

Governance Aspects of Duty of Care

Duty of Care – Part I

John Kyriazoglou



JOHN KYRIAZOGLOU

GOVERNANCE ASPECTS OF DUTY OF CARE

DUTY OF CARE – PART I

Governance Aspects of Duty of Care: Duty of Care – Part I

1st edition

© 2018 John Kyriazoglou & bookboon.com

ISBN 978-87-403-1980-4

CONTENTS

	Prologue: Management's "Duty of Care" Responsibilities	6
1	Introduction	6
2	"Duty of Care" Responsibilities of Managers	7
3	"Duty of Care" model: DRAPES	9
4	B ⁴ Workplace Wellness Model	11
5	"HARMONY" Milestones	12
6	Recommendation	12
7	Further Resources	13
1	Establish Governance Framework	14
1.1	Introduction to Governance	14
1.2	Governance Hard Controls	15
1.3	Impact of principles and soft controls on Governance hard controls	16
1.5	Applying faith-related Soft Control Improvement Actions (IA)	19
1.6	Aligning the implementation of Governance hard controls with "Duty of Care"	20



The banner features the CMO INSPIRED CONFERENCE logo at the top, with the date 25 OCTOBER and location DE VERE BEAUMONT ESTATE | OLD WINDSOR UK. Below the logo is a large photograph of a grand white manor house with a fountain in the foreground. At the bottom, a collage of four smaller images shows conference activities: a panel discussion, a woman speaking at a podium, a woman in a black dress, and a man presenting to an audience. The text 'Join Over 100 Chief Marketing Officers & Digital Innovators' is displayed in green at the bottom of the banner.

1.7	Conclusion	21
1.8	Outcome of this step	21
1.9	Management Tip	22
2	Improve Board Effectiveness	23
2.1	Introduction to Board Effectiveness	23
2.2	Board Effectiveness Hard Controls	24
2.3	Impact of principles and soft controls on Board Effectiveness hard controls	25
2.4	Strategies for implementing board effectiveness hard controls	25
2.5	Applying Soft temperance-related Control Improvement Actions (IA)	28
2.6	Aligning Board Effectiveness hard controls with "Duty of Care"	28
2.7	Conclusion	29
2.8	Outcome of this step	30
2.9	Management Tip	30
3	Increase Executive Leadership	31
3.1	Introduction to Executive Leadership	31
3.2	Executive Leadership Hard Controls	32
3.3	Impact of principles and soft controls on Executive Leadership hard controls	32
3.4	Strategies for implementing leadership hard controls	33
3.5	Applying justice-related Soft Control Improvement Actions (IA)	36
3.6	Aligning the implementation of Leadership hard controls with "Duty of Care"	38
3.7	Conclusion	38
3.8	Outcome of this step	39
3.9	Management Tip	40
	Disclaimer	41
	Endnotes	42

PROLOGUE: MANAGEMENT'S "DUTY OF CARE" RESPONSIBILITIES

"The most important of all goods is health, the second is beauty of the soul and the third is to be able to become rich without doing anything bad"

– Plato

Summary

This chapter describes:

- 1) The "Duty of Care" responsibilities of managers to companies, to employees, to shareholders, to customers and society;
- 2) The proposed "Duty of Care" model (DRAPES) which may be used to manage, protect, recover and improve Company capabilities, processes and systems to make or distribute goods and provide best services to customers, considering the best use of the company's Data, Risks, Assets, People, Environment and Standards;
- 3) The B⁴ Workplace Wellness Model and the "HARMONY" Milestones; and
- 4) The ancient Greek principles, such as: faith, temperance, etc.

These set the conceptual background and the foundation for implementing hard controls (policies, procedures, etc.), via the seven-step "Duty of Care" Implementation Approach, with the full use and support of the above models and principles, also taking into consideration the human aspects (soft controls) related to this implementation.

1 INTRODUCTION

Our workplaces are full of problems, to put it lightly. According to the World Health Organisation (2005) "Mental health problems, such as depression, anxiety, substance abuse and stress, are common, affecting individuals, their families and co-workers, and the broader community. In addition, they have a direct impact on workplaces through increased absenteeism, reduced productivity, and increased costs¹."

The Royal College of Psychiatrists (2008), in a report commissioned by the cross-government Health Work and Well-Being Programme, estimate that about 17% of people of working age have problems such as depression or anxiety that reach the level of a mental ill health diagnosis, and a further 17% have lower level problems such as insomnia, which would not be considered as a disorder, but nevertheless have a deleterious effect on performance².

It is the responsibility of each company and its individual owners and managers to do something about these crucial and debilitating problems at work.

The principle that investing in support for employees who may be struggling is not just morally correct but a financial imperative is well established³.

Also it is important to remember that staff are the single most valuable asset of the organisation. This means that when they work and travel for the company, their safety, mental as well as physical, needs to be assured to the best of the company's ability, at all times.

In general terms, a manager's or professional's duty of care responsibility is a legal, and many times, professional obligation, which is imposed on an individual manager or professional, requiring them to adhere to a standard of reasonable care while performing their duties and avoid any acts that could foreseeably harm others (organisations, societies, people, environment, etc.)

In practical terms, duty of care means that every party to a contract must comply with the rules included in it, as well as other relevant industry and state laws and regulations on ethics, health and safety. The same goes for accountants in correctly maintaining financial transactions and preparing company accounts, for auditors, in confirming the financial statements of a company, and for the Board and managers in managing their corporate resources, etc.

Question: What responsibilities does a business have to its Employees, Shareholders, Stakeholders, Partners, Customers and Society, in general?

2 "DUTY OF CARE" RESPONSIBILITIES OF MANAGERS

The most basic products of an economic system consist of tangible consumable items ("goods") and tasks ("services") performed by individuals via the operation of companies managed by various mechanisms (boards, senior executives and managers, collectively termed "managers").

Companies and organizations exist to make or distribute goods and provide services to their customers to satisfy one or more of their needs and wishes which usually affect every aspect of their daily life and existence.

Companies and organizations also, generate jobs and prosperity, material and spiritual, for employees, shareholders, stakeholders, partners and all members of the communities they serve as well as the greater socio-economic system⁴.

2.1 "DUTY OF CARE" RESPONSIBILITIES OF MANAGERS TO COMPANIES

Managers have a "Duty of Care" to their employees, their companies, their customers, and to society, at large, according to various laws, rules, regulations, directives and standards⁵.

2.2 "DUTY OF CARE" OF RESPONSIBILITIES OF MANAGERS TO EMPLOYEES

The "Duty of Care" role of managers towards the company employees implies that they, the managers, should take all steps which are reasonably possible to ensure their health, safety and wellbeing. Demonstrating concern for the physical and mental health of your workers shouldn't just be seen as a legal duty – there's a clear business case, too. It can be a key factor in building trust and reinforcing your commitment to your employees, and can help improve staff retention, boost productivity and pave the way for greater employee engagement.

Legally, employers must abide by relevant health and safety and employment law, as well as the common law duty of care. They also have a moral and ethical duty not to cause, or fail to prevent, physical or psychological injury, and must fulfil their responsibilities with regard to personal injury and negligence claims.

Requirements under an employer's duty of care are wide-ranging and may manifest themselves in many different ways, such as:

1. Clearly defining employee roles, jobs and assignments.
2. Ensuring a safe work environment for all people.
3. Providing adequate training and feedback on employee performance.
4. Ensuring that staff do not, normally, work excessive hours without due reason.
5. Providing areas for rest and relaxation.
6. Protecting staff from discrimination, bullying or harassment, either from colleagues or third parties.
7. Protecting all people (corporate, customers, partners, community, etc.) and all assets (property, patents, research, production facilities, information systems, networks, data (personal, financial, sales, research, etc.)) from harm of any kind (fraud, misappropriation, damage, destruction, etc.).
8. Providing communication channels for employees to raise concerns.
9. Consulting and reviewing with employees on issues which concern them.
10. Produce quality products and provide best services to customers.
11. Take measures to avoid pollution to the environment.
12. Comply with all laws, regulations and standards⁶.

2.3 "DUTY OF CARE" RESPONSIBILITIES OF MANAGERS TO SHAREHOLDERS

The "Duty of Care" duties of managers towards their company's shareholders, implies that they, the managers, should take all steps to increase the company's profits and to protect all people (corporate, customers, partners, community, etc.) and all assets (property, patents, research, production facilities, information systems, networks, data, financial, etc.) from harm of any kind (fraud, misappropriation, damage, destruction⁷, etc.).

2.4 "DUTY OF CARE" RESPONSIBILITIES OF MANAGERS TO CUSTOMERS AND SOCIETY

The "Duty of Care" duties of managers towards the company's customers, and society, implies that they, the managers, should take all steps to produce quality products and provide best services to customers, to take measures to avoid pollution to the environment and to comply with all laws, regulations and standards⁸.

3 "DUTY OF CARE" MODEL: DRAPES

I am proposing the consideration and use of the *DRAPES* "Duty of Care" model, as described next.

The DRAPES Model symbolizes and envisions the protection and good custodianship and taking care of the most critical things of companies and organizations by all corporate managers, at all levels.

These things are summed in the acronym *DRAPES*:

1. "D" for Data (in all its forms such as manual, computerized, digital, etc.),
2. "R" for Risks,
3. "A" for Assets (physical, intellectual, information systems, data bases, processes, etc.),
4. "P" for People (employees, partners, customers, shareholders, stakeholders, etc.),
5. "E" for Environment and
6. "S" for Standards (moral, regulatory, legal, etc.).

The ethical basis for the DRAPES Model is the set of seven ancient Greek wisdom principles of *Temperance, Faith, Justice, Harmony, Friendship, Kalokagathia (Goodness and Kindness) and Courage* (as explained in "Chapter 1: The Seven Ancient Greek Wisdom Principles" of Part 3 of this book).

Why use these ancient Greek wisdom principles?

1. Based on my working and consulting experience in many organizations and cultures, and Professor Beck has very wisely analyzed and documented in her works (see bibliography) there is a need for a common set of categories that gives a theoretical description of universal and cross-cultural virtues; the ancient Greeks have such categories.
2. The ancient Greeks showed that the most important criterion for wisdom is the recognition of higher powers in the universe than human beings, powers humans cannot control. Human beings must create cultures within the context of those greater powers; they must also integrate their culture with nature, Supreme Being and the universe.
3. The ancient Greek view of the human soul (psyche) has a naturalistic foundation: a virtuous person is also a biologically flourishing person; virtue is not primarily based entirely on a specific cultural context; rather, the basic virtues are connected to the human condition and do not change over time.
4. The ancient Greek idea of a just society is one where those who are competent are given positions of authority based on their competence. Further, one important aspect of competence is that all authority – from the authority of parents over children, to positions of leadership in public life and business – is exercised for the well-being of those over whom the authority figure has power. Rule is for the sake of the ruled.
5. The most naturally just society is one where as many people as possible are given opportunities to develop their psyches to the highest level possible, including the exercise of personal, social, intellectual and professional virtues.

This model is put into practice by envisioning (vision and mission statements), the B⁴ Workplace Wellness Model and the "Duty of Care" Implementation Approach, as described below and detailed in the next chapters of this book.

Envisioning, through the crafting and communication of a "vision" statement ("where to go") and a mission statement ("how to get there") by a company, binds all participants (management, employees, partners, etc.) to a final cause, that toward which all else aims.

This is the Ancient Greek view of the nature of the natural world: it evolves in the way that promotes the highest possible level of well-being for as many creatures as possible.

The Greeks looked at nature as a whole with parts; Aristotle was an early environmentalist who would completely accept the notion of an ecosphere, biosphere, etc.

His Chain of Being was an early example of this way of understanding the natural world.

By analogy, every aspect of a culture, whether it refers to a corporation or society, must have a meaningful purpose or goal within the context of all the purposes and goals of every human culture because of our human nature and our human reasons for existence.

Therefore, in accordance with above, I propose the following management code of ethics, vision and mission for your consideration and use of my proposed "Duty of Care" model.

The proposed management code of ethics is:

1. Control yourself and be modest (Principle of Temperance);
2. Believe in your causes and people (Principle of Faith);
3. Be just to all people (Principle of Justice);
4. Resolve conflicts with peace (Principle of Harmony);
5. Be friendly to all (Principle of Friendship);
6. Be good and kind (Principle of Kalokagathia); and
7. Be courageous in all aspects of life (Principle of Courage);

The proposed vision is: To Manage, Protect, Recover and Improve Company capabilities to make or distribute goods and provide best services to customers.

The proposed mission is: To Manage, Protect, Recover and Improve Company capabilities, processes and systems to make or distribute goods and provide best services to customers, considering the best use of the company's: Data; Risks; Assets; People; Environment; and Standards, in accordance with the B⁴ workplace wellness model, described next, and ways to implement it in a step-wise approach, presented later in this chapter.

4 B⁴ WORKPLACE WELLNESS MODEL

This workplace wellness model (B⁴ workplace wellness model) has four dimensions: Believing; Bonding; Belonging; and Benefiting.

Dimension 1: Believe. Believe (or have faith) in God, nature, yourself, your family, your company (its vision, mission, products, services, quality, etc.), your employees, your associates, your community, your country and your values and beliefs.

Dimension 2: Bond. Bond (or unite) with God, nature, your friends, your family, your employees, your associates, your community, your company (its vision, mission, products, services, quality, etc.), your country and your profession.

Dimension 3: Belong. Belong (or attach) to your family, your nation, your company (its vision, mission, products, services, quality, etc.), your employees, your associates, your community and your country.

Dimension 4: Benefit. Benefit (be of service or be good to) nature, yourself, your family, your company (its vision, mission, products, services, quality, etc.), your employees, your associates, your community, your country, your nation, others less advantaged, and your friends.

5 "HARMONY" MILESTONES

The acronym "HARMONY" associates your "Duty of Care" tasks in establishing and managing your company or organization in 7 steps (Step 1: Establish Governance Framework, Step 2: Improve Board Effectiveness, Step 3: Increase Executive Leadership, etc.) with the harmonized world-view proposed by the "HARMONY" milestones of:

- H: Harmonize governance structures with society's demands
- A: Acknowledge the role of all people (employees, partners, regulators, etc.)
- R: Resolve conflicts among different perspectives and view-points
- M: Manage business operations and activities effectively and efficiently
- O: Organize people to produce best products and provide optimal services
- N: Nourish spiritual and mental aspects of all people (employees, customers, partners, etc.)
- Y: Yield to best improvement processes, viewpoints, ideas, concepts and practices.

6 RECOMMENDATION

I am proposing the use of the "Duty of Care" model (DRAPES, as described above) and the ancient Greek wisdom seven principles (*Temperance, Faith, Justice, Harmony, Friendship, Kalokagathia (Goodness and Kindness) and Courage*) and sayings (see "Chapter 1: The Seven Ancient Greek Wisdom Principles" of Part 3 of this book) to permeate and inspire all board and management activities in running a company or organization better.

The "Duty of Care" Implementation Approach, I am proposing, will facilitate the use of the **DRAPES** model and enable its vision and mission to be materialized by crafting, developing, implementing, assessing and improving the relevant strategies, plans, policies, procedures (hard controls, such as policies, procedures, etc., more details in Chapter 2 of Part 3) with the support and inspiration of a set of soft controls (such as tone at the top, etc., more details in Part 3) that inspire and motivate people to do the best job in implementing all the required hard controls to suit the specific company's purposes.

This Implementation Approach contains seven steps with each step including a set of hard controls, one or more soft control improvement actions, and the use of one of the ancient Greek wisdom principles (temperance, harmony, etc.).

In summary, the steps of this approach are:

- Step 1: Establish Governance Framework**
- Step 2: Improve Board Effectiveness**
- Step 3: Increase Executive Leadership**
- Step 4: Improve Business Operations**
- Step 5: Manage Human Aspects**
- Step 6: Augment Trust and Confidence**
- Step 7: Improve Internal Management Controls**

More details are presented in chapters 1 to 3 of this part and chapters 4 to 7 of part 2.

7 FURTHER RESOURCES

For more details on all issues related to ancient Greek wisdom, reducing occupational stress, improving wellness, soft controls, etc., see my books and other references in the BIBLIOGRAPHY chapter at the end of this book.

1 ESTABLISH GOVERNANCE FRAMEWORK

"Human laws are the creation of Divine Law, as it (the Divine Law) is superior to all other laws and it is applicable to all people the same way"

– Heraclitus

1.1 INTRODUCTION TO GOVERNANCE

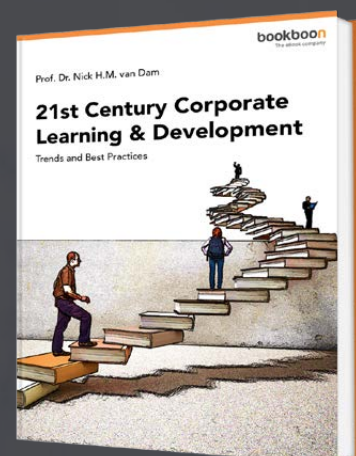
Governance is the act of governing. It relates to decisions and actions that define what is expected, assign power, or assess and verify performance. To distinguish the term “governance” from “government” it is worth noting the following. “Governance” is what a “government” does.

As **Pythagoras** has said over 2,500 years ago has said over 2,500 years ago: “Good government can be firmly effected if the rulers are equal in all things to the citizens, and surpass them in nothing else than justice”.

Free eBook on Learning & Development

By the Chief Learning Officer of McKinsey

Download Now



Governance might relate to a national, state or provincial government, a corporate government for private companies and public organizations (including non-profits, NGOs, etc.), a socio-political government for tribes, families, etc., or any number of different kinds of government, but governance is the physical exercise of management power and policy.

Governance, in the current 21st century business environment, includes the establishment of a control framework of policies, procedures and controls, and continuous monitoring of their proper implementation, by the members of the governing body of an organization (private, public, etc.).

It is mainly your job and responsibility and part of your “Duty of Care” duties as a business manager, corporate leader, board member or professional consultant, etc., to ensure that that an effective governance framework with its constituent components and controls is implemented fully by your people to satisfy your company’s needs and requirements.

To ensure it is done, you need to implement a set of governance hard controls by defining “*what needs to be done*” and “*how to do it*”. To make certain it is done very well, you must involve and engage your people and explain well “*why to do it*” by giving them the **rationale**, the **motivation** and the **inspiration** for doing what needs to be done.

‘What’ and ‘how’ engage the minds of your people. But it’s the ‘why’ that captures their hearts.

What effective governance hard controls need to be implemented and ways to achieve this task very well are further detailed in the next paragraphs.

1.2 GOVERNANCE HARD CONTROLS

Governance, in the current 21st century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Business Management Controls Framework.
2. Business Management Controls System Manual.
3. Corporate Philosophy Controls.
4. Risk and Compliance controls, Internal Audit, etc.

A full list of governance hard controls is included in Chapter 2 (Hard and Soft Controls) of Part 3 of this book. For detail examples of governance hard controls, see Parts 4 and 5 of this book.

The above controls will be crafted, established, designed, developed and implemented in this step and will be monitored in step 4 (improve business operations).

Their evaluation and improvement is the task of step 7 (improve governance, policies and procedures).

1.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON GOVERNANCE HARD CONTROLS

Governance hard controls (e.g., policies, controls, etc.), such as Business Management Controls Framework, Business, etc., specify and define “*what needs to be done*” by enterprise managers to achieve good and effective governance for their business organization.

Governance action plans, assessments and procedural practices (also defined as hard controls, as per Chapter 2: Hard and Soft Controls of Part 3) define and direct corporate people (managers, partners, employees, etc.) “*how to do it*”, i.e., how to implement the defined governance hard controls.

But people, as my consulting practice and various sociological and business studies, have shown, also need to know “*why to do it*”.

The adoption in your mindset and use of the proposed ancient Greek principles and the employment of soft controls (as per Chapter 2: Hard and Soft Controls of Part 3) with their actions, support “*the how to do it*” as they provide the “*why to do it*”, meaning the **rationale**, the **motivation** and the **inspiration** for doing what needs to be done, i.e., the better implementation of **governance** hard controls.

‘What’ and ‘how’ engage people’s minds. But it’s the ‘why’ that captures their hearts.

1.4 STRATEGIES FOR IMPLEMENTING GOVERNANCE HARD CONTROLS

When you design, develop and implement these governance hard controls and monitor and review their use and results for your specific business environment, it is best practice for you to consider using the following strategic guidelines:

Strategic Guideline 1: Learn ways to govern your business

Learning ways to govern, in general, may be achieved by:

1. Participating in specific professional training programs (coaching, mentoring, NLP, etc.) and taking seminars on governance and related issues, concepts, ideas, trends and skills (e.g.: knowledge economy, Internet of Things, Cybersecurity, Data Protection, foreign languages, etc.);
2. On-the-job training.
3. In addition to above, governing your specific business also entails your in-depth knowledge of your company's operations, functions, data, assets, people, and industry, as per the DRAPES model (detailed in Prologue), and understanding how governance aspects may impact them.

Strategic Guideline 2: Prepare your mind and people for governing

To prepare your mind and people for governing your business I recommend that:

1. You review and communicate your Duty of Care vision and mission (detailed in Prologue) to all your employees so that you are all communicating and operating on the same level of awareness; and
2. You find ways, practices and techniques for implementing governance controls that make you employ fully all aspects of the B⁴ workplace wellness model (detailed in Prologue) by:
 - 2.1. Believing in governing better;
 - 2.2. Bonding with your people on governance issues;
 - 2.3. Belonging to the group that governs your company and its people with passion;
 - 2.4. Benefiting all by enabling governance controls to produce better products and deliver higher-quality services to your customers.

Strategic Guideline 3: Drive yourself for governance with Ancient Greek Wisdom Principles

To drive yourself for governance as a manager into further action, I recommend that you:

1. Review fully and comprehend my proposed ancient Greek wisdom principles (Chapter 1 of Part 3 of this book);
2. Adopt and use my proposed management code of ethics based on these principles (Control yourself and be modest, Believe in your causes and people, etc., as per Prologue); and
3. Comprehend how they may impact your professional and personal conduct related to *governance*.

A full and unbiased understanding of these principles and adoption of the management code of ethics can bring wider insights into the cause-and-effect sequences of implementing governance hard controls for enterprises. Consequently, you, as a manager, can become more equipped to make wise choices and avoid implementation failures as regards the above-mentioned ***governance*** hard controls.

Strategic Guideline 4: Inspire yourself by faith

Inspire yourself, as a manager, by the principle of faith when you establish the governance framework of your company.

This is because Faith in every-day personal life and business operations has to do with the quality of commitment, being ethical and religious, worship, religious and moral behavior, devoutness, beliefs, believing in the existence of God, praying, meditation, living in agreement with nature, Divine Providence, hope and Divine Punishment.

Consider all these aspects and manifestations in taking your management decisions, especially when dealing with your people, who will have to do the detail work, and your partners, whom you and your people interact and deal with in your company's daily activities.

Strategic Guideline 5: Fortify your soul with faith-related wise wisdom

In addition to the above guidelines, remember when you design your company's governance framework and implementing its hard controls to fortify your soul by understanding and incorporating, into your mind-set and world-view, the following ancient Greek wise guidance (sayings, short story) related to the use of the principle of *faith*:

Saying 1: The goal of life is happiness, i.e. living in agreement with Nature (Principle 1 of the fundamental principles of the Cynics, like Diogenes, etc.); and

Short story: The meaning of Aesop's fable "The Travelers and the Plane-Tree" *that some people (such as managers, professionals, company executives, etc.) underrate their best blessings and do not feel grateful for anything given to them by God or their customers or their employees, as detailed next:*

"Two Travelers, worn out by the heat of the summer's sun, laid themselves down at noon under the wide spreading branches of a Plane-Tree. As they rested under its shade, one of the Travelers said to the other, "What a singularly useless tree is the Plane! It bears no fruit, and is not of the least service to man." The Plane-Tree, interrupting him, said, "You ungrateful fellows! Do you, while receiving benefits from me and resting under my shade, dare to describe me as useless, and unprofitable?"

Strategic Guideline 6: Plan your governance implementation actions

Utilizing all of the above (learning ways, preparing your mind, seven principles, the principle of faith, sayings and short story) will support you and show you how, as a manager, shareholder, board member, etc.:

1. To plan better for the implementation of the *governance* hard controls;
2. To be a good role model for your people so that you may influence a person's life in a positive light;
3. To react positively to the errors and faults made by your people (employees, customers, partners, etc.) related to governance;
4. To reduce the occupational stress and improve the wellness of your corporate employees; and
5. To improve your company's productivity and effectiveness, in the process.

Strategic Guideline 7: Complete your governance plan with soft controls

Your governance hard controls plan should be finally completed by the full use of specific soft controls and their corresponding improvement actions, described next.

1.5 APPLYING FAITH-RELATED SOFT CONTROL IMPROVEMENT ACTIONS (IA)

As a manager or board member, consider as part of your "Duty of Care" responsibilities, in implementing the above-mentioned governance hard controls of this step, to improve your company's ethical climate, by executing the following improvement actions.

1. Ethical Climate Improvement Actions (IA)

- IA (1):** Use honesty in ensuring that you always maintain a positive and ethical climate in managing and interacting with your employees, your superiors and your customers,
- IA (2):** Leave aside and amend, as required in certain circumstances, your personal self-interest, company profit, operating efficiency, rules, procedures, etc., in order to preserve and improve the ethical climate of your business and to serve the greater good, and
- IA (3):** Deal with all your stakeholders (employees, external auditors, customers, suppliers, authorities, regulators, community, etc.) on the same basis of fairness, and,
- IA (4):** Deal with all your stakeholders (employees, external auditors, customers, suppliers, authorities, regulators, community, etc.) on the same basis of written and approved rules and codes of business conduct.

2. Employee Empowerment Improvement Actions

- IA (1): Give authority and responsibility to selected employees to carry out specific actions to achieve general corporate goals and specific objectives,
- IA (2): Encourage employees to assume a more energetic and effective role in their work, and
- IA (3): Involve employees in assuming responsibility for improving the way things are done in their daily work activities, and
- IA (4): Monitor these results to ensure that these are properly done.

3. Corporate Culture Improvement Actions

- IA (1): Discuss all cultural issues with employees,
- IA (2): Provide examples of behavior in your daily supervision activities, and
- IA (3): Involve your employees in reviewing corporate statements on vision, mission and values.

1.6 ALIGNING THE IMPLEMENTATION OF GOVERNANCE HARD CONTROLS WITH “DUTY OF CARE”

In addition to all above, you must also ensure that the defined *governance hard controls* which have been implemented with the enabling aspects of soft controls and ancient Greek principles and sayings, contribute to, and materialize better the manager’s “Duty of Care” responsibilities, in terms of:

1. Managing, protecting, recovering and improving your company’s capabilities, processes and systems to make or distribute goods and provide best services to your customers,
2. Considering the best execution of your “Duty of Care” responsibilities towards your company’s Data, Risks, Assets, People, Environment and Standards, as described in the DRAPES model and
3. The B⁴ workplace wellness model (of four dimensions: Believing; Bonding; Belonging; and Benefiting) in Prologue.

This alignment can be assessed by **developing, implementing and monitoring** “Duty of Care” **Governance** performance measures and compliance indicators as presented in Part 6 of this book.

1.7 CONCLUSION

All of these, i.e., the seven ancient Greek principles and more specifically the principle of *Faith*, sayings and short story, as well as the specific soft controls with their improvement actions, when used appropriately:

1. Will make it easier for you to exercise fully your “Duty of Care” responsibilities, as a manager or board member and
2. Will inspire, drive, engage and motivate both you and your people to work to their best so that your enterprise gets as a result the more efficient and effective implementation of the above-listed *governance* hard controls.

Using the beneficial effects of the principle of *Faith* in all your *governance* actions connects you with nature and the Supreme Being.

It is bound to help you take the **first step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the first “HARMONY” Milestone (H: Harmonize governance structures with society’s demands).

Connecting with nature, believing in the Supreme Being and employing all aspects of *Faith* impacts your perspective, reasoning, ethics, behavior and the way you think and carry out your daily business activities, managing and directing your people, interacting with customers, partners and authorities, etc.

Faith provides you with the moral ground and inner strength for doing and thinking the way you do. It also improves your *spiritual strength* and gives your people an example to follow in their implementation of your *governance* controls.

1.8 OUTCOME OF THIS STEP

The results of implementing the above-mentioned governance hard controls are:

1. To establish the basic governance mechanisms which will enable all other internal and business management controls to take effect for your company or organization
2. To ensure that you execute the first “Duty of Care” responsibilities to the fullest extent of your capabilities
3. To inspire all your people (board members, management, staff, associates, partners, etc.) in supporting you in your “Duty of Care” tasks and responsibilities while benefiting all actors in the process (company, employees, community, society, etc.)
4. To help you reach your first HARMONY milestone (H: Harmonize governance structures with society’s demands).

1.9 MANAGEMENT TIP

Let *Faith* be your first source of power and spiritual energy in implementing your company's above-mentioned **governance** hard controls more effectively and also support you to become a more-results oriented manager or board member for the good of your company and its people.

Faith will inspire your soul to enable you to execute more effectively and efficiently your **governance** "Duty of Care" responsibilities towards your company, as per the DRAPES model and the B⁴ workplace wellness model, in terms of:

- a) Managing,
- b) Protecting,
- c) Recovering,
- d) Improving.

The aspects of your company's capabilities, processes and systems to make or distribute goods and provide best services to customers, considering the best use of the company's: Data; Risks; Assets; People; Environment and Standards.

2 IMPROVE BOARD EFFECTIVENESS

"Seek the true value of all things, and enjoy all gifts of God according to Measure"

– Pythagoras

2.1 INTRODUCTION TO BOARD EFFECTIVENESS

A board of directors (board) is a body of elected or appointed members who jointly oversee the activities of an enterprise (private company, public organization, etc.). Their main task and measure of effectiveness is to see that the wealth of a corporation is increased, among other governance tasks.

Wealth is defined by the abundance of valuable resources (land, water, people, minerals, etc.) and/or material possessions (clothes, equipment, buildings, gold pieces, animals, etc.), and the management and control of such assets.

It is mainly your job and responsibility and part of your "Duty of Care" duties as a board member to ensure that an effective board with its constituent components and controls is implemented fully by the members of your board to satisfy your company's needs and requirements.

To ensure it is done, you need to implement a set of board effectiveness hard controls by defining "*what needs to be done*" and "*how to do it*". To make certain it is done very well, you must involve and engage your board people and explain well "*why to do it*" by giving them the **rationale**, the **motivation** and the **inspiration** for doing what needs to be done.

'What' and 'how' engage the minds of your people. But it's the 'why' that captures their hearts.

What board effectiveness hard controls need to be implemented and ways to achieve this task very well are further detailed in the next paragraphs.

2.2 BOARD EFFECTIVENESS HARD CONTROLS

Board Effectiveness, in the current 21st century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Charters for the board of directors
2. Charters for the corporate committees
3. Board selection process, training plan, etc.

A full list of board effectiveness hard controls is included in Chapter 2 (Hard and Soft Controls) of Part 3 of this book. For detail examples of board effectiveness hard controls, see Parts 4, 5 and 6 of this book.

All these controls will be crafted, established, designed, developed, implemented, monitored, evaluated and improved in this step.



Discover the truth at www.deloitte.ca/careers

Deloitte.

© Deloitte & Touche LLP and affiliated entities.



2.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON BOARD EFFECTIVENESS HARD CONTROLS

Board Effectiveness hard controls (e.g., policies, controls, etc.), such as charters for the board of directors and for corporate committees, etc., specify and define “*what needs to be done*” by enterprises to achieve a good and effective board for their business organization.

Board Effectiveness action plans, assessments and procedural practices (also defined as hard controls, as per Chapter 2: Hard and Soft Controls of Part 3) define and direct corporate people (especially board members) “*how to do it*”, i.e., how to implement the defined Board Effectiveness governance hard controls.

But people, as my consulting practice and various sociological and business studies, have shown, also need to know “*why to do it*”.

The adoption in your mindset and use of the proposed ancient Greek principles and the employment of soft controls (as per Chapter 2: Hard and Soft Controls of Part 3) with their actions, support “*the how to do it*” as they provide the “*why to do it*”, meaning the **rationale**, the **motivation** and the **inspiration** for doing what needs to be done, i.e., the better implementation of **board effectiveness** hard controls.

‘What’ and ‘how’ engage people’s minds. But it’s the ‘why’ that captures their hearts.

2.4 STRATEGIES FOR IMPLEMENTING BOARD EFFECTIVENESS HARD CONTROLS

When you design, develop and implement these **Board Effectiveness** hard controls and monitor and review their use and results for your specific business environment, it is best practice for you to consider the following guidelines:

Strategic Guideline 1: Learn ways to act as a board director for your business

Learning ways to act as a board director, in general, may be achieved by taking specific professional seminars on board duties and responsibilities and by on-the-job training.

In addition to above, acting in a board director capacity for your specific company also entails your in-depth knowledge of your company’s operations, functions, data, assets, people, and industry, as per the DRAPES model (detailed in Prologue), and understanding how governance aspects may impact them.

Strategic Guideline 2: Prepare your mind and people for Board oversight

To prepare your mind and people for governing your business I recommend that:

1. You review and communicate your Duty of Care vision and mission (detailed in Prologue) to all your managers and employees so that you are all communicating and operating on the same level of awareness; and
2. You find ways, practices and techniques for implementing board effectiveness controls that make you employ fully all aspects of the B⁴ workplace wellness model (detailed in Prologue) by:
 - 2.1. Believing in acting as a board director very well;
 - 2.2. Bonding with your people on board effectiveness issues;
 - 2.3. Belonging to the group that make the board function well for your company with passion; and
 - 2.4. Benefiting all by enabling board effectiveness controls to ensure your company produces better products and delivers higher-quality services to your customers.

Strategic Guideline 3: Drive yourself as a director with Ancient Greek Wisdom Principles

To drive yourself as a director into further action, I recommend that you:

1. Review fully and comprehend my proposed ancient Greek wisdom principles (Chapter 1 of Part 3 of this book);
2. Adopt and use my proposed management code of ethics based on these principles (Control yourself and be modest, Believe in your causes and people, etc., as Prologue); and
3. Comprehend how they may impact your professional and personal conduct related to *board effectiveness*.

A full and unbiased understanding of these principles and adoption of the management code of ethics can bring wider insights into the cause-and-effect sequences of implementing board effectiveness hard controls for enterprises. Consequently, you, as a board director, can become more equipped to make wise choices and avoid implementation and oversight failures as regards the above-mentioned *board effectiveness* hard controls.

Strategic Guideline 4: Inspire yourself by temperance

Inspire yourself as a director by the principle of temperance when you establish the board effectiveness framework of your company.

This is because **temperance** in every-day personal life and business operations has to do with the management of emotions, self-control, patience, prudence, humility, civic duties, wealth, mercy, errors, forgiveness, happiness, hate, anger, personal character, trust, truth, listening, speaking, managing time and work, effectiveness, hope, fortune, punishing, association with others, marriage, family, women, children, parents and living.

Consider all these aspects and manifestations in taking your board oversight and management decisions, especially when dealing with your people (managers and employees), who will have to do the detail work, and your partners, whom you and your people interact and deal with in your company's daily activities.

Strategic Guideline 5: Fortify your soul with faith-related wise wisdom

In addition to the above guidelines, remember when you design your company's board effectiveness framework and implementing its hard controls to fortify your soul by understanding and incorporating, into your mind-set and world-view, the following ancient Greek wise guidance (sayings, short story) related to the use of the principle of *temperance*:

Saying 1: 'Good temper is a mean with respect to anger; the middle state being unnamed, and the extremes almost without a name as well, we place good temper in the middle position, though it inclines towards the deficiency, which is without a name. The excess might be called a sort of 'irascibility'. For the passion is anger, while its causes are many and diverse' by Aristotle; and

Short story: The meaning of **Aesop's fable** "A mother crab and her son" *that examples by managers, professionals, company executives, etc. are more powerful than precept*, as detailed next: "A mother crab criticized her son for walking sideways, whereupon the son asked his mother to show him how to walk straight. Of course the mother crab was unable to walk any straighter than her son, and soon apologized for criticizing what she herself was unable to do".

Strategic Guideline 6: Plan your board effectiveness implementation actions

Utilizing all of the above (learning ways, preparing your mind, seven principles, the principle of temperance, sayings and short story) will support you and show you how, as a board member:

1. To plan better for the implementation of the board effectiveness hard controls;
2. To be a good role model for your people so that you may influence a person's life in a positive light;
3. To react positively to the errors and faults made by your managers;

4. To reduce the occupational stress and improve wellness of your corporate managers and employees; and
5. To improve your company's and your management's productivity and effectiveness, in the process.

Strategic Guideline 7: Complete your board effectiveness plan with soft controls

Your board effectiveness plan should be finally completed by the full use of specific soft controls and their corresponding improvement actions, described next.

2.5 APPLYING SOFT TEMPERANCE-RELATED CONTROL IMPROVEMENT ACTIONS (IA)

As a board member, consider as part of your "Duty of Care" responsibilities, in implementing the above-mentioned **board effectiveness** hard controls of this step, to improve your company's tone at the top and other aspects, by executing the following improvement actions.

1. Tone at the top Improvement Actions

- IA (1):** Discuss and resolve all ethics and integrity issues, and
- IA (2):** Provide examples of behavior in your daily board duties and oversight activities.

2. Understanding of the organization by the board Improvement Actions

- IA (1):** Select and appoint board members/Top managers on the basis of education, professional background and practical experience,
- IA (2):** Ensure that board members/Top managers attend critical business operations for a specific period, and
- IA (3):** Provide board members/Top managers with specialized training courses on very specific issues and areas where the given organization is active.

2.6 ALIGNING BOARD EFFECTIVENESS HARD CONTROLS WITH "DUTY OF CARE"

In addition to all above, you must also ensure that the defined *board effectiveness* hard controls which have been implemented with the enabling aspects of soft controls and ancient Greek principles and sayings, contribute to, and materialize better the manager's "Duty of Care" responsibilities, in terms of:

- 1) Managing, protecting, recovering and improving your company's capabilities, processes and systems to make or distribute goods and provide best services to your customers,

- 2) Considering the best execution of your “Duty of Care” responsibilities towards your company’s Data, Risks, Assets, People, Environment and Standards, as described in the DRAPES model; and
- 3) The B⁴ workplace wellness model (of four dimensions: Believing; Bonding; Belonging; and Benefiting) in Prologue.

This alignment can be assessed by **developing, implementing and monitoring** “Duty of Care” **Board Effectiveness** performance indicators as presented in Part 6 of this book.

2.7 CONCLUSION

ll of these, i.e., the seven ancient Greek principles and more specifically the principle of *Temperance*, sayings and short story, as well as the specific soft controls with their improvement actions, when used appropriately:

1. Will make it easier for you to exercise fully your “Duty of Care” responsibilities, as a board member and
2. Will inspire, drive, engage and motivate both you and your people to work to their best so that your enterprise gets as a result the more efficient and effective implementation of the above-listed *board effectiveness* hard controls.

Using the beneficial effects of the principle of *Temperance* in all your board effectiveness actions improves the aspects of governance and law of your social health by enabling your skills to relate to others better and govern fairly by learning to be governed first.

It is bound to help you take the **second step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the second “HARMONY” Milestone (A: Acknowledge the role of all people (employees, partners, regulators, etc.).

Employing all aspects of *Temperance* impacts your perspective, reasoning, ethics, behavior and the way you think and carry out your daily business activities, managing and directing your people, interacting with customers, partners and authorities, etc.

Temperance improves your integrity, giving you a sense of inner balance and commitment, to yourself, family, business organization, profession, community and country. All these make you focus all your energy to controlling and managing yourself better, and this way, benefit yourself, your business associates, the people you work with, as well as your immediate family members, as well as others by it.

Temperance provides you with the moral ground and inner strength for doing and thinking the way you do. It also improves your social *health* and gives your people an example to follow in their implementation of your *governance* controls.

2.8 OUTCOME OF THIS STEP

The results of implementing the above-mentioned board effectiveness hard controls are:

1. To establish the basic board effectiveness mechanisms which facilitate the other internal and business management controls to take effect for your enterprise (private company, public organization, etc.)
2. To ensure that you execute the second “Duty of Care” responsibilities to the fullest extent of your capabilities
3. To inspire all your people (board members, management, staff, associates, partners, etc.) in supporting you in your “Duty of Care” tasks and responsibilities while benefiting all actors in the process (company, employees, community, society, etc.)
4. To help you reach your second HARMONY milestone (A: Acknowledge the role of all people (employees, partners, regulators, etc.)

2.9 MANAGEMENT TIP

Let *Temperance* be your second source of power and spiritual energy in implementing your company’s above-mentioned **board effectiveness** hard controls more effectively and also support you to become a more-results oriented manager or board member for the good of your company and its people.

Temperance will inspire your soul to enable you to execute more effectively and efficiently your **board effectiveness** “Duty of Care” responsibilities towards your company, as per the DRAPES model and the B⁴ workplace wellness model, in terms of:

- a) Managing,
- b) Protecting,
- c) Recovering,
- d) Improving.

The aspects of your company’s capabilities, processes and systems to make or distribute goods and provide best services to customers, considering the best use of the company’s: Data; Risks; Assets; People; Environment and Standards.

3 INCREASE EXECUTIVE LEADERSHIP

"It is a shame to concern yourself with more glory, money and honors while you ignore truth, wisdom and perfection of your soul"

– Plato

3.1 INTRODUCTION TO EXECUTIVE LEADERSHIP

Executive Leadership is a set of practical skills, habits and dexterities that relate to the ability of an individual or individuals to manage, "lead" or guide other individuals, teams or entire organizations in order to achieve specific and well-defined results.

These competencies and skills have to do with how leaders manage:

1. Resources (identification, organization, planning, and allocation of time, money, materials, facilities, human resources, and information);
2. Interpersonal Relationships (working with others in unison, participation, provision of services, exercise of leadership, negotiating, etc.);
3. Information (acquiring, organizing, interpreting, communicating, using, processing, and evaluating information); and
4. Systems (understanding complex interrelationships of systems such as social, financial, organizational, technological, etc., reviewing and correcting performance, designing, using, acquiring, maintaining and improving technologies, systems, policies and procedures, etc.).

It is worthwhile for leaders to consider that **Socrates** instructed each of his students to better manage themselves in their life, by following the following rules: "Keep interested in the truth; Make sure that your soul is as good as possible; and to get a good soul, maintain the four virtues of prudence, temperance, courage and justice".

It is mainly your job and responsibility and part of your "Duty of Care" duties as a business manager, corporate leader, board member or professional consultant, etc., to ensure that that an effective executive leadership framework with its constituent components and controls is implemented fully by your people to satisfy your company's needs and requirements.

To ensure it is done, you need to implement a set of executive leadership hard controls by defining “*what needs to be done*” and “*how to do it*”. To make certain it is done very well, you must involve and engage your people and explain well “*why to do it*” by giving them the **rationale**, the **motivation** and the **inspiration** for doing what needs to be done.

‘What’ and ‘how’ engage the minds of your people. But it’s the ‘why’ that captures their hearts.

What effective leadership hard controls need to be implemented and ways to achieve this task very well are further detailed in the next paragraphs.

3.2 EXECUTIVE LEADERSHIP HARD CONTROLS

Executive Leadership, in the current 21st century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Strategic Management Controls
2. Corporate policies
3. Departmental Terms of Reference
4. Corporate Policies and Procedures Manual, etc.

To create all your corporate policies and procedures you may use the “Crafting Policies and Procedures Management Plan” included in Part 4 of this book.

A full list of leadership hard controls is included in Chapter 2 (Hard and Soft Controls) of Part 3 of this book. For detail examples of leadership hard controls, see Parts 4, 5 and 6.

All these controls will be crafted, established, designed, developed and implemented in this step 1, monitored in step 4 (improve business operations), evaluated and improved in step 7 (improve governance, policies and procedures).

3.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON EXECUTIVE LEADERSHIP HARD CONTROLS

Executive Leadership hard controls (e.g., policies, controls, etc.), such as Business Strategic Plan, Development and implementation of corporate policies, etc., specify and define “*what needs to be done*” by enterprise managers to achieve good and effective leadership for their business organization.

Executive Leadership action plans, assessments and procedural practices (also defined as hard controls, as per Chapter 2: Hard and Soft Controls of Part 3) define and direct corporate people (managers, partners, employees, etc.) *“how to do it”*, i.e., how to implement the defined leadership hard controls.

But people, as my consulting practice and various sociological and business studies, have shown, also need to know *“why to do it”*.

The adoption in your mindset and use of the proposed ancient Greek principles and the employment of soft controls (as per Chapter 2: Hard and Soft Controls of Part 3) with their actions, support *“the how to do it”* as they provide the *“why to do it”*, meaning the **rationale**, the **motivation** and the **inspiration** for doing what needs to be done, i.e., the better implementation of **executive leadership** hard controls.

‘What’ and ‘how’ engage people’s minds. But it’s the ‘why’ that captures their hearts.

3.4 STRATEGIES FOR IMPLEMENTING LEADERSHIP HARD CONTROLS

When you design, develop and implement these leadership hard controls and monitor and review their use and results for your specific business environment, it is best practice for you to consider using the following strategic guidelines:

Strategic Guideline 1: Learn ways to lead your business

Learning ways to lead a company, in general, may be achieved by:

1. Participating in specific professional training programs (coaching, mentoring, NLP, etc.) and taking seminars on corporate leadership and related issues, concepts, ideas, trends and skills (e.g.: knowledge economy, financing, logistics, internal controls, Internet of Things, Cybersecurity, Data Protection, foreign languages, etc.);
2. On-the-job training.
3. In addition to above, leading your specific business also entails your in-depth knowledge of your company’s operations, functions, data, assets, people, and industry, as per the DRAPES model (detailed in Prologue), and understanding how leadership aspects may impact them.

Strategic Guideline 2: Prepare your mind and people for leadership

To prepare your mind for leading your company and your people for leading them I recommend that:

1. You review and communicate your Duty of Care vision and mission (detailed in Prologue) to all your employees so that you are all communicating and operating on the same level of awareness; and
2. You find ways, practices and techniques for implementing leadership controls that make you employ fully all aspects of the B⁴ workplace wellness model (detailed in Prologue) by:
 - 2.1. Believing in leading better;
 - 2.2. Bonding with your people on leadership issues;
 - 2.3. Belonging to the group that leads your company and its people with passion and positive attitude; and
 - 2.4. Benefiting all by enabling leadership controls to produce better products and deliver higher-quality services to your customers.

be > your degree

Bring your talent and passion to a global organization at the forefront of business, technology and innovation. Discover how great you can be. Visit accenture.com/bookboon

Be greater than.
consulting | technology | outsourcing

accenture
High performance. Delivered.

© 2013 Accenture. All rights reserved.

Strategic Guideline 3: Drive yourself as a leader with Ancient Greek Wisdom Principles

To drive yourself as a corporate leader into further action, I recommend that you:

1. Review fully and comprehend my proposed ancient Greek wisdom principles (Chapter 1 of Part 3 of this book);
2. Adopt and use my proposed management code of ethics based on these principles (Control yourself and be modest, Believe in your causes and people, etc., as per Prologue); and
3. Comprehend how they may impact your professional and personal conduct related to *leadership*.

A full and unbiased understanding of these principles and adoption of the management code of ethics can bring wider insights into the cause-and-effect sequences of implementing leadership hard controls for enterprises. Consequently, you, as a leader, can become more equipped to make wise choices and avoid implementation failures as regards the above-mentioned leadership hard controls.

Strategic Guideline 4: Inspire yourself by justice

Inspire yourself, as a leader, by the principle of justice when you establish the leadership framework of your company.

This is because **Justice** in every-day personal life and business operations has to do with the application of the law and rules (to both society and company), wealth, application of justice, public office, governance, political system of governing and protection of homeland, family and business.

Consider all these aspects and manifestations in taking your executive leadership decisions, especially when dealing with your people, who will have to do the detail work, and your partners, whom you and your people interact and deal with in your company's daily activities.

Strategic Guideline 5: Fortify your soul with justice-related wise wisdom

In addition to the above guidelines, remember when you design your company's leadership framework and implementing its hard controls to fortify your soul by understanding and incorporating, into your mind-set and world-view, the following ancient Greek wise guidance (sayings, short story) related to the use of the principle of *justice*:

Saying 1: ‘Laws govern and should be above all other rules’ by Aristotle; and

Short story: The meaning of **Aesop’s fable** “The Philosopher, the Ants, and Mercury” *that every man should not only judge others but practice justice himself*, as detailed next:

“A Philosopher witnessed from the shore the shipwreck of a vessel, of which the crew and passengers were all drowned. He inveighed against the injustice of Providence, which would for the sake of one criminal perchance sailing in the ship allow so many innocent persons to perish. As he was indulging in these reflections, he found himself surrounded by a whole army of Ants, near whose nest he was standing. One of them climbed up and stung him, and he immediately trampled them all to death with his foot. Mercury presented himself, and striking the Philosopher with his wand, said: “And are you indeed to make yourself a judge of the dealings of Providence, who has yourself in a similar manner treated these poor Ants?”

Strategic Guideline 6: Plan your leadership implementation actions

Utilizing all of the above (learning ways, preparing your mind, seven principles, the principle of *justice*, sayings and short story) will support you and show you how, as an executive leader:

1. To plan better for the implementation of the *leadership* hard controls;
2. To be a good role model for your people so that you may influence a person’s life in a positive light;
3. To react positively to the errors and faults made by your people (employees, customers, partners, etc.);
4. To reduce the occupational stress and improve the wellness of your corporate managers and employees; and
5. To improve your company’s productivity and effectiveness, in the process.

Strategic Guideline 7: Complete your leadership plan with soft controls

Your leadership plan should be finally completed by the full use of specific soft controls and their corresponding improvement actions, described next.

3.5 APPLYING JUSTICE-RELATED SOFT CONTROL IMPROVEMENT ACTIONS (IA)

As a manager or board member, consider as part of your “Duty of Care” responsibilities, in implementing the above-mentioned **leadership** hard controls of this step, to improve your leadership skills, by executing the following improvement actions.

1. Leadership Improvement Actions

- IA (1):** Have a vision, a mission and values,
- IA (2):** Be organized to the fullest,
- IA (3):** Plan, supervise, and execute efficiently and effectively,
- IA (4):** Delegate by assigning ownership of the work you give to employees, and always act with responsibility,
- IA (5):** Be passionate and enthusiastic and get your employees involved in the decision making process,
- IA (6):** Train and coach them as required to get the job done well,
- IA (7):** Handle emotional issues with calmness and fairness,
- IA (8):** Know your organization extremely well,
- IA (9):** Provide a positive and moral example to others, and
- IA (10):** Motivate people and keep clear channels of communication.

2. Understanding of the organization by the board/Top management Improvement Actions

- IA (1):** Select and appoint board members/Top managers on the basis of education, professional background and practical experience,
- IA (2):** Ensure that board members/Top managers attend critical business operations for a specific period, and
- IA (3):** Provide board members/Top managers with specialized training courses on very specific issues and areas where the given organization is active.

3. Employee Morale Improvement Actions

- IA (1):** Provide opportunities for employees to make decisions about and influence their own work,
- IA (2):** Provide timely, accurate and proactive responses to their questions and concerns,
- IA (3):** Treat them as responsible adults with fairness and consistency,
- IA (4):** Develop and publicize corporate policies and procedures while ensuring that they work effectively,
- IA (5):** Communicate positively, effectively and constantly with all employees on all issues (e.g., performance, work details, etc.),
- IA (6):** Afford all staff the opportunity to grow and develop, and
- IA (7):** Provide appropriate leadership and a framework of strategy, vision, mission, values and goals.

All of these, ancient Greek principles, sayings and short story, and specific soft controls with their improvement actions, when used appropriately, will inspire, drive, engage and motivate both you and your people to work to their best so that your enterprise gets as a result the more efficient and effective implementation of the above-listed *executive leadership* hard controls.

3.6 ALIGNING THE IMPLEMENTATION OF LEADERSHIP HARD CONTROLS WITH “DUTY OF CARE”

In addition to all above, you must also ensure that the defined *executive leadership hard controls* which have been implemented with the enabling aspects of soft controls and ancient Greek principles and sayings, contribute to, and materialize better the manager’s “Duty of Care” responsibilities, in terms of:

- 1) Managing, protecting, recovering and improving your company’s capabilities, processes and systems to make or distribute goods and provide best services to your customers;
- 2) Considering the best execution of your “Duty of Care” responsibilities towards your company’s Data, Risks, Assets, People, Environment and Standards, as described in the DRAPES model; and
- 3) The B⁴ workplace wellness model (of four dimensions: Believing; Bonding; Belonging; and Benefiting) in Prologue.

This alignment can be assessed by **developing, implementing and monitoring** “Duty of Care” **Leadership** performance measures and compliance indicators as presented in Part 6 of this book.

3.7 CONCLUSION

All of these, i.e., the seven ancient Greek principles and more specifically the principle of *Justice*, sayings and short story, as well as the specific soft controls with their improvement actions, when used appropriately:

1. Will make it easier for your to exercise fully your “Duty of Care” responsibilities, as a manager or board member and
2. Will inspire, drive, engage and motivate both you and your people to work to their best so that your enterprise gets as a result the more efficient and effective implementation of the above-listed *Executive Leadership* hard controls.

Using the beneficial effects of the principle of *Justice* in all your leadership actions improves your social health by enabling you to relate to others better and be fair to all dealings you're your employees, customers and partners.

It is bound to help you take the **third step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the third "HARMONY" Milestone (R: Resolve conflicts among different perspectives and view-points).

Employing all aspects of *Justice* impacts your perspective, reasoning, ethics, behaviour and the way you think and carry out your daily business activities, managing and directing your people, interacting with customers, partners and authorities, etc.

Justice improves your procedural justice aspects and affects how management decisions are made by you, other managers as well as board members of your company, and how policies and procedures are established. When a situation cannot be resolved between the parties, and a leader or manager is required to make a ruling, procedural justice suggests that decisions be neutral, based on fact, and appropriate for the actions.

Justice provides you also with the moral ground and inner strength for doing and thinking the way you do. It also improves further your *social health* and gives your people an example to follow in their implementation of your *justice* controls. When your employees believe problems will be resolved fairly and honestly, they will have more confidence in the management decision process.

3.8 OUTCOME OF THIS STEP

The results of implementing the above-mentioned leadership hard controls are:

1. To increase your executive skills which facilitate all business management controls to take effect for your company or organization
2. To ensure that you execute the third "Duty of Care" responsibilities to the fullest extent of your capabilities
3. To inspire all your people (board members, management, staff, associates, partners, etc.) in supporting you in your "Duty of Care" tasks and responsibilities while benefiting all actors in the process (company, employees, community, society, etc.)
4. To help you reach your third HARMONY milestone (R: Resolve conflicts among different perspectives and view-points).

3.9 MANAGEMENT TIP

Let *Justice* be your third source of power and spiritual energy in implementing your company's above-mentioned **leadership** hard controls more effectively and also support you to become a more-results oriented manager or board member for the good of your company and its people.

Justice will inspire your soul to enable you to execute more effectively and efficiently your **leadership** "Duty of Care" responsibilities towards your company, as per the DRAPES model and the B⁴ workplace wellness model, in terms of:

- a) Managing,
- b) Protecting,
- c) Recovering,
- d) Improving.

The aspects of your company's capabilities, processes and systems to make or distribute goods and provide best services to customers, considering the best use of the company's: Data; Risks; Assets; People; Environment and Standards.

DISCLAIMER

The material, concepts, ideas, plans, policies, procedures, forms, methods, tools, etc. presented, described and analyzed in all chapters and appendices, are for educational and training purposes only. These may be used only, possibly, as an indicative base set, and should be customized by each organization, after careful and considerable thought as to the needs and requirements of each organization, taking into effect the implications and aspects of the legal, national, religious, philosophical, cultural and social environments, and expectations, within which each organization operates and exists.

Every possible effort has been made to ensure that the information contained in this book is accurate at the time of going to press, and the publishers and the author cannot accept responsibility for any errors or omissions, however caused. No responsibility for loss or damage occasioned to any person acting, or refraining from action, as a result of the material in this publication can be accepted by the publisher or the author.

ENDNOTES

1. “Mental Health Policies and Programmes in the Workplace”, 2005, *World Health Organisation*, p. 18, www.who.int
2. Royal College of Psychiatrists (2008), *Mental Health and Work*, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/212266/hwwb-mental-health-and-work.pdf
3. For example, MIND (2011) 3. Mind (2011) Taking Care of Business: Employers’ Guide to Mentally Healthy Workplaces (http://www.mind.org.uk/media/43719/EMPLOYERS_guide.pdf) has produced and employers’ guide to mentally healthy workplaces, in which it says that work-related mental ill health costs the UK economy up to £26 billion pa., and recommends simple measures that can save up to 30% of the cost. 4. Addley, E, (2014) Mental Health in the Workplace: “You’ve got to be blind not to take this seriously” The Guardian, September 10th, 2014 <http://www.theguardian.com/society/2014/sep/10/mental-health-workplace-employers>
4. Goods are items that are tangible, such as books, pens, salt, shoes, hats and folders and services are activities provided by other people, such as doctors, lawn care workers, dentists, barbers, waiters, online servers, etc. For more details, see:
 - 1) Hendrickson, C.T.; Lave, L.B.; Matthews, H.S. (2010). *Environmental Life Cycle Assessment of Goods and Services: An Input-Output Approach*. Taylor & Francis.
 - 2) Murley, L.; Wilson, A. (2011). *The Distribution of Goods and Services*. Dollars and sense: a guide to financial literacy. Rosen Central; and
 - 3) <http://businessroundtable.org/resources/corporations-101-the-role-of-corporations-and-corporate-governance>
5. For more details, see:
 - 1) <http://deloitte.wsj.com/riskandcompliance/2013/05/24/the-role-and-benefits-of-a-corporate-governance-framework/>
 - 2) http://www.accaglobal.com/content/dam/acca/global/PDF-students/2012s/sa_oct12-f1fab_governance.pdf
 - 3) https://en.wikipedia.org/wiki/Corporate_governance
 - 4) <https://www.frc.org.uk/Our-Work/Publications/Corporate-Governance/UK-Corporate-Governance-Code-September-2012.aspx>
6. For more details, see:
 - 1) <http://www.hse.gov.uk/legislation/>
 - 2) <http://www.healthyworkinglives.com/advice/Legislation-and-policy/Workplace-Health-and-Safety/health-safety-legislation>
 - 3) <https://osha.europa.eu/en/safety-and-health-legislation>
 - 4) <https://osha.europa.eu/en/safety-and-health-legislation/european-directives>
 - 5) <https://www.worksafe.qld.gov.au/laws-and-compliance/workplace-health-and-safety-laws/laws-and-legislation>
 - 6) <https://www.ccohs.ca/oshanswers/legisl/intro.html>
 - 7) <https://www.epa.gov/laws-regulations/summary-occupational-safety-and-health-act>

7. For more details, see:

- 1) <http://smallbusiness.chron.com/managers-responsibilities-stakeholders-37999.html>
- 2) <http://www.universalteacherpublications.com/mba/notes/ms01/c2/professional-manager-responsibilities.htm>
- 3) <http://www.studylecturenotes.com/management-sciences/economics/345-business-obligations-to-shareholders-employees-consumers-a-society>
- 4) <http://www.investopedia.com/ask/answers/05/shareholderinterest.asp>
- 5) http://ec.europa.eu/justice/civil/company-law/index_en.htm
- 6) <https://www.frc.org.uk/Our-Work/Codes-Standards/Corporate-governance/UK-Corporate-Governance-Code.aspx>

8. For more details, see:

- 1) http://eur-lex.europa.eu/summary/chapter/environment.html?root_default=SUM_1_CODED%3D20
- 2) <https://www.epa.gov/laws-regulations>
- 3) http://ec.europa.eu/justice/civil/company-law/index_en.htm
- 4) <http://www.universalteacherpublications.com/mba/notes/ms01/c2/professional-manager-responsibilities.htm>
- 5) <http://www.studylecturenotes.com/management-sciences/economics/345-business-obligations-to-shareholders-employees-consumers-a-society>