

# The dark (unethical, criminal) side of business

## What is it all about?

In my last company, I was the representative of my department in the so-called Ethic & Compliance Network. In this context, one was forcibly involved or informed about the possible misconduct (ethic & compliance) of individuals or entire areas. In a network meeting, one of the most experienced professors on the subject of ethics and compliance gave a lecture on what happens in the event of misconduct in advance, how it proceeds and what needs to be done to get affected companies back on the right track. Unfortunately, I can't link to the whole presentation at this point, but what I can do is give them the list of items, call it a checklist, which makes organizations very vulnerable to ethic & compliance misconduct. I think everyone should read through this and maybe reflect on it for themselves

## Checklist

**Organizations are susceptible to ethics and compliance violations if one or more of the following apply to the organization:**

- our time pressure is great.
- we are completely immersed in our work.
- the pressure to perform is very high.
- in our company, it is better to only accept orders and regulations.
- our goals are not realistic.
- we don't have much influence as employees
- Decisions are made from the top down
- the competition in our industry is merciless
- Expectations are unclear
- there is a widespread feeling of being overwhelmed by information
- in our meetings we are almost always of the same opinion
- the processes are highly standardized
- if someone doesn't fit in here, they usually don't last long
- professional duties and personal values are strictly separated
- in our meetings there are always the same people talking
- our company is highly profit-oriented
- our top managers have a very aggressive leadership style
- the language used in our company is very aggressive
- Fear is a common feeling in our company.

## Conclusion:

- The people who commit ethic and compliance misconduct are in most cases not typical criminals, but people like you and me
- As I said, if one or the other point is true, it doesn't have to be that there are misconducts, but I don't think it hurts to raise awareness either
- **One thing is clear, if there is misconduct, then it becomes very unpleasant and expensive and there may be harsh penalties for all involved. Ignorance rarely protects against punishment!**

## Historical experiments on this:

Asch's Conformity Experiment, published in 1951 by Solomon Asch

[https://en.wikipedia.org/wiki/Asch\\_conformity\\_experiments](https://en.wikipedia.org/wiki/Asch_conformity_experiments)

The Milgram experiment is a first conducted in New Haven in 1961

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