Code of Ethics for Engineers* which states 'rules of practice' for members of the engineering profession. Point number one states that "[e]ngineers shall hold paramount the safety, health, and welfare of the public."[21] It then goes forth stipulating the rules which engineers must follow to uphold the safety, health and welfare of the public, for example "Engineers shall not permit the use of

[21] "NSPE Code of Ethics for Engineers", http://www.nspe.org/Ethics/CodeofEthics/index.html, p.1

their name or associate in business ventures with any person or firm that they believe is engaged in fraudulent or dishonest enterprise."[22]

Codes written in such a narrow directional, deontological manner do not, in my opinion, contribute to the moral development of members of professions or business enterprises because they basically just state rules which should be followed, regardless of circumstances and individuals' level of moral development.[23] They therefore do not regard an individual's moral autonomy or level of moral development as important or significant.

Ladd, for one, argues that even if ethical principles " … could be set out in a code, the attempt to impose such principles on others in the guise of ethics contradicts the notion of ethics itself, which presumes that persons are autonomous moral agents."[24] According to him, such an attempt makes ethics heteronomous and a code confuses ethics with "some kind of externally imposed set of rules"[25]. According to Ladd ethics must be self-directed because of its very nature. But by imposing ethical behaviour through rules as set out in a code of ethics, ethics

[22] "NSPE Code of Ethics for Engineers", http://www.nspe.org/Ethics/CodeofEthics/index.html, p.1

[23] In this regard Ladd argues that codes (formulated in such a way) confuse morality with law because the codification of ethical principles in a code of ethics equals bringing ethical principles into existence through legislation, rules or policies. He explains his thesis by submitting that ethics by itself is open-ended and reflective. Ethical principles need to be argued, discussed, deliberated and agreed upon by participants of a specific community. Therefore ethical principles cannot be settled by authority through the imposition of codified ethical principles.

[24] Ladd, J., p. 131

[25] Ibid., p. 131

becomes other-directed. If I understand Ladd correctly, he thus says that a code of ethics is useless because it directs an individual's ethics externally, which, according to him, is contradictory to what ethics actually is, i.e. being self or internally-directed.

But codes being useless is not the only criticism against them. It is also claimed that codes are coercive in nature.

c. The problem of codes being coercive

Regarding the coercive nature of codes, it is argued that codes of ethics try to get members of the professions to behave rightly by forcing them to do so. The argument is that codes therefore coerce them into behaving rightly, and they behave rightly because they fear possible sanction when they do not behave according to the ethical principles or rules as set out in their codes of ethics. Critics submit that it seems to be assumed that professionals are likely to be immoral or sub moral so that a code has to be imposed on them to coerce them to be more ethical in their conduct.

I concede that codes indeed have a coercive role if sanctions are included, but I submit that it is necessary. I refer to Aristotle and Seamus Miller for elucidation.

Aristotle highlights the educative role of punitive sanctions when he argues that practicing some virtues, for example temperance, might be difficult for the youth to practice as they may find it unpleasant. He submits therefore that the nurturing of virtues should be fixed by law. He applies the same principle to adults and states that legislators should influence, motivate and urge men to act virtuously by imposing "punishments and penalties … on those who disobey and are of inferior nature, … ."[26]

In the professional and business environment, Aristotle's "laws" would correlate with the rules and regulations of professions and organisations, including codes of ethics (in their current deontological and directional form) and the legislators would refer to the management of organisations or professions. Non-compliance with laws plainly requires the institution of punitive sanctions. Ideally a code of ethics, as a law of sorts, should educate, stimulate, motivate and influence members of organisations and professions to behave in accordance with the virtues if a code intends to fulfil its function of morally educating and developing members of organisations and professions. But because human beings do not act nobly from when they are young, because becoming a fully virtuous person takes time and because not all human beings reach the fully virtuous state, punitive action for non-compliance to codes of ethics is required.

[26] McKeon., 1180a8, p. 1109

Miller also argues for punitive sanctions by submitting that, in addition to codes of ethics' educational function; they also have a regulatory function. He asserts that "[r]egulation, like ethical education, ought to proceed in such a way as to secure compliance with appropriate moral principles, especially compliance with minimum [moral] standards e.g. avoidance of criminal activity such as fraud, theft, eschewing of unfair practices, and so on."[27] Therefore, in designing sanctions due account should be taken of the ethical motivations of organisational members which should include "not only their sense of fairness and susceptibility to feelings of shame, but also their desire for the respect that goes with achievement of high ideals."[28]

I suggest that punitive sanctions not be attached to the transgression of the code per se, but rather to the organisational or professional policies which support the code. The virtue of being honest could, for example, be supported by an anti-corruption policy. Punitive sanctions could then be attached to this policy.

If one accepts Aristotle's and Miller's submissions as put forward in the previous paragraphs, sanctions and, by implication coercion, seem to be justified. However, if codes are written from a virtue theoretic perspective, codes might not necessarily coerce members of organisations and professions into ethical behaviour. Rather such codes would teach these members the

[27] Miller, p. 37

[28] Miller, p. 37

virtues, assist them with the development of their moral character and thereby promote their moral autonomy. Thus rendering coercion obsolete.

d. The problem of codes creating moral dilemmas

Another objection to codes formulated in the directional manner is that they may generate conflicting obligations. As a result they often result in a barrier to moral action according to Heinz C. Luegenbiehl.[29] The code can, for example, require of the professional or organisational member to maintain the confidentiality of information, *and* also to act in the interest of the welfare of society or the public. In practice this would mean that a professional or organisational member would face an ethical dilemma should she discover official confidential information which could potentially harm the public. The code, requiring action in the best interest of the public as well as observing the confidentiality of information, provides no clear guidance for action in this case. It only fosters confusion because of different principles justifying opposing decisions. Luegenbiehl therefore suggests that codes ought to provide for guidelines for action or list considerations relevant to moral decision-making in a given situation, rather than directives and prohibitions as is currently the practice.

[29] Luegenbiehl, Heinz C., "Codes of Ethics and the Moral Education of Engineers", *Business and Professional Ethics Journal 2* (1983): 41 -61. Rpt. in *Ethical Issues in Engineering*, ed., Deborah G. Johnson. (Englewood Cliffs, NJ: Prentice-Hall, 1991). 137 – 154.

These criticisms are extremely telling against codes as they are often formulated in a directional manner based on a deontological framework. Traditionally codes have been focused on the duties of members of organisations and professions to act in one way and not in the other, taking little to no cognizance of the moral autonomy of agents, the complexity of moral situations or the possibility of conflict. The code of ethics for engineers to which Luegenbiehl refers to throughout his article "Codes of Ethics and the Moral Education of Engineers"[30] is a good example, because it comprises a mixture of duties without a link to the virtues required for being a virtuous engineer. Rules are given for certain circumstances, but in this absolutist framework, too little guidance is provided for engineers about how to act in situations for which the code does not make provision. This is indeed the case with many codes written from a deontological perspective using an absolutist directional formulation.

I conclude this chapter with submitting that codes formulated in terms of the virtues, and understood within the virtue framework, are largely immune to these criticisms, because they allow for, and actually promote moral autonomy, they do not result in creating barriers to moral action and they would not coerce members to act rightly because such codes would teach members the virtues thereby assisting them with the development of their moral character. If their moral character is sufficiently developed they would not need coercion to act

[30] Luegenbiehl, Heinz C., "Codes of Ethics and the Moral Education of Engineers", *Business and Professional Ethics Journal 2* (1983): 41 -61. Rpt. in *Ethical Issues in Engineering*, ed., Deborah G. Johnson. (Englewood Cliffs, NJ: Prentice-Hall, 1991). 137 – 154.

ethically. I elaborate on my arguments against the afore-mentioned criticisms and explain my thesis further in Chapter 3.

Chapter 3

a. Understanding virtue ethics

In order to defend my theses and to address the mentioned criticisms sufficiently an understanding of virtue ethics is required. In her book *On Virtue Ethics*[31] Hursthouse explains that virtue ethics attempts to describe the character which we might admire in a person by addressing questions such as 'What kind of person should I be?' and 'How should I live, i.e. in accordance with the 'right' character?' Virtue ethics is thus concerned with the good life and how one should live the good life. Right and wrong actions are construed in terms of what a good person would or would not do. 'Being' therefore has prominence over 'doing'.

Virtue ethics is viewed as a rival theory for, or as a supplement to rules- and duty based theories namely utilitarianism and deontology which ask questions such as 'What would be the right way to act?' and 'What sorts of actions should I do?' Utilitarians begin with the concept of good states of affairs (rather than persons) while deontologists take duty as their starting point. Right or wrong actions are then defined as those which maximize utility or are in accordance with certain moral rules. It follows that 'doing' has prominence over 'being'.

[31] Hursthouse, Rosalind., *On Virtue Ethics*. (New York: Oxford University Press, 1999).

Lawrence Blum articulates the difference in emphasis, approach and focus between the virtue theory and rule- and duty based theories as "[i]t is especially striking that utilitarianism, which seeks to advocate that each person devote his or her entire life to the achievement of the greatest good or happiness of all people, has barely attempted to provide convincing description of what it would be like to live that sort of life."[32] Virtue ethics has as its goal exactly this; claiming the character traits needed to enable us to live at the heights of excellence. Aristotle refers to a virtue and an excellence of character, a state that enables one to live well as a human being.

Virtue ethics has a strong agent orientation. Supporters of virtue ethics are often "particularists", that is, sceptical of the possibility of developing decision-making procedures or formulae applicable to all circumstances. For a particularist, correct moral decisions are made by drawing on one's internal resources, i.e. their internalised moral capacities acquired over time through, amongst other things, training. Right and wrong actions are distinguished by what the virtuous person, or person of practical wisdom, would do; moral rules are relegated to the background.

The act-oriented theorist, on the contrary, is very much interested in formulating decision-making procedures because "they [act-agents] have derivative and relatively weak conceptions

[32] Pence, G., "Virtue theory", *A Companion to Ethics*, eds. Peter Singer (Blackwell Publishing: Oxford, 1991), p. 249

of character to lean on"[33]. They therefore need guidance in the form of a decision procedure such as the maximization of utility or the generation of a universalizable principle or maxim[34].

Aristotelian virtue ethics maintains that human beings acquire the capacities and motivations constitutive of virtue by, inter alia, doing morally good deeds. Doing a good deed brings about a level of satisfaction - initially, as a child, through praise and sanction and later by understanding why the act is praiseworthy - which results in motivation and desire to perform a good deed again. The value of the action is thus understood by doing the action. Good motivations are part of a virtuous character.

To comprehend virtue ethics fully an understanding of virtue is also required. I appeal to MacIntyre's definition: "A virtue is an acquired human quality, the possession and exercise of which tends to enable us to achieve those goods which are internal to practices, and the lack of which effectively prevents us from achieving any such goods."[35] For example, a virtue of a doctor would be a characteristic that facilitated excellence in medicine and the lack thereof would prevent the doctor from achieving such excellence.

[33] Louden., p. 475

[34] It should be noted that not all writers conceive of the principle of utility as a decision procedure, but for the purposes of this report, I use the distinction as provided by Louden.

[35] MacIntyre, Alasdair., *After Virtue.* (Notre Dame (Indiana): University of Notre Dame Press, 1984), p. 191

With a general theoretical sketch of virtue ethics in place, I will explain the relation between virtue and professional roles. In his definition of virtue, MacIntyre refers to 'practices'.[36] He defines the latter as "… any coherent and complex form of socially established cooperative human activity through which goods internal to that form of activity are realized in the course of trying to achieve those standards of excellence which are appropriate to, and partially definitive of, that form of activity, with the result that human powers to achieve excellence and human conceptions of goods involved, are systematically extended."[37] He elucidates this complicated definition by giving examples: tick-tack-toe and throwing a football and bricklaying are not practices, but chess, the game of football and architecture are.

The most important concept of the definition is that of goods internal to the practice. MacIntyre explains this through trying to teach a child to play chess. Initially one would try to lure the child to the chessboard by offering her some candy. The child can also be told that she will win if she applied herself, for which she will be rewarded with more candy. The candy, being an external good, would, however, not prevent the child from cheating to get more candy. But she would, over time, learn the skill of chess and would begin to enjoy exercising the relevant skills needed to be a good chess player. If the child then cheats she would know

[36] For the formulation of the interpretation of MacIntyre's understanding of the practices I have relied on information and insight gained from Kris Dobie's MPhil Dissertation (*Cum Laude*): *Examining the Possibility of Moral Agency in Bureaucratic Organisations from the Perspective of Alasdair MacIntyre's Neo-Aristotelian Understanding of the Virtues.* University of Pretoria, July 2005.

[37] MacIntyre, p. 187

that she has cheated only herself and that she is not developing her analytical and strategic skills applicable to being a good chess player. "It is this other reward of improving yourself or excelling at the practice that is seen as the goods internal to a practice."[38]

MacIntyre holds that a practice (such as medicine) needs an institution (such as a hospital) to be the vehicle that carries practice in society. Practices are mostly concerned with internal goods, whereas institutions are mostly concerned with external goods such as status, power and money. In the case of a hospital this would be relevant to private institutions of this type where a good reputation and profit making are important. Although a practice needs an institution to survive, it can also be corrupted by the institution because of the latter's propensity towards the mentioned external goods. The practice therefore needs virtues in order to protect itself from corrupt actions caused by the allurement of the external goods. Although an institution can continue if the virtues fail, the practice would decline into merely those technical skills that are necessary for the practice. It follows that an institution, if it wants to achieve excellence in all facets of its existence, has to be populated by virtuous members of the relevant practice.

Professional roles are often tied to organisational or institutional expectations and professional practices. These roles incorporate virtues as well as obligations. "Roles internalize

[38] Dobie, K., p. 18

conventions, customs, and procedures of teaching, nursing, doctoring, and the like."[39] This is, of course, also applicable to the engineering profession from where Luegenbiehl's criticism of codes of ethics arose. It follows that different practices (professions) and business contexts (institutions) require, to some extent, different kinds of virtue. Each body of professionals or business enterprise therefore requires a tradition of displaying certain virtues in its practices which are pertinent to achieving the objectives of the profession or business. Beauchamp holds that "[t]hese standards of virtue incorporate criteria of professional merit and distinction, and possession of these virtues disposes a person to act in accordance with the objectives of the practices."[40] Health care professionals, for example, should therefore be more inclined towards displaying the virtues of compassion, discernment and integrity, while engineers should display integrity and truthfulness since they are more central to the professional role.

Being a professional involves the possession of a set of virtues. For example a doctor is someone with a set of excellences enabling her to perform a specialised role. There thus seems to be an intrinsic link between virtue and the professions. If codes of ethics aim to assist in the creation of, or training in the exercise of appropriate virtues in professions or business enterprises, it is imperative that virtues are addressed in such codes. This amounts to creating the right attitudes and character among professionals and members of organisations since good

[39] Beauchamp, Tom L., Childerss, James F., *Principles of Biomedical Ethics*, (New York: Oxford University Press, Inc., 1994), p. 463

[40] Beauchamp, p. 463

attitudes motivate good actions where good would refer to actions that would be done by a good doctor, a good accountant, etc. Virtues are thus required for people to fulfil their roles in their professions and organisations. It follows that a code should and could not be aimed only at prescribing and proscribing actions (directional or deontological).

Having described the relation between virtue and professional roles, I now move to exploring the possibility of codes having a role in the development of good character. In practical terms this will imply that a code fosters the virtues relevant to the profession or business in order to create a philosophy of integrity among its members. The code should aim at creating an organisational or professional philosophy where members of the profession or business will 'instinctively' know what they ought to do and which character traits they ought to display when faced with an ethical dilemma since codes could never make provision for all issues such members would be confronted with. Codes should thus include elements which will develop their character and moral standards to the extent where, for example engineers will "insist on load bearing standards well above what the law requires because of [their] commitment to the ideal of safety."[41]

Having an understanding of virtue ethics now prompts the question 'how is virtue acquired and developed?'. I seek to answer this question in the following section.

[41] Miller, p. 4

b. The acquisition of virtues

Aristotle[42] distinguishes between two types of virtues in which they are acquired, i.e. virtues of character (*aretai* / moral virtues) and intellectual virtues (*phronesis* / practical intelligence). Bragues describes the latter as "referring to conduct that optimally deploys reason's apprehensive powers, and the moral (character) virtues designating reason's regulation of desire."[43]

Intellectual virtues are acquired through education and learning, whereas virtues of character are developed through habitual exercise. Intellectual virtues are, in Aristotle's view, linked to the intelligence of an individual and lies in the way in which he can apply his knowledge in a given situation. Training in reason is however required. Aristotle accepts that certain individuals might have the right propensity to act in a way that corresponds with the virtues without having had an education in the virtues. However, these individuals are still at the mercy of their "passions and desires" and do not have any way of ordering the virtues for themselves. But someone who is trained in reason and educated in the virtues will act in accordance with the virtues because he/she will know that to do so would be virtuous. It

[42] Aristotle, *The Nicomachean Ethics of Aristotle*, translated by Sir David Ross. (London: Oxford University Press, 1954)

[43] Bragues, George., "Seek the Good Life, not Money: The Aristotelian Approach to Business Ethics", *Journal of Business Ethics* (2006) 67: p. 345

seems thus that intellectual virtues are a prerequisite for understanding and ordering the virtues of character in a way that the individual can understand his/her life to be virtuous.

Aristotle holds that virtues of character or moral virtues are acquired in three ways, i.e. through (1) constant practice until they (2) develop into habits and (3) become second nature. Aristotle shows that it follows that a virtuous person, in doing a good deed, would experience pleasure in acting rightly. For the virtuous person this results in motivation and desire to perform a good deed again. Moral principles are thus internalised through this process and the value of the action is understood by doing the action. Hence the individual becomes motivated to perform morally good deeds as a result of his or her virtuous character. Being so motivated is indicative of virtuous character.

Given Aristotle's acceptance that certain individuals might lean towards acting in accordance with the virtues without having had an education in the virtues and his argument that these individuals are at the mercy of their "passions and desires", he distinguishes between the continent or self-controlled type of person and the one who has full virtue or is fully virtuous. The continent person is the one who, "knowing what she should do, does it, *contrary* to her desires, and the fully virtuous character is the one who, typically, knowing what she should do, does it, desiring to do it."[44] The fully virtuous person therefore does what she should because

[44] Hursthouse, Rosalind., *On Virtue Ethics*. (New York: Oxford University Press, 1999), p. 93

she desires to do it and she "reaps the reward of satisfied behaviour"[45]. The fully virtuous person would thus have self-directed ethics as a result of internalised virtues obtained through education and practice.

But although ethics should be self-directed and not be confused with law-making, Aristotle appears unconvinced that nature would not tempt even those whose virtues have become second nature. He holds that it is difficult for especially the young to behave according to the virtues since it is not always pleasant (to do the right thing). He reasons that virtues' "... nurture and occupations should be fixed by law; for they will not become painful when they have become customary."[46] However, Aristotle does not apply law-making in terms of the virtues and good behaviour to the youth only. In this regard he submits that when people are grown up they still need to practice the virtues and habituate them. It covers the whole of their lives. Therefore, even those in who the virtues have been nurtured to some extent need laws to ensure compliance with the requirements of a virtuous life "... for most people obey necessity rather than argument, and punishments rather than the sense of what is noble ."[47]

In Aristotle's view laws are thus necessary to regulate and reinforce virtuous habits. Although Aristotle certainly did not have codes of ethics, as we know them today, in mind when he

[45] Hursthouse., p. 93

[46] McKeon, Richard. (ed), *The Basic Works of Aristotle*. (Random House, Inc, 1941), 1180a3 – 1180a4, p. 1109

[47] McKeon, p. 1109

argued for the necessity of laws, it could be argued that, in the professions and business of the modern day, these laws could translate into policies and procedures, and more specifically, in as far as it concerns guiding the ethical behaviour of professionals and members of organisations, codes of ethics.

Moreover, if developed using virtue theoretic framework as opposed to a rule-based, deontological framework, codes of ethics will not only reinforce virtuous habits, but they will contribute to individuals' acquisition of virtues through education and practice where such individuals' virtuous character has not yet developed fully. If approached in this fashion, codes of ethics can *produce* virtue rather than just producing *knowledge of virtue* (as most codes do at present).

In practical terms a code of ethics written from a virtue theoretic perspective could teach members the virtue of, for example, excellence by communicating to them that the organisation or profession prefers that they give only their best in all their endeavours while focusing of customer orientation, goal orientation and a systems approach.[48] Formulated in such a way, members should be able to understand the practical meaning of the virtue of excellence in the workplace or profession. No rule is imposed on them and no punitive sanctions.

[48] This example is from *Due North*, the RadMark Code of Ethics, written by Willcock, G., 2009

c. How codes formulated from a virtue ethical perspective would look

In order to demonstrate my thesis in practice, I refer now to an example of how a code of ethics, written from a virtue ethical perspective, could read. This code, *Due North*[49], was implemented in 2009 by RadMark (Pty) Ltd, a media marketing solutions provider, representing five of South Africa's leading regional radio stations. Due to content volume restrictions, I will only give a brief explanation of *Due North*, but the complete code is attached as Appendix 2.

RadMark (Pty) Ltd aimed to create a code of ethics which would motivate employees to think about how they perform, and the way that they actually go about their business. The code and the values it embraces are meant to be inspiring and developing good character. It is also meant to influence people to make a meaningful difference and to perform while caring *how* they perform. The code thus embodies a virtue ethic, educates employees about the character traits required for their job and provides them with the opportunity to practice good behaviour to the extent where it becomes internalised.

Due North is set to direct employees in the 'true direction', i.e. where RadMark is headed (its vision). Willcock states this as "When the going is good Due North keeps [them] on the straight

[49] Willcock, G. "Due North", 2009

and narrow. When the going gets tough, or should [they] get lost, then Due North is where [they] start to find [their] way again."[50]

The code explicitly states RadMark's core values (see box 1 below) that govern staff members' behaviour, aspirational values which they hope to achieve, "permission to play values"[51] that influence the way staff members treat each other or incidental values which RadMark employees "embrace by accident, or design, over time."[52]

[50] Willcock, G. "Due North", 2009, p. 1

[51] Willcock, G. "Due North", 2009, p. 4

[52] Willcock, G. "Due North", 2009, p. 4

DUE NORTH: OUR VALUES

Leadership is inspiring

- Vision
- Our ability to articulate that vision
- Can we convince others to follow that vision?
- Do they?

Excellence is the best way to protect against mediocrity

- Giving only our best
- Setting the benchmark
- Working according to the highest standards
- Taking pride in what we do
- Seeing a return

Respect for each other and the world in which we live

- Human dignity
- Valuing RadMark for what it is
- Creating a safe and pleasant working environment
- Being intolerant of all forms of discrimination – perceived or real

Team work gives us the edge

- Being individually accountable for our actions
- Understanding the uniqueness of a matrix organization
- Your contribution determines your value to the team
- Making co-operation real

Reputation is really important

- How do we define 'reputation'?
- There is a link between reputation and competitive advantage
- Reputation attracts people to us
- Reputation makes it easier to retain good people
- Guarding against arrogance

Serving our stakeholders

- Who are our stakeholders?
- Our service ethic
- Proactivity
- Innovation & a pioneering spirit
- Anti-competitive behaviour

Investing in our people

- Encouraging personal and professional development
- Using performance evaluation as a means to achieving potential
- Creating opportunities to develop new talent
- Reward & remuneration
- Corporate social responsibility (CSR)

Box 1

The code's point of departure is accepting that staff members must uphold the code by embracing the values which contribute to the development of the virtues. The code is therefore to be used "as a guide to both the action and the intention behind the action."[53] The code appeals to staff members' own value system and virtues which have developed over time and the way in which they use this value system and their virtuous character to make decisions about right action. Emphasis is also placed on the interaction of members' own values with those of RadMark. In this sense the code allows for the moral autonomy of employees.

Due North, having been written from a virtue ethics perspective*,* does not state any rules or duties in the way that codes of ethics written in the traditional (deontological) sense do. It therefore does not equate morality to law and it accepts the moral autonomy of individuals. The code clearly links the values with the character required to 'live' that particular value. See box 2 below for an extract regarding the value of excellence and the behaviour and character required from RadMark employees in this regard.

[53] Willcock, G. "Due North", 2009, p. 4

Excellence is the best way to protect against mediocrity

Giving only our best

RadMark expects that in all our endeavours we give only of our best with a focus on customer orientation, goal orientation and a systems approach. And where this is not possible we state it as so and explain the reasons why.

Setting the benchmark

Leadership requires that we set a benchmark against which we and our competitors can be measured. Where there is no benchmark we will seek out the best practices in other markets and businesses that we can adapt for our own purposes.

Working according to the highest standards

We will only work according to the very highest standards that support and validate the benchmark we have chosen.

Taking pride in what we do

Our work will show that we take pride in what we do and will give us reason to be proud of the difference we make.

Box 2

Reading the first point regarding excellence above, we see that *Due North* communicates to employees that they should endeavour to give their best (demonstrating excellence) while focussing on customer and goal orientation. In other words, in all their activities, whatever the circumstances or the specific issue, or their level of moral development, they should uphold the virtue of excellence. No specific rule is provided in this regard, but clear guidance is, thereby contributing to the moral development and education of the employees.

In terms of the engineers' code referred to earlier, their code, if written from a virtue ethics perspective, could be developed in such a way that it, for example, includes the value of creating a safe work environment, followed by a supporting principle of striving to create a safe working environment for everyone while understanding that it is no single person's responsibility to do so – collectively all (members) are required to act in any and all situations where the safety of the working environment does not live up to expectations. Stated in this

way, members of the engineering profession are guided towards developing a character which ascribes to creating a safe working environment. The code thus does not provide them with a specific rule in this regard. Rather, the code appeals to their character to take workplace safety seriously, and it gives them room for exercising moral autonomy.

The code that includes a virtue ethic would therefore, instead of stating conduct provisions and rules, inform and educate employees about the organisation's or profession's values as illustrated above, thereby developing their moral character and the virtues required to demonstrate the relevant value. In the long term the code would educate members about the intention behind their actions through the afore-mentioned, as well as through explaining the values in terms of supporting actions. Ultimately the organisation or profession should aim at creating a workforce who will make a difference through the way in which they perform, namely as virtuous agents.

d. Why codes formulated in this way would avoid the problems discussed in chapter 2

Referring to the objection of codes being coercive, I submit that given the afore-mentioned, members of professions and organisations would not need coercion because they are not threatened by punitive sanction. In fact, such a code would inspire members and motivate them to practice the virtue of, amongst others, excellence until it becomes habit.

I have discussed the criticism against codes that they, in their present form, often result in a barrier to moral action. The argument is that although codes provide direction (see Chapter 2, d.) for action in a given situation, different principles often justify opposing decisions, thus resulting in inconsistent demands on the professional.

In this regard Luegenbiehl uses the example[54] of James Doe who is employed by a firm designing a chemical plant intended to produce a deadly nerve gas to be used in a time of war. Doe discovers a flaw in the design which results in the possibility that some of the gas could be spilled into the surrounding environment of the plant. He reports his discovery to his superiors who inform him that the risk is acceptable since it is in his employer's interest that the project continues on schedule. He is furthermore informed that he cannot discuss his claim in public as the information is confidential. Doe's professional code states that he must use his knowledge for the enhancement of human welfare. Although the possibility exists that the nerve gas will be used to bring about quicker peace, thus enhancing the human welfare, he cannot guarantee this. Another principle of his profession's code requires that he serves his employer with fidelity. Should he resign because of his suspicion that the nerve gas would not enhance human welfare, he would not be serving his employer with fidelity. These two principles therefore could make opposing demands on him.

[54] Luegenbiehl, p. 47

Luegenbiehl argues further that the second principle mentioned above can " … by itself … result in inconsistent demands on the engineer"[55]. If this principle requires fidelity to both the employer and the public, James Doe would be faced with an ethical dilemma. The rule related to fidelity to the employer furthermore demands the non-disclosure of confidential information. Since he was explicitly told that the relevant information was confidential, it is not clear to Dow how he can alert the public to the possible dangers of the nerve gas to the plant and the environment without breaking the rule of confidentiality.

In view of these limitations and contradictions Luegenbiehl argues that codes should not forbid any actions or behaviour; they should rather list considerations relevant to moral decision-making. I concur with him that codes, in their current format, could indeed cause confusion by demanding contradictory actions of the agent. Luegenbiehl offers a solution, i.e. supplementing codes with guides for moral decision-making.

I submit that codes, by developing virtue, would assist members of organisations and professions with moral decision-making by providing them with the virtues and values required for their specific environment and circumstances, without rules pertaining to specific situations being attached to them. The code would thus not have a rule stating that confidentiality should be protected at all cost, or that human welfare must be promoted in all activities. The code would rather emphasise that, for example, honesty and integrity are required of professionals

[55] Luegenbiehl, p. 48

or organisational members. The latter would then be guided in their action by these values, while also understanding that they have to exhibit the corresponding virtues. Such a code would prompt Joe Doe to ask 'what would the honest person do?' when faced with his dilemma, instead of him being confronted with contradictory directives.

If Joe Doe was employed by Radmark (Pty) Ltd, he could refer to *Due North*, and specifically to the principle of "[w]e believe in serving all our stakeholders"[56] requiring of him to recognize the manner in which stakeholders are treated, and that their conflicting interests, 'will impact directly on our reputation."[57] Joe Doe could then ask 'what should I do to ensure that our reputation is protected in the best way?'

Luegenbiehl also expresses the concern that ethical principles do not automatically extend to new situations without the exercise of judgment and, he argues, codes cannot teach the latter. However, by elaborating the code in terms of virtue concepts codes can have guidance giving properties for complex moral issues or ethical dilemmas by equipping individuals with ethical decision-making tools and skills - thereby enabling them to exercise judgment in most given situations – as can be seen from the example above. If codes are approached in this way, Luegenbiehl's guides would not be required, although they could still be useful to those who are not yet fully virtuous.

[56] Willcock, p. 12

[57] Willcock, p. 12

I have concluded this chapter by explaining how I think codes formulated in the way I suggest would avoid the criticisms and problems with codes as put forth by several writers. In the last chapter of this report I discuss the moral justification of codes in terms of the moral development of members of the professions and organisations, as well as where the responsibility for the acquisition of virtues lies.

Chapter 4

a. Moral justification of codes in terms of moral development

In general codes of ethics, especially if written from a deontological perspective, seem to aim to educate employees and members of professions by explicitly stating, *inter alia*, their rights and duties, the limitations on their behaviour or activities and the rights of clients. Codes written from a virtue theoretic framework would also educate, not about rights and duties, but rather about the character members of professions and organisations need to have to be excellent, and about how they ought to behave to exhibit excellence.

The normative aim of a code would thus be to move towards the standard set by the concept of a good organisation or profession. The code should thus provide for a learning process that highlights the continual development of the members as well as the dynamic and changing working and community environment in which they find themselves. Codes should be formulated "to bring together the conceptual and intuitive levels of ethics, offering a focus on developing people fit to make ethical choices and to implement them one-by-one – while continuing to improve over time"[58].

[58] Whitestone, p. 110

Practically this could be done if the code stipulates and communicates the virtues valued by the profession or organisation, instead of rules dictating and prohibiting specific actions. The vision, mission and aspirations of the profession or business should clearly be grounded in these virtues and communicated as such. The character required by members of the profession or organisation should be clear by means of the stated virtues, for example the Johnson & Johnson Credo communicates to their internal and external stakeholders that they (as an organisation and individual staff members) are 'caring'. Moreover, codes should articulate the reasons for the profession or organisation having chosen the specific values and virtues to facilitate members' embracement of them. I submit that only if a code encompasses all of these elements, it will contribute to the moral development of members, it will assist them in making decisions regarding complex moral issues and ethical dilemmas and it will develop their character to the extent where their motivation for action will be based on their virtuous character and their knowledge of what a virtuous person ought to do in a given situation.

The code should aim to create a single culture within its organisational boundaries, a single set of values with a single interpretation of their meaning. A code written in the way proposed would do this. Moreover, it would create a common understanding among members about the expected behaviour in that organisation or profession regardless of their social or cultural background. The code would thus enable employees and professionals to work effectively across geographic and cultural boundaries.

Codes should furthermore act as a moral compass for decision making and ethical reasoning within the organisation or profession. *Due North* eloquently states that "[w]e need to recognise though that we won't get it right all of the time. Human nature is such that we are all fallible and there will be times when we may get it wrong. The issue when we do is not that we get it wrong, or make a mistake, but how we respond to that error. … Applying this principle to ***Due North*** you will realise that ***Due North*** is there to be used as a guide to both the action and the intention behind the action, as we go about our business."[59] And referring to the importance of values "[i]f only we could ***only*** do the things we like doing. Life isn't like that though and we spend a great deal of time deciding what we will and won't do based on what we like vs. dislike, love vs. hate or are simply ambivalent about. Over a lifetime we develop a sophisticated set of quality standards and measures to help us decide what we will and won't do."[60] Formulated in such a way, *Due North* (and Radmark) communicates to their employees that the company recognises their moral autonomy, but also that human beings are often faced with moral dilemmas for which their own moral standards may not always provide guidance. Hence an organisational code that embraces certain values aimed at further developing their virtuous character.

But codes of ethics are not just about providing guidance about acceptable ethical behaviour, but also about the ideals of the organisation or profession. "If ideals are to be realized then

[59] Willcock, p. 4

[60] Willcock, p. 5

they need to be inculcated."[61] How does such inculcation occur? The obvious answer is through education. To understand the ideals and minimum acceptable moral standards of professions and organisations members have to be educated in the virtues required for that specific profession or organisation. They have to develop a common moral language and a common understanding of these standards. Codes of ethics is but one tool to use in this education process.

The question arises what would be the benefit of an ethic of virtue in the development and education process? An ethic of virtue emphasises the process of personal moral character development which is necessary for human beings to attain *eudaimonia* or the good life. It assists human beings to internalise an understanding of ethics where ethics relates to an understanding of individual character, which is understood as something that the individual builds on throughout his life. This in turn relates to that person's understanding of his identity and the meaning of the 'project' of his life.

Therefore, if one wants codes to assist with the development of character and one wants to have a code fulfil its function of being a tool of moral development and education, such codes have to include a virtue ethic, such as illustrated by *Due North*. The current practice generally focuses on act-orientation by applying deontology and utilitarianism. Such codes allows for an action because it is duty-bound or would have good consequences; or it prohibits an action

[61] Miller., p. 16

because of its negative consequences. However, a code which includes a virtue ethic would enable members of professions and organisations to make sense of the importance of ethics and thus good practice, in order to have a good live in the organisation or profession.

Traditionally a code of ethics addressing the issue of unfair discrimination, would have a conduct provision or rule requiring employees or professionals to refrain from all forms of discrimination. Full stop. Very little, if any, form of moral education is provided through this requirement because it does not explain the intention behind the requirement, neither does it relate the requirement to a value that supports virtuous character, for example the value of respect for human beings. However, if this same requirement were put in a way which includes a virtue ethic, the reader would have a better understanding of why discrimination would not be tolerated from individuals being part of the specific business enterprise of profession. As an example, I refer again to *Due North*. *Due North* reflects on the intolerance of all forms of discrimination (perceived or real) as follows: "Our respect for the dignity of all people means that we will not tolerate any of the moral viruses of our times – sexism, ageism, racism, nepotism, homophobia or xenophobia."[62] Not only does the code (*Due North*) inform employees that discrimination will not be tolerated, but it educates employees that it will not be tolerated *because* people have dignity which should be respected. It furthermore educates employees that those who are morally in the wrong should not be followed blindly. RadMark therefore educates their employees about respect for others, caring about dignity and having

[62] Willcock, p. 9

moral courage by communicating its importance and the fact that the company values (and requires) these character traits.

In business ethics, members need not explain their reasons for actions (as opposed to science); they only have to justify them. One can have more than one reason for doing something, for example one can read a journal for pleasure *as well as* to stay informed. To date it has mostly been accepted in business ethics that only one approach is needed in order to justify actions. But moral reasons "can include both the duty to act *and* the consequences expected from the act *as well as* the belief that so acting is characteristic of the kind of person one wants to be."[63] Codes including a virtue framework could therefore include some of these elements and they could educate members to, for example, not only refrain from cheating because it is the right way to act, but *also* that so acting will create a better organisation / profession *and* because they are honest people. To put it in Aristotelian terms, the person will act knowingly, the motive for the act will be because it is virtuous and not for personal advantage and the act is the "result of a steady state of character disposition"[64].

But how would we formulate a code which would assist the employee or professional to acquire this virtue? I submit that we need to ensure that people understand the rationale behind a chosen

[63] Whetstone, J. Thomas. "How Virtue Fits Within Business Ethics", *Journal of Business Ethics* ***33*** (The Netherlands, Kluwer Academic Publishers, 2001), p. 102

[64] Whetstone, p. 104

virtue principle and that we have to demonstrate the benefit to them if all exhibited the required virtues. An ethic of virtue highlights the importance of the effect of the environment on both the agent and his actions. It realises that each situation that the agent may face may require a different solution or act. Virtue ethics therefore contextualise moral issues more so than do act-orientated approaches since such an ethic creates a better understanding of the relevant virtues.

For example, in *Due North* the principle of creating a safe and pleasant working environment is communicated to employees in the following way: "We spend the best days of our life at work. Ironic don't you think? This means we strive to create a safe and pleasant working environment for everyone, understanding that it is no single person's responsibility to do so – collectively we are required to act in any and all situations where the working environment does not live up to our expectations."[65] RadMark communicates clearly to their employees that not only is creating a safe and pleasant working environment every employee's responsibility (their duty), but to do so would be beneficial to all because they 'spent the best days of their lives at work' (the rationale). The code thus teaches employees that if they want a safe and pleasant working environment, they should respect others in that environment by collectively acting if something is amiss in this regard. In this way RadMark educates their employees about the virtues of responsibility, honesty and respect (for themselves and others).

[65] Willcock, p. 9

Codes of ethics are not merely about content. They will serve little purpose, regardless of the approach taken with them, if members are not committed to them and what they embody. This commitment is both individual and collective in nature. Each individual member commits to the content of the code and the values and virtues expressed therein, but on the condition that the others do so as well. The individual commitment is therefore interdependent on the collective commitment. This condition is required to ensure an ethical culture in the organisation or profession.

b. Consideration of objection from paternalism and response to objection

In this final section of my report I will examine the issue of codes being paternalistic. Given the criticisms against codes of ethics and specifically Ladd's premise that ethics cannot be other-directed (through law or policies as he seems to view codes of ethics), it would be fair to ask where the responsibility for the acquisition of virtues lies. Is it not a responsibility that should remain in the private domain of professionals' and members of organisations' lives or do professions, organisations and business have a right to be paternalistic?

For Aristotle the virtues are born from the community, city state or *Polis*[66], and are developed in relation to this community. The 'good for man' is intrinsically linked with the 'good for the

[66] I refer to Aristotle specifically because of the direct link that he makes between the community and the latter's responsibility towards its constituents where it concerns the creation of the 'good for man'.

community' and vice versa. What is best for individuals and their virtues are defined by that larger community where he views a community as a group of individuals with a shared project and a shared common good. The latter is defined in terms of man's *telos* of *eudaimonia*. It is thus defined in terms of the whole life of the individual and the community. The good life for man is the purpose of the entire community and morality is thus in no way just an individual project. The virtues are thus developed through education within the *polis*.

The link between the individual and his community (*polis*) is well articulated by MacIntyre in *Whose Justice? Which Rationality?*[67] He accepts Aristotle's position that man is devoid of meaning if he is separated from his community. The human being stands to the community as a part to its whole – as a hand or foot stands to the body. If man is separated from his community he is detached from any possibility of achieving *eudaimonia*.

In terms of contemporary society MacIntyre also argues for the responsibility of institutions to promote the virtues from the premise that institutions can be seen as a form of community.[68] He states Aristotle's position that the virtues are always learned in some form of community. He however distinguishes between a community where the virtues have their foundation in

[67] MacIntyre, Alasdair. *Whose Justice? Which Rationality?*, (Notre Dame (Indiana): University of Notre Dame Press, 1988)

[68] Macintyre, Alasdair. *After Virtue*, (Notre Dame (Indiana): University of Notre Dame Press, 1984), p194

internal goods (such as in the Aristotelian moral scheme), and political community as it is conceived in modern liberal individualism. In the former, he argues that the exercise of the virtues is required to sustain that form of community where the internal goods can be achieved. It is therefore part of the political and social goals of such forms of community to inculcate the virtues in others to enable them to achieve the goods as understood by the community.

Thus, although individuals, in well-functioning communities, are coached from a young age to become autonomous moral agents, it is also the responsibility of the business community and the professional fraternity (as a community) to continue the process of educating and nurturing the virtues of members of the professions and employees for "it is individual virtue and integrity that counts: good corporate and social policy will follow: good corporate and social policy are both preconditions and the result of careful cultivation and encouragement".[69]

Understanding that business and the professions have a responsibility to assist their members with the acquisition of virtues, we can now see that a code of ethics is neither superfluous nor paternalistic. Rather, it is the fulfilment of a responsibility towards the community.

[69] Solomon, Robert C., "Personal Virtues: An Aristotelean Approach to Business Ethics", *Business Ethics Quarterly,* Vol. 2, No. 3 (Jul., 1992), (Philosophy Documentation Center), http://www.jstor.org/stable/3857536, p. 322

Conclusion

Miller submits that "[k]nowledge of the code of ethics is knowledge of the ethical ideals and principles pertaining to that occupation, and members of the occupation can and ought to possess that knowledge."[70] This knowledge is practical knowledge about, importantly, how to be and how to act, as opposed to knowledge about all specific issues such members may face during their membership of a profession or organisation. This knowledge therefore relates to the character of members.

In this report I submitted that codes including a virtue ethics would contribute to the moral development of individuals, informing them how to be and how to act, because they not only provide guidance for moral action, but provide opportunity and freedom for the development of the individual's character.

I have argued that by approaching codes using a virtue ethic framework the knowledge could be related to the manner in which the aspirations of the organisation and profession will be reached. In other words, the code not only provides the "what" (the organisation or profession's aspirations and ideals), but also the "how" (the organisation or profession's intends to reach their ideals through, for example, conducting its business in an honest, transparent, respectful manner). It follows that employees and members of professions will

[70] Miller, p. 36

know what is right (for example being honest, transparent and respectful) and they will be equipped to exercise judgment in situations for which the code does not make specific provision.

I have also argued that codes of ethics which includes a virtue ethic would address the criticisms against codes for they would not dictate rules, right and duties thereby confusing morality with law, rules and policies. They would rather educate members of organisations and professions about the virtues required for being excellent in their chosen fields of expertise.

Codes approached in the manner in which I suggest would furthermore not act as a barrier to moral action, for they rely on the virtues for individual and collective action, and not on contradicting prescriptions, thereby allowing for moral autonomy while providing clear guidance. I have also attempted to explain why codes including a virtue ethic would have a lesser coercive element than prevailing act and rule-based directional codes.

I concluded this paper by discussing the need for codes to be a tool in the moral education of members of business enterprises and professions.

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Appendix 1

Our Credo

We believe our first responsibility is to the doctors, nurses and patients,
to mothers and fathers and all others who use our products and services.
In meeting their needs everything we do must be of high quality.
We must constantly strive to reduce our costs
in order to maintain reasonable prices.
Customers' orders must be serviced promptly and accurately.
Our suppliers and distributors must have an opportunity
to make a fair profit.

We are responsible to our employees,
the men and women who work with us throughout the world.
Everyone must be considered as an individual.
We must respect their dignity and recognize their merit.
They must have a sense of security in their jobs.
Compensation must be fair and adequate,
and working conditions clean, orderly and safe.
We must be mindful of ways to help our employees fulfill
their family responsibilities.
Employees must feel free to make suggestions and complaints.
There must be equal opportunity for employment, development
and advancement for those qualified.
We must provide competent management,
and their actions must be just and ethical.

We are responsible to the communities in which we live and work
and to the world community as well.
We must be good citizens — support good works and charities
and bear our fair share of taxes.
We must encourage civic improvements and better health and education.
We must maintain in good order
the property we are privileged to use,
protecting the environment and natural resources.

Our final responsibility is to our stockholders.
Business must make a sound profit.
We must experiment with new ideas.
Research must be carried on, innovative programs developed
and mistakes paid for.
New equipment must be purchased, new facilities provided
and new products launched.
Reserves must be created to provide for adverse times.
When we operate according to these principles,
the stockholders should realize a fair return.

Johnson & Johnson

Appendix 2

DUE NORTH: INTRODUCTION

Why do we gravitate towards people who inspire us? Think about sporting heroes like Lance Armstrong, Tiger Woods and Oscar Pistorius. And what about those moral giants of our time like Nelson Mandela, Martin Luther King and Desmond Tutu? The same may be asked about organizations and brands that inspire us too. Consider Google, Nike, Apple, and Levi's. And just as people and organizations inspire us so too do certain events and experiences like raising our national flag and singing our national anthem. Both evoke a sense of pride and belonging.

The RadMark value system - we call it ***Due North*** - is also meant to be inspiring. The reason for this is that we think values are inspirational in their own right and living and aligning your values with ours on a day-by-day basis is the formula for a long and rewarding career at RadMark. A tall ask? You bet but inspiration is an important part of human life. This is because it evokes our emotions and challenges us to consider what it means to live a life worth living. Inspiration also makes us feel good about ourselves and those people we come into contact with; it leads us to evaluate what we think in life is important; and as a consequence we want to do more to make this world of ours a better place. Inspiration makes us want to make a difference.

This is why inspiration has an important role to play within the context of business. Our greatest asset and source of sustainable competitive advantage comes from our people (skills and effective use of resources) and we believe that inspiration brings out the very best in those people. Not only, then, does inspiration have an important role to play but it also has a great deal to do with being successful as well.

Now think once again about those people, companies, brands, events and experiences I asked you to consider earlier. Notice that they all have one thing in common: They challenge you to ask: What do **you** stand for? What are **your** values? And how do **you** go about living them each and every day of **your** life? ***Due North*** is perhaps one of the most important documents you will read in your career. It presents each one of us with a challenge that while performance is a given, we also care deeply about how we get there. I look forward to sharing the journey with you.

Very best wishes,
Graham Willcock

DUE NORTH: WHAT IT CONSISTS OF

Due North consists of 15 pages in which we set out the rationale for such a value system, why we should place an emphasis on values and principles, the need for sustainability and our vision and mission. Through ***Due North*** we then discuss, in behavioural terms, each value and the principles needed to support it. The RadMark Shareholder Model is included for interest and a graphic is provided that diagrammatically shows how the organization works as a matrix. ***Due North*** concludes by placing the final emphasis on making a difference and that performance at any cost is not that difficult. On the other hand performance while caring about how you get there makes you truly exceptional.

DUE NORTH: HOW TO LIVE IT?

Due North is something to which we aspire but we understand it will take hard work to achieve its values – be they our **core values** that govern our behaviour; those **aspirational values** we hope one day to achieve; the **'permission to play values'** that influence the way we treat each other; or those **incidental values** we embrace by accident, or design, over time. None is more important than the other and we need to recognise that it is their collective effect that makes RadMark exceptional.

We need to recognise though that we won't get it right all of the time. Human nature is such that we are all fallible and there will be times when we may get it wrong. The issue when we do is not that we get it wrong, or make a mistake, but how we respond to that error.

How should you respond when you are faced with such an eventuality? The former Chief Justice of The Republic of South Africa, Mr Justice Arthur Chaskelson, makes a telling point when he says you cannot seek the protection of the Constitution of the Republic of South Africa unless you have done your part to uphold the Constitution itself - and you do that by protecting the rights of others first.

Applying this principle to ***Due North*** you will realise that ***Due North*** is there to be used as a guide to both the action and the intention behind the action, as we go about our business. But you cannot rely on it to protect you, nor can you use it to criticise someone else, unless you have done your utmost to make it work for you and for those people you work with.

DUE NORTH: WHY THE EMPHASIS ON VALUES?

If only we could ***only*** do the things we like doing. Life isn't like that though and we spend a great deal of time deciding what we will and won't do based on what we like vs. dislike, love vs. hate or are simply ambivalent about. Over a lifetime we develop a sophisticated set of quality standards and measures to help us decide what we will and won't do. We call these standards and measures values and that's why values play such an important role in our lives.

DUE NORTH: SUSTAINABILITY

We define sustainability as using only those resources we need to meet our needs today leaving sufficient resources for future generations to provide for their needs in the future. RadMark believes in sustainability across the triple bottom line: people, planet and profit. Before taking any action we are required to ask ourselves whether our intended action subscribes to this principle and only then are we to act in accordance with it.

DUE NORTH: OUR VISION

Exceptional talent and strategic partnerships make RadMark the leading media marketing solutions provider in Africa.

DUE NORTH: OUR MISSION

We will breathe life into our vision through principle based leadership, living our values in a way that enhances our reputation and makes us proud of who we are and what we do. We will seek out new opportunities knowing our hard earned reputation for growing PowerHouseBrands defines the nature of the relationship with our partners and contextualizes the marketspace in which we compete. Due North v10 **6** | P a g e

DUE NORTH: OUR VALUES

Leadership is inspiring
- Vision
- Our ability to articulate that vision
- Can we convince others to follow that vision?
- Do they?

Excellence is the best way to protect against mediocrity
- Giving only our best
- Setting the benchmark
- Working according to the highest standards
- Taking pride in what we do
- Seeing a return

Respect for each other and the world in which we live
- Human dignity
- Valuing RadMark for what it is
- Creating a safe and pleasant working environment
- Being intolerant of all forms of discrimination – perceived or real

Team work gives us the edge
- Being individually accountable for our actions
- Understanding the uniqueness of a matrix organization

 Your contribution determines your value to the team
 Making co-operation real

Reputation is really important
 How do we define ‘reputation’?
 There is a link between reputation and competitive advantage
 Reputation attracts people to us
 Reputation makes it easier to retain good people
 Guarding against arrogance

Serving our stakeholders
 Who are our stakeholders?
 Our service ethic
 Proactivity
 Innovation & a pioneering spirit
 Anti competitive behaviour

Investing in our people
 Encouraging personal and professional development
 Using performance evaluation as a means to achieving potential
 Creating opportunities to develop new talent
 Reward & remuneration
 Corporate social responsibility (CSR)

Leadership is inspiring
 Vision

Leadership is about having a vision that gives direction and purpose. That’s what ***Due North*** does. It allows an individual, or group of likeminded individuals, to have a picture in their mind of what the future will look like and gives them something to strive for regardless of how easy or tough the journey becomes.

 Our ability to articulate that vision

A vision that is to be lived must be articulated – this ensures commonality of purpose and that the vision can be shared with each new person who joins us on our journey.

 Can we convince others to follow that vision?

Now that we have our vision and have articulated it can we convince people that it is a vision worth pursuing?

 Do they?

This is the ultimate test – having articulated our vision and convinced people it is

a vision worth following the question now is do they? Due North v10 **8** | P a g e

Excellence is the best way to protect against mediocrity

Giving only our best

RadMark expects that in all our endeavours we give only of our best with a focus on customer orientation, goal orientation and a systems approach. And where this is not possible we state it as so and explain the reasons why.

Setting the benchmark

Leadership requires that we set a benchmark against which we and our competitors can be measured. Where there is no benchmark we will seek out the best practices in other markets and businesses that we can adapt for our own purposes.

Working according to the highest standards

We will only work according to the very highest standards that support and validate the benchmark we have chosen.

Taking pride in what we do

Our work will show that we take pride in what we do and will give us reason to be proud of the difference we make.

Seeing a return

Performance should be viewed as a legitimate expectation for anyone involved in business. ***Due North*** seeks to balance performance with how we get there. How you define performance though is a complicated process influenced by varying philosophies and opinions. We define performance in terms of ROE – a Return On Equity. Another word for equity is value. Value though is not defined in terms of money but in the time and resources we spend within the value chain as we live out our vision. Profit is not viewed as a value but as the outcome of us living our vision. Due North v10 **9** | P a g e

Respect for each other and the world in which we live

Human dignity

Business resides within the realm of humanity. For this reason we respect all people regardless of their station in life and subscribe to the ideal of a prejudice-free South Africa where we are all equal regardless of race, gender, age, religion, culture or sexual orientation.

Valuing RadMark for what it is

We have no illusions as to what we are or we aren't. RadMark is the leading

media marketing solutions provider in each and every media marketspace in which we choose to compete. We are proud of the difference we make to all our stakeholders, in particular their brands, and are humbled by the opportunity to do so.

 Creating a safe and pleasant working environment

We spend the best days of our life at work. Ironic don't you think? This means we strive to create a safe and pleasant working environment for everyone understanding that it is no single person's responsibility to do so – collectively we are required to act in any and all situations where the working environment does not live up to our expectations.

 Being intolerant of all forms of discrimination – perceived or real

Our respect for the dignity of all people means that we will not tolerate any of the moral viruses of our times – sexism, ageism, racism, nepotism, homophobia or xenophobia. 'Might does not make right', just as 'do as I say, not as I do' is unacceptable in all circumstances. Due North v10 **10** | P a g e

Team work gives us the edge
 Being individually accountable for our actions

Accountability goes hand in hand with being empowered. Passing the buck, or any other forms of defensive behaviour like not acknowledging fault, is not compatible with ***Due North***.

 Understanding the uniqueness of a matrix organization

RadMark successfully uses cross functional teams to achieve our vision. These teams operate within a matrix where function meets function and where function brings into the matrix our other stakeholders like customers, strategic partners and our shareholders.

 Your contribution determines your value and level of importance within the team

Cross functional teams and team members rarely report to one another in a hierarchical sense. This means influence is more valuable than dominance/hierarchy and where there is influence there is leadership.

 Making co-operation real

We understand that co-operation and competition do not conflict within a matrix organization. This allows us to co-operate while at the same time competing with one another. We call this 'co-opetition'. The same may be said for our brands which is why it is possible to represent competing brands within the same media marketing solutions company. Due North v10 **11** | P a g e

Reputation is really important

How do we define 'reputation'

There is only one thing more important than our reputation and that is managing our reputation. When we talk reputation though what do we mean? We define reputation as the net result of our interactions between each other, a brand or a company in terms of our emotions, feelings, thoughts, opinions and experiences.

There is a link between reputation and competitive advantage

There is much debate over whether a good reputation is good for business and there is always someone who will achieve 'greatness' by doing the wrong thing. The reality is that reputation is very important within our families and our community. Why should it be any different in business? Think about how we live our own lives - we only associate with people who we believe to have a good reputation and insist that our children do the same. That's why we fear the effects of peer pressure on our children and why we avoid businesses that do not have a reputation we respect, trust and admire.

Reputation attracts people to us

A good reputation makes it easier to attract good people who want to work for RadMark. It makes it easier to acquire new customers who are faced with an ever increasing array of choice but also product parity. A good reputation makes it easier to attract investors who not only want a superior return but who also want a sense that they are doing something good with their money at the same time.

Reputation makes it easier to retain good people

The skills shortage in South Africa means we want to keep our best people and even if they have to leave us that we make their decision to do so as difficult as possible. Reputation helps us do that. Retaining customers makes more sense than acquiring new ones. We want to make it as difficult for customers to go elsewhere. Reputation helps us do that also. And finally, we want to develop a long term relationship with our investors and other strategic partners. Our reputation helps us do that as well.

Guarding against arrogance

Arrogance is not so much what we say but how we say it. For this reason we choose our words carefully and always state the principles up front. We will remember where we come from and that we, in all humility, recognise that there is a fine line between success and failure. This will help us guard against arrogance which we acknowledge affects an organization and its people like a cancerous growth destroying relationships and a hard won reputation. Due North

We believe in serving all our stakeholders

 Who are our stakeholders?

RadMark is about people and our stakeholders are our Employees, Customers and Shareholders. We recognise though that there are other parties who have an interest in what we do including our strategic partners, the Government, ICASA, the ASA, tertiary education institutions with a media focus, and our competition. We recognise that the manner in which we treat these stakeholders, and their often conflicting interests, will impact directly on our reputation. (Please refer to The RadMark Stakeholder Model).

 Our service ethic

Our service ethic is defined by responsiveness, accuracy in what we do and meeting our deadlines timeously. We believe it is preferable to under promise and over deliver and in so doing to guard against a crisis in expectation. The best way to achieve this is through integrity – doing what we say we will do with honesty and truthfulness.

 Proactivity

We believe in being proactive – in the way we interact with each other and how we serve the interests of our stakeholders. We define being proactive in terms of innovation and a pioneering spirit.

 Innovation & a pioneering spirit

Innovation means taking something that already exists and improving upon it. This is not the same as having a pioneering spirit which means going where we, and others, have not been before. Both innovation and our pioneering spirit however are critical success factors as we set out to live our vision.

 Anti competitive behaviour

Innovation and a pioneering spirit may never be used as an excuse for anti competitive behaviour because anti competitive behaviour is never in the interests of our stakeholders. For this reason it is rejected whether it was intended or not. In all our actions the ***Due North*** check list is considered to have priority. This check list consists of four questions: Is this legal? Is this balanced? How does this make me feel? And what would this decision look like on the front page of the Sunday Times? Your answers to these questions will determine what your next action should be.

Investing in our people

 Encouraging personal and professional development

We believe that it is important to develop our people in a way that empowers them and the people they work with.

 Using performance evaluation as a means to achieving potential

Performance is best managed through an appraisal system that is transparent, fair and outcomes based. It should focus on the positives and only include those areas for improvement that are within the individual's ability and desire to change.

 Creating opportunities to develop new talent

We believe we have an obligation to give back to our communities by way of skills transfer and development. We will actively seek out new talent in order that we may influence their career during their formative years.

 Reward & remuneration

Reward & remuneration is an issue in most organizations. The reason seems to be because there is difficulty in attaching a monetary value to the passion, hard work and commitment required from people who are tasked with living a vision. This is further complicated when someone views their personal worth with what they earn. The reality is that it is unlikely you will ever be paid at the level you feel you deserve – only you can really appreciate how much you do or don't put into living a vision such as ours. Where there is such a conflict of interest, principles become even more important. In RadMark these principles are summarized in the acronym 'FAMIC' which stands for Fairness, Affordability, Market relatedness, Internal equity and the Contribution of the individual. When we refer to our policy on reward & remuneration FAMIC is the policy to which we refer.

 Corporate social responsibility

Corporate social responsibility is the foundation of our commitment to sustainable business practice as it relates to people, our planet and the way we view profit. Socially responsible behaviour is good for no other reason than it is the right thing to do. We recognise though that it has a positive impact on our reputation and helps us give meaning to the work we do.

DUE NORTH: CONCLUSION

Thank you for taking the time to read ***Due North***. May it inspire and influence you throughout your career with RadMark as you set out to make a difference. A real difference. A meaningful difference. Remember that performance at any cost isn't that difficult – performance while caring about how you get there makes you exceptional. It's great to have you as part of the team.