

E-Book

Excellence, Ethics & Engagement



The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Southern India Regional Council

Chennai

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This e-book has been authored by

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FOREWORD

Excellence, Ethics and Engagement are the 3 Es which are key to leadership who provides an overview of the future purpose. It is important to understand that the only effective way to ensure professional ethics, excellence and engagement is through correct appraisal and systematic development of ethical competence in the professional. As the right understanding successively comes into our living through self-exploration and practice, it manifests in terms of the following competencies in the individual.

SIRC is pleased to present an e-book which provides an understanding of the concept of Ethics as applicable to not only Professionals/ Businesses but to Epic characters & common man. It also covers the practical dilemmas which we go through in our day-to-day lives along with conflict of interests in organizations and meaning of Professional Excellence.

This e-book also includes the meaning of Professional Excellence along with providing the ways to Excel in whatever you pursue in life. It doesn't stop with the same but provides for the 3E's strategy for a guaranteed success.

On behalf of SIRC and on my own behalf I place on record our sincere and grateful thanks and appreciation to Dr. Nirmala Raghavan for sparing her precious time to share with our elite professional fraternity her insightful thoughts and invaluable experience on the Excellence, Ethics and Engagement. I also take the privilege of expressing our grateful thanks to CA. Gangesh K Shrinivas for reviewing the basic draft of this e-book and for adding immense value to the substance of the e-book.

In a publication meant for professional accountants like this there is also a scope for improvement of contents, presentation and coverage. Accordingly comments and suggestions on the e-book are welcome at sirc@icai.in

CA.China Masthan Talakayala
Chairman, SIRC of ICAI

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Introduction



Ethics is like tables and alphabets. It has to be inculcated even while young, as early as a baby. In our Indian culture and tradition irrespective of our religion, caste, creed and race we are taught such qualities. Luckily it was the joint family system that made it possible for at least until the previous generations.

The definitions were so thoroughly reinforced any number of times that people knew right & wrong, knew how to deal with dilemmas and had a better clarity in their perceptions and ideas.

Now with nuclear families it's become the responsibility of text books, curriculum, systems and Boards of course teachers along with organisations, MNC's, Corporates, and NGOs to imbibe such qualities in their own interest and in the interest of the stake holders. It is here that we cannot but recall the former President of India, Dr. APJ Abdul Kalam's words

'When there is righteousness in the heart, there is beauty in the character

When there is beauty in the character, there is harmony in the home

When there is harmony in the home, there is order in the nation

When there is order in the nation there is peace in the world. '

And here we go to the starting point- **The Righteousness.**

That's it. And who defines this? How do we define it? How do we take it forward?

Can the corporates and the text books inculcate this? Or will it become like another subject governed by grades and numbers?

Today ethics and values have become another optional subject with grades. Will this really help?

Is there a better way?

Chapter I - Definition of Ethics



There cannot be a better list than Mahatma Gandhi's seven social sins. Just these to take care of our righteousness will help bring peace in the world. Inculcating these qualities in the youngsters at home, school, at organisations is one sure way of reinforcing these.



‘But not enough people have taken the message of Gandhi or Christ as seriously as they merit’.

Howard Gardner: ‘I do take hope from the number of young people doing socially good things. In the US we have many young people working on Wall Street or in management consultancy, but we’ve many, many young people who join Teach for America, which is just like Teach for India. Yesterday, I found a quotation from Gandhi in the newspaper which said that if you want to find yourself, help other people. And that can be a hopeful sign, that a lot of young people are doing things not to enrich their own pocket but to try to help other people. It’s a Gandhi and spirit, even a Christian spirit. There is much wisdom in ancient scripts, whether religious or not. But at the same time, you can’t live just by those texts, because there are so many things happening today. For instance, you can’t find out what to do about stem cell research by going through the Bible. It’s not there. You can’t tell about what’s a fair interest rate. I said MK Gandhi’s My Experiments with Truth. Gandhi didn’t fool himself into thinking he was better or more meritorious than others. He was naked in analysing what he did wrong and tried to learn from it. Not all of us can be Gandhi, but we can create a common space where everybody can articulate their concerns, doubts and questions they may have. Everybody living in a complex world faces ethical dilemmas at

some point in time. If they don't realise it, it's a bad sign. God doesn't tell you what to do when faced with an ethical dilemma'.

In the next chapter we shall look into the kind of ethical dilemmas and what is their decision making strategy to do the 'greatest good for the greatest number of people'.

Chapter 2. Ethics - Epics to Harry Potter and DR. Strange. Isn't that interesting?

Core ethical values have never changed right from the epics to Dr.Strange, The Avengers or Harry Potter

We find the same values repeatedly being delineated through the characters right from The Epics to our Dr.Strange, Harry Potter and of course The Super Man too.

Let's look at a few epic heroes. This is a picture from Ramayana depicting all the goodness and the vices too helping us to identify the vices and the virtues.



The above picture gives us a very clear idea of ethics and a list of values from the Epics that are time tested, and those which can bring harmony in man's existence. The fundamental fault lines are that the previous generations for whatever reason became lethargic about reinforcing, monitoring and guiding professionals.

Arjun in the Mahabharata is an exemplary character. The way he deals with problems, his decision-making skills, his commitment to the cause of goodness, his utmost devotion and implicit faith in goodness, the problem-solving strategies are all evidences of ethics in professionalism. The Famous Bhagavad Gita -an advice to Arjun by Sri Krishna is a solid example of professional ethics. 'Here are a few takeaways.

Statements like

Safe guard your Dharma.

Do your duty without expecting any reward.

Each one of us is born with a purpose.

Life is a battleground. Choosing the right from the wrong, the good from the bad is the real challenge.

The same sentiments are echoed in our contemporary fictions and believe me it's my personal opinion that the book that has these sentiments and revolves round such plots and characters with goodness winning over evil has always hit the book shelves as best sellers.



DR. Strange for example with the hype surrounding Avengers: The Endgame is still very high, and the characters that are appreciated are the characters that fought against Thanos in the Battle of Earth.

Of these superheroes it was Dr.Strange who was the most valuable player who could ensure the victory of good characters using the Time Stone.

Now let's look at Superman and Ethics.

Superman shows how a right action overflows only from a virtuous character. And for that an individual must internalise and take ownership of proper standards.

Harry Potter is full of ethical dilemmas. And that's what makes it a popular one.

The next chapter will deal with real life examples and the relevance of ethics and values especially in a profession like auditing and accounting. Maybe we wonder whether it's

possible to be ethical in today's context. That's indeed a challenge. But definitely not impossible. We have plenty of anecdotes from The Epics to Dr.Strange today that tells us it is Ethics and values which defines a person from good to great. Contemporary children's books do talk about Utilitarianism. 'Utilitarianism says that the right course of action is the one that will lead to the greatest good for the greatest number of people.' And that probably is ethics too.

Chapter 3. Ethical dilemmas in real life.

Understanding Conflict of interest

Personal ethics and values contribute to professional Ethics.

A conflict of interest arises in circumstances where an employee's private interests can influence or be seen to influence a public duty.

All of us know too well that jealousy, greed, integrity, lust, anger is not good for peaceful living. But these manifest themselves in myriad ways in our personal space and professional space.

The greatest challenge is to manage and deal with such evil.

The fundamental takeaway from the pandemic is that wealth, fame, positions are not important and they became useless when there's shortage of oxygen, hospital beds, medicine, workforce to help humanity. There cannot be better evidence of the futility of amassing wealth, or feeling jealous, unpleasantness, prejudice, favouritisms, greed. Scriptures tell us repeatedly that mind matters most; the state of mind is what guides an individual during such conflicts. Faith in humane goodness is what will give a person the steadfast boldness and courage to view things with equanimity. And it is in this context that we talk about Indra Nooyi.

Indra Nooyi in her interview warns, people shouldn't focus on where they are on their career ladder, but to ignore it. "I think any ladder that might be in front of you always looks less steep if you focus on the job at hand and do a damn good job," she said. "Then the next one takes care of itself."

After the comments drew attention on social media, she clarified her remarks, telling Fortune "I was speaking the truth about my cultural upbringing and why it stopped me from asking for certain things," she said.

Ethics and culture have a great connect because ethics is interwoven with the fabric of the society, we live in.

Jenn Lim, who co-founded a consultancy with the late Zappos founder Tony Hsieh named after his 2010 book *Delivering Happiness*, is back with a follow up called *Beyond Happiness* that was launched on Oct. 12. The book aims to help readers line up their company's purpose with their own, weaving in examples of how companies like Starbucks have tried to do the same.

Can we understand that accepting, and focussing on our job at hand is what can make us ethical?

Our own companies like TATA'S have shown the way for ethical business. It's not difficult. Just a mind-set to be aligned with the company's policies for survival and to be ethical. 'Being virtuous and doing the right thing is a moral methodology. It is an organised and systematic way of dealing with what we should do and what we should not do.'

Companies, organisations small or big must vow to fix ethical standards that employees will follow. Some principles that employees will internalise certain standards of moral behaviour should be displayed and employees must be orientated with these ethical standards. This makes it easy to be ethical and virtuous professionally at least for the sake of aligning with the company's values.

We have a whole list of companies which have stood the test of time, survived for several decades because their policies on professional ethics were clearly laid down. The orientation given to the fresher in every company needs to take care of orientating employees with ethics and values rather than communication or client details or the data itself.

Suggestions for professionals.

Having a pocket journal with a list of ethics and values one likes will help. Aligning with the company's policies on ethics and values, being bold and courageous not to make or break rules to suit one's own interest or profit will help professionals have a clarity in dealing with conflicts, problem solving and decision making on job.

Having faith in one's own culture, Scriptures will help strengthen the mind to deal with personal and professional conflicts.

Conflicts of interest arise in many areas in professionalism.

Purchases, recruitment, appraisals, offers or gifts, private business interests, tenders, data collection, data breach confidential information, engaging contractors, accounts, money laundering, lobbying and many more.

What do we do when there's a conflict?

There is a COI policy and COI Tool kit.

There is also a mail id employee.conductedumail.vic.gov.au

Phone 03-70221018

Here are a few case studies for one to ponder. These might give leads as to how to handle conflicts.

We also have the Integrity portal the Integrity Liaison Officer.

The COI suggests that identifying, reporting and managing form the fundamentals to set right conflicts of interest.

Typical conflict of interest scenarios and case studies.

In case of conflict of interest, self-reflection, self-introspection, a swot analysis, a clear representation to the higher ups might help.

Case study

Understanding conflicts of interest

You have access to confidential/ insider information in a company you work for. There is a temptation to let go the information to a competitor.

Here it is expected to think in the interest of the company because Terms of Redundancy prohibits to use of confidential information.

Having signed terms and agreements it's important to keep up the promise in the interest of one's own self and in the interest of the company. Our ethics here have to be governed by accountability, sustainability and responsibility. In today's context, where access to data, information has been made just easy because of the internet and the available corpus it's a real challenge to manage temptations of breaking rules and be unethical.

It is here that we are forced to recall Dr. Abdul Kalam. In a session with youngsters, he asked them to take an oath at the end of his lecture.

That they would go back home to tell their fathers not to accept a bribe.

Is there a difference as regards ethics with gender? No way. Ethics and virtues are just the same and is inclusive and equal for all.

Chapter4. Conflict of interest in organisations.

Plato, Aristotle to Kalam, Mark Zuckerberg and Harry Potter- on Excellence.

Definition of excellence. Excellence is a way of life. Excellence of character and professionalism is achieved by constantly engaging with excellence. There is no short cut to excellence.

This page is an attempt to look at Excellence in the eyes of great people. Their quotations are proofs of the way they lived and attained fame and greatness. And here we go--

To quote Confucius,' the will to win, the desire to succeed, the urge to reach your full potential, these are the keys that will unlock the door to personal excellence'.

Aristotle, we are what we repeatedly do. Excellence, therefore is not an act, but a habit.'

Abdul Kalam -Excellence is a continuous process and not an accident',

Plato - Excellence is not a gift, but a skill that takes practice. We do not act rightly because we are excellent in fact, we achieve excellence by acting rightly'.

Elon Musk it's ok to have your eggs in one basket as long as you control what happens to the basket.

One of the reasons it is so comforting to read Harry Potter is we know good triumphs over evil.

Positive traits like courage, optimism, character, team work are a few virtues that leads to excellence. Technology cannot help us with truth, beauty and character which technology has not intervened as yet. Google car can manoeuvre excellently but is that excellence? It cannot differentiate and choose between a lamp post and a human being while on the road. It's not the programming or being perfect with numbers and letters, that's excellence.

It's the humaneness, empathy, compassion, love, affection that matters most and that's excellence itself. And that's professional excellence too.

Think like Zuck is a book by Ekaterina Water is an analogy of a leader who follows his/her passion, leads with purpose, builds great teams, and strives for continued excellence in his/her product or services.

The 5 P's are passion, purpose, people, product and partnerships.

Steve Jobs time management is his excellence.' And the only way to do great work is to love what you do. If you haven't found it yet, keep looking. Don't settle, as with all matters of heart, you'll know when you find it.

You have to trust in something – your gut, destiny, life, karma – this approach has never let me down, and it has made all the difference in my life.

My model for business is The Beatles:

They were four guys that kept each other's negative tendencies in check; they balanced each other. And the total was greater than the sum of the parts.'

It is this that makes companies survive.

Core policies and values of company are the building blocks that help organisations survive and thrive.

Having Core Company values can help you ensure each of your employees, from top leadership to entry-level, are working towards the same common goal, and share a bigger purpose.

Purpose is undeniably critical for employee satisfaction. In fact, an Imperative survey of LinkedIn members found 73% of purpose-oriented members are satisfied in their jobs, compared to 64% who are not purpose-oriented.

Plus, purpose doesn't just improve employee satisfaction -- it also increases your bottom line. The same Imperative survey found 58% of companies with a clearly articulated and understood purpose experienced growth of +10%, compared to just 42% of companies that don't prioritize purpose.

Ultimately, core values are critical if you want to create a long-lasting, successful, and motivating place to work.

We'll examine how some companies truly honour their values. American Express doesn't just hit the bare minimum when it comes to polite, helpful customer service -- they go above-and-beyond to solve for their customers, even when there's no protocol in place.

For instance, Raymond Joabar, the Executive Vice President at American Express, recently told this story in a Forbes interview: "One time, a hotel café manager [an Amex merchant] alerted my team that he had accidentally sold a display cake with harmful chemicals and needed to find the customers before they ate it. Obviously, there's no procedure for that, but our team took ownership of the problem. They gathered all the information they could from the record of charge, identified 21 Card Members who used their cards at the café during that time frame, reviewed the accounts to find the right match, and then called the Card Member in time before they served the cake at an anniversary party."

"The important point here," Joabar noted, "other than that everybody ended up safe and sound -- is that there isn't a script for every situation, so we empower our care professionals to do what's right for the customer. And we recognize what they do with this empowerment as well. We give awards to employees who go above and beyond to help customers and we share their stories across the company."

This anecdote exemplifies American Express employees' commitment to their customers even when it's not easy, and demonstrates the company's dedication to living by its values. On Google's philosophy page, they don't just list their core values -- they also provide examples.

For instance, consider their value, "You can make money without doing evil." While many companies likely tout the benefits of integrity, Google references strategic efforts it's made to avoid "evil" business, including -- "We don't allow ads to be displayed on our results pages unless they are relevant where they are shown ... We don't accept pop-up advertising, which interferes with your ability to see the content you've requested ... [and] Advertising on Google is always clearly identified as a 'Sponsored Link,' so it does not compromise the integrity of our search results."**blog.hubspot**



We have seen time and again whether it's Microsoft, Facebook, and Amazon have always been pulled up by the Congress whenever they have deviated from their core principles, from benefitting people at large. Such check systems have always helped the society and its ethics.

What are the five core values of Tata Group?

'The five core Tata values underpinning the way we do business are: Integrity We will be fair, honest, transparent and ethical in our conduct; everything we do must stand the test of public scrutiny. Key constituents – employees, investors, and community members – no longer trust or respect many institutions as much as they once did. Meanwhile, increased transparency and connectivity have enabled greater access to previously private information. The way to thrive in this era of increased public scrutiny is to put an introduction to business ethics training.

Since its founding, Nestlé's business practices have been governed by integrity, honesty, fair dealings and full compliance with all applicable laws. Nestlé's employees worldwide have upheld and lived this commitment in their everyday responsibilities ever since, and Nestlé's reputation remains one of the Company's most important assets today. The Nestle Corporate Business Principles prescribe certain values and principles which Nestle has remained committed worldwide.

- 1) Ethical Values and Business Ethics help to improve productivity, profitability, quality, public image and brand value of an organization in this world of globalization.
- (2) Ethical Values and Business Ethics are very effective to achieve sustainable development of an organization.
- (3) There is limited attention to ethical values and business ethics in India. Business environment in India is not favourable for business ethics and ethical values. There is utmost need to educate the employees as well as managers and even some of the owners, CEOs and MDs also about business ethics and ethical values.
- (4) Business must maintain the highest standards of behaviour for the benefit of industry, employees, customers and society only with the help of ethical values and business ethics. The best way of promoting high standards of business practices is through self-regulation through ethical values.

Chapter 5. That's a complete strategy to be successful

The 3 E's. Ethics + Excellence= Engagement

Catch them young.

What do we do to do that?

We teach

If a child doesn't know how to read, we teach

If a child doesn't know how to multiply, we teach.

If a child doesn't know how to swim, we teach

If a child doesn't know how to drive, we teach

If a child doesn't know how to behave-----

Do we really teach?

I honestly cannot believe but I cannot believe how morally bankrupt we've become.

It simply means we haven't been paying attention.

It starts here.

And then you will say Oh my God it works! The 3 E'S ethics, excellence and Engagement.

Howard Gardner has given a list of goodness that can be sample learning lessons for professionals in his good project website. 'Doing good starts with you.' Howard Gardner.

His Good project website is a great resource for us.

Reflection: by the day, week, month, year will help us to make good the wrong doings that might have happened due to jealousy, greed, negativity, attitude, conduct, behaviour and the like--.

'Nature is a friend philosopher and guide'. William Wordsworth.

Aligning our lives with nature is the best way.

Everything about nature is beautiful, is ethical, is excellent, and is engaging. Nature has its own standards. The Sun rising in the East setting in the west. We have to learn our lessons from nature, the mountains, the rivers, the oceans, the breeze, the trees, the animals, the plants, the carnivorous, the herbivorous, and the amphibians. All of them revolve in their own orbits. The life cycle is so well designed that they are as they should be. The planetary system revolving within their orbits without colliding is amazing although they are suspended freely. The Universe exists with its self-ordained ethics and excellence. It doesn't exploit, transgress, never greedy. The animal stops hunting if his stomach is full. We have to think about that.

Self-introspection

Having a self-evaluation questionnaire will help by and large individuals to be better citizens.

What are we bestowed with?

The extra senses – multiple intelligences, the wit, and the good grit.

Are we using them the right way?

Truthful, fair, concerned, for the benefit of all---Do we reflect to check whether we are doing the right things all the time?

Do we think of reparations?

Do we realise that our intuition guides us and to be excellent we need to practise and build ethical standards on the basis of every minute so that we are in tune with our conscience?

Do we understand the consequences of exploiting nature for our own needs and greed?

Do we ever think that wealth is not all, we need to compete with our own selves to better our lives and others too?

Are we considerate, empathetic?

Learn, unlearn and relearn is the way we've evolved. To consider our mind-sets repeatedly, exercise values that are beneficial for the community as a whole, applying right ideas to real life situations, formation of good habits that will support the wellness of everything and everybody around us is the way forward to bridge misalignments, and to stay connected with nature.

This will help us be ethical, excellent and engaging in our professional lives. EXCELLENCE

We do what is right, do it well and win. We will strive for excellence in whatever we do. That's ITC.

Virtue comforts in suffering and vice stinks in pleasure '. It's also short lived. The lives of many erring individuals, the histories of unsustainable and ethical businesses will perish with the day.

Long living industries for several decades are the ones which have been built on character, honesty and 'doing the greatest things for the greatest number of people'.

Let's conclude with Socrates, Virtue is wisdom'.

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Built to Last

Built to change.

