Compliance in the Balkans: Our experience

Jane Ellis
Director, GoodCorporation
25 September 2018

The measure of a good company
Scope of today

1. Who we are
2. What we do
3. In the Balkans
4. What we found
5. Other observations
Who we are

Conducted business in more than 60 countries

Business ethics, compliance, corporate responsibility

Business, accounting, legal, language and other expertise

FTSE 100 & CAC 40 clients to smaller, private businesses and not-for-profits

Wrong – Right?
What we do

Evaluate, design, build and embed ethics and compliance

Anti-bribery & corruption, supply chains, human rights, ESG, whistleblowing

Unique benchmarking database
In the Balkans

Large bank/subsidiaries across the Balkans - integrity & compliance - how to recognise bribery & corruption risks

Property company acquired an equivalent - gap analysis as to potential exposure in integrity & compliance

Business in automotive sector - subsidiary of western European company - focus on business ethics of which anti-corruption is a core part
What we found

- Denial - 'never had any demands made on me in my career that is remotely like a bribe'
- Surfeit of technical skills but commercial skills still relatively weak
- Different attitude to compliance - no formal approach as such – role is communicative
- Reluctance to acknowledge why policies of any nature, let alone anti-bribery and corruption are necessary
- Extent to which law is being followed is not regarded as responsibility of company or its lawyers
- This informs the nature of the recommendations / action plan proposed - how to communicate and via which person
What we found – to consider ...

Socio-cultural context is important, not just in the country but within the organisation - clash between individual's principles and that of organisation creates ethical gaps

Social networks within organisations are important - they can help reinforce messages but also undermine them

Need to identify what is likely to gain the most traction - not unique to Balkan business but what it is likely to differ

Be cognisant of historical legacies - they can inform attitudes and reactions to proposed reforms

Need to be careful not to treat engaging in bribery and corruption as a moral judgement
Other observations

- Communication between leadership and those on the floor weak cf health and safety
- why is corruption rationalised and normalised / the role of organisations in fostering unethical forms of behaviour
- what is the everyday life of the organisation that leads to certain social patterns
- The identity of the person who is appointed to champion anti-bribery and corruption matters

Communication between leadership and those on the floor weak cf health and safety

why is corruption rationalised and normalised / the role of organisations in fostering unethical forms of behaviour

what is the everyday life of the organisation that leads to certain social patterns

The identity of the person who is appointed to champion anti-bribery and corruption matters
Questions?