Harnessing the strength of global business leaders to collectively level the playing field against corruption, enabling true competitive forces to produce sustainable business growth.
PACI was launched by CEOs from leading Forum member companies to:

1. create a common language for anti-corruption for all industries
2. provide a public platform for top leadership commitment to eradicating corruption
3. support companies to implementing their commitment to zero tolerance against corruption

PACI remains the only global anti-corruption initiative driven by the private sector, bringing together companies from multiple industries and global locations.
Objectives for this Brainstorming Session

- Explain rationale for developing an anti-corruption transformation map
- Share examples of other transformation maps
- Use this approach to guide break-out discussions

Gain insight to the core question:
How Do We Design Corruption Out of the System?
Strategic Context for Transformation Maps

Need to increase ability to navigate complexity

In an **increasingly complex world** (faster, interdependent, non-linear, network driven), it is critical that leaders

- Understand interlinkages between issues
- Sense emerging and peripheral topics
- Build common understanding
- Shape multi-stakeholders agendas

Transformation maps help to accomplish this goal

As the foremost **community of communities**, the Forum is uniquely positioned to navigate and draw insights
PACI`s Vision for Anti-Corruption Transformation Mapping

Transformation maps are **interactive visualization tools** that provide **contextual intelligence** to a problem.

- **Knowledge-based**: intellectual input comes the insights of global experts
- **Systemic**: represent complex systems and apply systems thinking
- **Future-oriented**: identify today’s drivers of change in the context of how they will shape tomorrow
- **Dynamic and sustained**: evolve with time and are frequently updated

A **transformation map** provides the overall context and identifies the **drivers** of change, the **issues**, the **stakeholders** and the **knowledge** related to a topic and its evolution.

A collection of transformation maps illustrate the **interconnections among diverse topics** within our increasingly complex world. They help to make sense of complexity.
A **shared architecture** among a portfolio of transformation maps enables users to navigate from one map to another.

**Value Lies at the Periphery**: The value of a single transformation map is enhanced by the linkages to a portfolio of regional, industry and global issue transformation maps.
## Strategic Value to the Collective Anti-Corruption Effort

<table>
<thead>
<tr>
<th>Anti-Corruption Transformation Map</th>
<th>Strategic Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>... Survey the strategic landscape</strong></td>
<td><strong>Identify</strong> linkages among drivers, issues and stakeholders</td>
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<tr>
<td></td>
<td><strong>Surface</strong> relevant knowledge related to drivers and issues</td>
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<td></td>
<td><strong>Assess</strong> how other industry/regional/issue leaders prioritize key issues</td>
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<tr>
<td><strong>... structure dialogue</strong></td>
<td><strong>Provide</strong> a common language for discussions</td>
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<td></td>
<td><strong>Build</strong> shared views and surface diverging opinions</td>
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<td></td>
<td><strong>Support</strong> shaping multi-stakeholder agenda</td>
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<tr>
<td><strong>... explore potential future evolutions</strong></td>
<td><strong>Illustrate</strong> future evolutions of a topic and possible scenarios</td>
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<td><strong>Sense</strong> weak signals and peripheral issues</td>
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<td></td>
<td><strong>Enable</strong> investigation of impact and consequences of unforeseen events</td>
</tr>
</tbody>
</table>
New York PACI Strategy Meeting August 29

**DEMAND (Take $)**
Primary Stakeholder: Governments, SOEs

- Make the Business Case: Corruption Impedes Competitiveness
- Suharto Effect: Empowering the bureaucracy pushes corruption down to the bureaucracy
- Understand Government Priorities: E.g. Anti-corruption or stability

**SUPPLY (Give $)**
Primary Stakeholder: Business

- Focus on 3rd Party Agents: Local Elites, Customs Brokers, JVs mandated by law
- Integrate/Coordinate Anti-Corruption, CSR, and Human Resources
- Increase Financial Transparency: Follow the Money
- Develop Global Disclosure and Financial Standards

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**More Corruption Related Cases in Business Schools**

**Teach Children the Impact of Corruption**

**Education**

**Change Values**
How Do We Design Corruption Out of the System?
4 Potential Core Levers of Change

- Public Education & Awareness
- Government & Public Policy
- Legal & Regulatory Framework
- Business Case & Strategic Business Risk
- Changing Societal Norms & Values
- Advances in Technology
- Global Supply Chains
- Corporate Social Responsibility
- Anti-Corruption
- Collective Action

A is a driver of change of B
A is related to B
How Do We Design Corruption Out of the System?

4 Potential Core Levers of Change

Public Education & Awareness → Changing Societal Norms & Values

Government & Public Policy → Anti-Corruption

Legal & Regulatory Framework → Collective Action

Business Case & Strategic Business Risk → Anti-Corruption

Advances in Technology

Global Supply Chains

Corporate Social Responsibility

A is a driver of change of B

A is related to B
Core Levers of Change: Global Supply Chains
Designing Corruption Out of the System TM Example

Drivers

- Advances in Technology
- Increasing Customer Feedback Loop
- Applying Big Data

Potential Transformation

- Improved Data Collection
- Rejection of Unethical Brands
- More Accurate Root Cause Analysis
- Greater Supply Chain Stability
- Better understand supply chain performance & anti-corruption linkage
- Enhanced Transparency

Challenges

- Policy Uniformity Across Supply Chain
- Resource Constraints
- Limited Adoption Rates
- Customer Handling Training
- Senior Management Commitment
- Privacy & Data Protection
The “house of Collective Action”: Activities are driven by Siemens through complementary channels - Priority on Long-Term Initiatives

Long-Term Initiatives pave the way for a true anti-corruption culture with reduced business risks and a stable and sustainable investment climate. This will ensure a larger market volume for clean companies and prosperity for the country.

1) NGO: Non-Governmental Organization
Collective Action is building Alliances against Corruption: Top Organizations are involved on all levels –

global multi-stakeholder and business initiatives & local activities

Top stakeholders

IO
- UN Global Compact
- World Bank Institute
- UNODC
- OECD

NGO
- Transparency International
- World Economic Forum
- IBLF
- ICC
- CIPE

Examples
- AfW: Anwendererrat Wirtschaftsethik

Engagement on various levels

Global activities with involvement of governments and NGOs
- G20/B20 process (OECD,)
- WEF Global Agenda Council Anti Corruption
- P. Solmsen Chair, M. Pieth Vice Chair
- UNGC Working Group
- WBI Collective Action anti-Corruption working group
- ~30 organisations (TI, UNGC, CIPE …)

Global activities with business focus
- WEF PACI Task Force 150 Companies
- ICC CSR and Corruption Commission ~40 companies
- Sector specific activities:
  - COCIR, AdvaMed, NEMA, ZVEI etc.

Local
- Country specific activities:
  - f.e. integrity pacts, China cross-reporting channels, IBLF Russia, UNGC local networks, TI local chapters
  - Turkish Business & Ethics Society; dnwe; AfW

New:
Peter Solmsen to chair this Council: Use it as vehicle to bring B20 into action

Siemens Integrity Initiative Projects
(UNODC, UNGC, OECD, IBLF …)