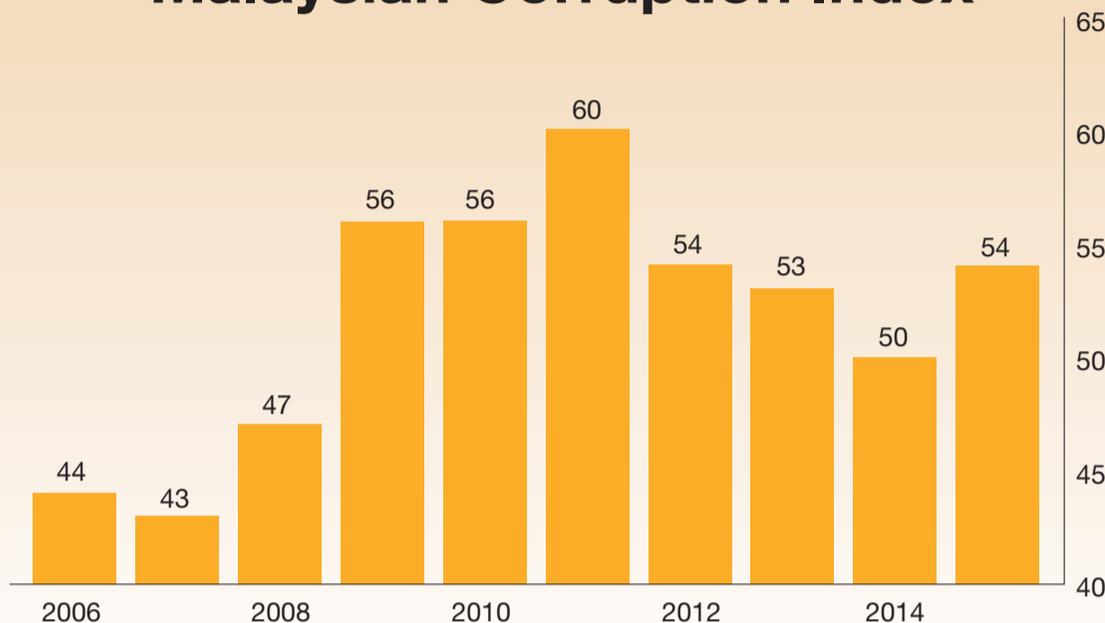


# Accountability above all, say bosses

## Malaysian Corruption Index



Source: Transparency International

► quickly as possible when chasing results. There have been many deals we've walked away from, and others we've reported," he added.

**Datuk Azman Ismail, Outgoing Managing Director, Shell Malaysia Trading Sdn Bhd**

One key element at Shell is the accountability of its CEOs. According to Azman, it is part and parcel of the CEO's roles and responsibilities to ensure the business is performed with the highest level of integrity. The roles of top management, he said, whether in Malaysia or globally, is to support the respective business players to ensure that integrity is applied.

At Shell, a General Business Practice document is subscribed to by all employees. Covering aspects such as business integrity, political activities, the environment and how the organisation engages with local communities, the document sets a guideline for everyone within the organisation regarding ethical business practices.

"We live up to an uncompromising standard of integrity. Our continued survival in this business is dependent on the trust our shareholders have in us. We have clear positions articulated and support to staff is provided so they fully understand them. We reinforce this integrity as part of the discussions at our regular leadership meetings," said Azman.

**Alex Yeow, Executive Director, Malaysian Mosaic Sdn Bhd**

Malaysian Mosaic has been making tiles since 1964 and is known for the quality of its tiles, implying its sustainability as a business. Exporting to 80 countries around the world, the company aims to be fully accountable to its stakeholders, shareholders, customers, business partners, community, employees and their families.

**There have been many deals we've walked away from, and others we've reported."**

— **Lim Chee Yong, executive director, Thumbprints UTD Sdn Bhd**

The company believes in going one step further for its customers. It believes not just in honesty, but in sincerity.

"When we sell products to our customers, we want to be clear with our customers about the product before they purchase. But to be sincere, we aim to alert our customers about things that they may not be aware of before they conduct a business transaction with us. For example, any hidden costs they need to be aware of or if products are not suitable for their needs.

**Alois Hofbauer, Managing Director, Nestlé (Malaysia) Berhad**

One of the most established leaders in the nutrition industry, Nestlé now has more than 350,000 employees worldwide.

Commenting on how Nestlé has sustained itself as a leader for so many years, Hofbauer says the organisation tries to instil value and purpose into its business practices. The word "respect" sums it up, he said. He boils it down to respect for their employees, their customers and the environment.

"Whenever you join an organisation, the tone has to be set from the top. If you have a compliance issue, and you as the leadership do not take action, people will not buy into any sort of slogan or compliance initiative.

"Today's consumers really want you to be transparent. From your value chain, where you get your

goods from, how you process it etc.," he explained.

"Think of compliance not as a burden but as a differentiator to add value to your company. Today if consumers perceive you as a transparent company doing good business practices, I believe that there's an opportunity to charge a premium over another company which isn't as transparent. People are willing to pay more to companies who are not only doing well business-wise but are also doing good for society."

**Albern Murty, CEO, Digi.com Berhad**

Digi Group, which is under global company Telenor Group, has a local presence in Malaysia under the brand of Digi but also lives by international standards practiced by Telenor.

"We operate in ASEAN and so we have challenges with transparent and sustainable business. For us, it's important that we assure the responsibility level across our entire value chain. It's part of our culture that we openly talk about issues at hand during every management meeting or quarterly review. We go through with the painful discussions like this. It's not a hidden agenda when something goes wrong; we don't hide it. Instead, we publicise it internally in the organisation so that we don't repeat the same mistake."

"We have zero tolerance for non-

## Corruption Arrests, September 2016

Sector	No	Percentage
<b>Public official</b>	62	64.58%
Top management	1	
Professional and management	18	
Support staff	43	
<b>Civilian</b>	34	35.42%
Private sector	13	
General public	21	
Local councillor	0	
Politician	0	
<b>Total</b>	96	100%

Source: Malaysian Anti-Corruption Commission (MACC)



Recent events have resulted in a groundswell of public opinion against corrupt practices, whether in the private or public sectors

compliance, meaning that if a supplier fixes fibre on the ground or a tower and doesn't follow certain guidelines, we terminate the supplier even at the risk of losing business.

**Pravind Menon, Lead Country Singapore Compliance Officer, Siemens**

In 2007, Siemens was riddled with a bribery scandal which resulted in almost its entire board of directors being replaced. Since then, the 160 year old company has worked to establish more stringent compliance mechanisms within the organisation.

"Did we have a guideline behind the business at the time of the scandal? To my knowledge, yes we did. We had rules and a business conduct guideline. However, people within the organisation were what failed us in terms of compliance," said Menon.

Since then, the company has identified and worked to address a gap between top management

and employees. It's now the responsibility of the manager of each division to "walk the talk" and present a 5 minute "Integrity Dialogue" to their respective departments weekly.

"What we needed to do was add middle management involvement in demonstrating the same degree of responsibility as the management at the top. That way the integrity and compliance culture trickles right down to the employees."

The seminar, attended by executives from SMEs and large firms, was organised jointly by the Federation of Malaysian Manufacturers, Malaysia International Chamber of Commerce, and the ASEAN CSR Network.

The event "Responsible Business: Business Integrity Key to Sustainability", held at Royale Chulan Damansara, aimed to bring to light the importance of ethical and compliant business practice in creating sustainable organisations. **MSME**