International Ethics Standards (IES) Update

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SUMMARY

This paper outlines an update on the work on ethics that has been undertaken in the last year by the FIG Commission 1 Work Group on ethics, and the increasing interest in this subject from varying organisations, stakeholders and governments inc the UN and World Bank.

The IES were published in Dec 2016, and all 130+ members of the Coalition (inc a large number of FIG member associations) are committed to adopting IES into their own organisations.

The challenges the surveying profession faces in coming to terms with the varying global definitions of what is ethical, how the various member associations will be challenged to implement IES, and what material could support this will be discussed in a workshop in Amsterdam.

An outline of how the existing FIG Ethical code could be adapted to incorporate IES, in accordance with Council directions, will also be included in the workshop.

BACKGROUND

FIG and it's member associations, will know that Commission 1 have been championing ethics for nearly 5 years now. The Congress and Working Weeks' delegates interest in ethics has steadily grown, and we anticipate Amsterdam will be strongly supported with an intended workshop on this subject.

Ethics is the social glue that holds business relationships together. In many respects, this encompasses trust and respect. The Work Group have been discussing these component parts of ethics, and in the Appendix is reproduced an article on the subject of 'trust'.

These principles of ethics cut across surveying in all it's many and varied sectors as a discipline.

This paper looks at the issues of 'trust' as one of the 10 key principles of the International Ethics Standards, which are reproduced here as a reminder for ease of access;

1.Accountability: Practitioners shall take full responsibility for the services they provide; shall recognise and respect client, third party and stakeholder rights and interests; and shall give due attention to social and environmental considerations throughout.

2.Confidentiality: Practitioners shall not disclose any confidential or proprietary information without prior permission, unless such disclosure is required by applicable laws or regulations.

3.Conflict of Interest: Practitioners shall make any and all appropriate disclosures in a timely manner before and during the performance of a service. If, after disclosure, a conflict cannot be removed or mitigated, the practitioner shall withdraw from the matter unless the parties affected mutually agree that the practitioner should properly continue.

4.Financial Responsibility: Practitioners shall be truthful, transparent and trustworthy in all their financial dealings.

5.Integrity: Practitioners shall act with honesty and fairness and shall base their professional advice on relevant, valid and objective evidence.

6.Lawfulness: Practitioners shall observe the legal requirements applicable to their discipline for the jurisdictions in which they practice, together with any applicable international laws.

7.Reflection: Practitioners shall regularly reflect on the standards for their discipline, and shall continually evaluate the services they provide to ensure that their practice is consistent with evolving ethical principles and professional standards.

8.Standard of Service: Practitioners shall only provide services for which they are competent and qualified; shall ensure that any employees or associates assisting in the provision of services have the necessary competence to do so; and shall provide reliable professional leadership for their colleagues or teams.

9.Transparency: Practitioners shall be open and accessible; shall not mislead or attempt to mislead; shall not misinform or withhold information as regards products or terms of service; and shall present relevant documentary or other material in plain and intelligible language.

*10.**Trust: Practitioners shall uphold their responsibility to promote the reputation of their profession and shall recognise that their practice and conduct bears upon the maintenance of public trust and confidence in the IESC professional organisations and the professions they represent.***

Reference: https://ies-coalition.org/

DISCUSSION

So taking ‘trust’, how do surveying practitioners trust one another; trust other firms; trust data; trust their clients; trust their employer; trust the public. There are many examples of where ‘trust’ is important in surveying in all it’s many differing sectors.

How do surveyors promote the reputation of their profession by promoting trust ?
How do surveyors promote the professional organisations (member associations) they represent ?

If an organisation can not be trusted, who will want to work for it; who will want to do business with it.
If an individual can not be trusted, who will want to employ him or her. Who will want to have that individual on a surveying assignment ?

Trust can be built, but it can take time. Rarely as human beings do we meet someone for the first time and instantly trust them. Research shows that human beings are naturally reluctant to instantly trust what they see or hear on first sight. When we see an advert on tv, do we instantly trust what we are told ? probably not. We rely on peer reviews, informed thinking by others, our own research, before we begin to trust.

Consider this example – a new client approaches Firm A to undertake a surveying assignment. The Firm appoint employee X to undertake this work for the client. How long do you think it will be for that client to trust Firm A and it’s employee ? This could take several assignments. Trust might take years to achieve, but can be easily destroyed.

Consider this example – a member of the public approaches X to undertake a surveying assignment. The case is difficult, X does not do a great job. Trust in X is not built, not because of any case of fraud, but simply that there is no trust in competence.

Consider this example – Firm A commissions surveying data from Firm B for a considerable amount of money. The data is not accurate, and some if it has been mined from other firms. Firm A does not trust the source of the data or it’s reliability. Firm A decides it will never employ Firm B again and forms a poor impression of all surveying firms.

So there are may areas that will affect trust;

i. Competence
ii. Financial
iii. Relationships
iv. Body language
v. Speed
vi. Efficiency

vii. Communication skills

viii. Respect.

Trust can be destroyed in an instance. A long standing client of many years can have trust in a Firm or an individual destroyed very quickly because of some issue that arises.

i. Competence

The competence of the surveyor or the surveying firm is critical to success. If there is any doubt in this, trust to carry out an assignment will quickly be eroded. Often we see clients demand a particular individual, one they can trust, on repeat assignments.

ii. Financial

The financial ability of the surveyor or the surveying firm to handle an assignment is critical to success. Handling client money, is an area which has been tightened up in in many member associations, with Anti Money Laundering legislation and guidance in many countries. The assignment may involve a contract of many millions. If financial errors occur, trust is eroded.

iii. Relationships

Good relationship building is essential to trust. Poor relationships will often foster a poor level of trust.

iv. Body language

Often overlooked, body language can be an indicator for trust. Not looking someone directly in the eye, looking down, etc can indicate to someone that there are possibly mistruths being spoken, and trust will quickly evaporate.

v. Speed or pace

The speed or pace at which an assignment is carried out can engender trust. A surveyor who carries out an assignment, estimated to last one week, in one day will be mistrusted – how did the work get done so quickly, were shortcuts taken. Conversely, taking too long many raise questions as to why it is taking so long – are there issues of competence.

vi. Efficiency

The efficiency of a surveyor will engender trust. An inefficient surveyor will cause frustration, and again competence will be questioned.

vii. Communication skills

Communication, communication, communication ! Good communication skills will often be rewarded with trust. Poor communication however can cause frustration, and competence to be questioned.

viii. Respect

Respect for oneself, for each other, for other firms we do business with, is essential in order to build trust.

All these aspects, and there are no doubt more which time precludes being discussed in this paper, affect trust – which in turn is a component part of ethics. A good understanding of these principle components to ethics overall is essential to success.

CONCLUSION

Commission 1 Work Group will continue to discuss the other component parts of the 10 principles of IES, and work towards publishing guidance in due course to assist individuals and firms.

APPENDIX

An abstract from "Research: How to Build Trust with Business Partners from Other Cultures", an article published by the Harvard Business Review relating to 'Trust' which is directly relevant to ethics, authored by Jeanne Brett professor emeritus at the Kellogg School of Management at Northwestern University. She is the author of *Negotiating Globally*. And Tyree Mitchell assistant professor in the School of Leadership & Human Resource Development at Louisiana State University.

Business partners who trust each other spend less time and energy protecting themselves from being exploited, and both sides achieve better economic outcomes in negotiations. But, how do managers decide whether to trust a potential partner outside of their business? And how does culture influence this decision-making process?

To answer these questions, we interviewed 82 managers from 33 different nations in four regions of the world identified by the World Bank as the engines of the global economy: East Asia, the Middle East and South Asia, North America and Europe, and Latin America. These managers were diverse in terms of gender and age, and they represented various industries and business functions.

We asked them, "How do people in your culture determine if a potential business partner is trustworthy?" Their answers revealed systematic cultural differences in how trustworthiness is judged that have implications for how managers should approach these partnerships. Our findings have been published in *The International Journal of Conflict Management.*

Although not everyone in a cultural region determines trustworthiness in the same way, the cultural similarities and differences we observed led us to several conclusions, building on the previous work of one of us (Jeanne). The variations we observed — in both the criteria that managers used to assess trustworthiness and the way they collected information to make that assessment — are associated with two cultural factors. The first factor is how much people in that culture are willing to trust strangers in everyday social interactions. The second is what's called cultural tightness-looseness, which is the extent to which social behavior is closely monitored in a particular culture and violations of social norms are sanctioned.

Here is an overview of what we found in each region. Further below we discuss what this means for managers looking to build business partnerships across cultures.

North American and European Cultures: Openness

Managers from Western cultures told us they generally assumed a potential new business partner would be trustworthy. For example, one respondent from the U.S. said, “We operate under the principle [that] everyone can be trusted until proven otherwise.” Another person from Italy said something similar: “We tend to believe that people are trustworthy.”

Nevertheless, managers in this region also tested those assumptions; “trust but verify,” as one U.S. respondent told us. They did so primarily by evaluating the potential partner’s behavior at the negotiation table: “See if [the] person is forthcoming; ask a question you know the answer to,” a U.S. manager advised. A respondent from Germany explained, “If you have someone who’s pretty open to you, who shares a lot of information, I think it feels like he’s trusting in you, so you trust in him. … If it’s only give, and there’s no take, or if there’s only a take from his side and no give, then it’s not a fair dialogue.”

Managers in Western culture do not rely on a social relationship to ensure trust — in fact, it’s just the opposite. “It doesn’t matter how nice the people are, or how much you like them. If they don’t have enough business, they don’t have enough business,” a respondent from the U.S. said. An Italian manager explained: “You have to separate the personal relationship from the work.”

East Asian Cultures: Competency

East Asian managers described what amounted to a three-stage process to determine trustworthiness. First, they seek information about a potential business partner’s reputation. “In order to trust, we have to know the [person] first,” said a Korean manager. A favored way to do this is to rely on a third-party introduction, which we call “brokerage.” A Japanese respondent explained it this way: “If Mr. B introduces Mr. C to Mr. A, then Mr. A would trust Mr. C, because Mr. A trusts Mr. B. And Mr. A knows that if Mr. C performs very badly, then Mr. B will be very embarrassed, and the relationship between Mr. A and Mr. B gets very weak.”

Reputation, East Asian managers explained, is hard to establish, so people and companies with good reputations are intent on maintaining them.

Meeting the potential partner to test their competency is stage two of the trust-building process. Since it is difficult to explicitly say no in these cultures, East Asian managers seek to determine whether the potential partner can deliver the business.

They explained:

"It's not like [I'm] testing [whether] I trust you, [I'm] testing if you can do it." — manager from China

"Chinese exaggerate so [you] have to check [them] out yourself. Focus on their capabilities." — manager from China

"Sometimes people [say they can do] things [that] they cannot do. It's a big mistake and you lose trust completely [in these people]." — manager from Japan

If the potential partner's competency checks out, East Asian managers move to the third stage, where they engage in more social, relationship-building activities. A manager from Japan explained that they tend to socialize after the business meeting, so as not to do anything to upset the burgeoning relationship. "[Having a] business dinner after successful or important meetings is fairly typical," they said.

Middle Eastern and South Asian Cultures: Respect

Respect is the primary criterion we found Middle Eastern and South Asian managers use to judge trustworthiness. Managers from these cultures explained that to expand their businesses they had to work with others who were not members of their immediate family, clan, or tribe. They understood that a potential business partner might not share their values, but they sought out people who at least respected their values. "Show[ing] that you respect their way of living can play a big role in smoothing the [beginning of the relationship]," as one manager from India told us.

Middle Eastern and South Asian managers said that they verify, before they trust. "It's not, I trust, [then] I verify; it's I verify first, then I trust," said a manager from Lebanon.

As in East Asia, managers from this region research their potential partner's reputation. One respondent from Palestine said, "I talk to other people in the community who might know this person, ask them about him [and] whether I should move forward or not." This process might include brokerage: "I try to always build [a] personal relationship with my clients. They don't always become friends, but … when they introduce me to potential clients, my potential clients trust me because there's someone in the middle [whom they] trust," said a manager from Turkey.

Negative information at this stage of the process is a signal to move on, but positive information then needs to be confirmed. "You should double-check or ask more than one person…" a manager from Kuwait cautioned.

The final judgment of trustworthiness in this region often comes after a series of social engagements that provide an opportunity to assess respect:

"People go [to] … dinners. … They have a couple [of] drinks. They talk about stuff, life and everything. So they try to get to know each other's character, and so … decide there whether to trust that person or not." — manager from Turkey

"We like hospitality, so you should show some generosity, so people feel that … you're willing to give." — manager from Saudi Arabia

Latin American Cultures: Similar Values

In Latin American cultures, the social relationship comes first, and the business after. Shared values are the primary criteria for judging trustworthiness:

"Find out if (they) have same values as you do." — manager from Brazil

"They trust me because they think that I am similar to them." — manager from Colombia

"If you perceive that there are values that are not shared … that is where you decide [whether] things can continue … or [whether you're] not really willing to have the next conversation." — manager from Bolivia

Latin American managers rely on the opinions of others as a first step in determining the trustworthiness of a potential new business partner. The primary focus of managers in this region was weeding out those with poor reputations. A manager from Mexico told us, "If you heard one guy wants to make an alliance with you, and three or four former shareholders say that he's very corrupt … I think that's very, very important, because … if he stole from other guys, he will [probably] do it to you."

Assessing shared values, however, required making a personal connection:

"Before negotiation, engage in social contact — no business talk." — manager from Nicaragua

“[Small talk] in Latin America is very important…and a good way that we’ve found to do it is by sharing a meal. We try not to talk business. We just get to meet each other … see if we have things in common. Most of the times, we do.” — manager from Mexico
“When you get them talking about their family, about something that they like talking about … even if you try … you cannot hide yourself … for the whole two hours. There will be like five minutes where you’re going to show your true colors, right? That’s what you want to see. … Are they open? Are they transparent? Or are they shady? Are they suspicious? [You want to see] their true self, the one that you’re going to be working with.” — manager from Chile

What Explains the Differences?
The differences we observed are connected to cultural levels of trust and how “tight” or “loose” the culture is. Again, those terms refer to the extent to which social behavior is monitored and violations of social norms carry consequences.

How Do You Assess Trust with Potential Business Partners?
In North America or Europe: Recognize that the test for trustworthiness is openness and consistency at the negotiation table. Be prepared to share business-relevant information regarding priorities and the reasons behind them, and it’s fair to expect the same in return. Accept that a cordial social relationship is a benefit but not necessary for trust between business partners.

In East Asia: Ask someone who has worked with you and the other party to make an introduction. Be prepared to demonstrate your competency to deliver your end of the new business relationship, by showing examples or providing prototypes. Join in post-negotiation social events to celebrate the new relationship.

In the Middle East or South Asia: Understand that respect reigns. Actively seek opportunities to signal respect for differences in cultural norms. Offering or reciprocating hospitality is a good start.

In Latin America: Participate fully in social activities. Be prepared to be open about yourself, your interests and hobbies, and your family situation. Learn about the partner’s business and community, including their family and values, so that you can move the conversation beyond small talk.

Keep in mind that cultural differences are a matter of emphasis. For example, our findings do not imply that respect, which we found to be key in the Middle East and South Asian cultures, is altogether unimportant in Western culture; just that it is *more* important in Middle Eastern and South Asian cultures. Likewise, our research does not imply that every manager in every country in a region is going to approach the challenge of determining whether you are a trustworthy potential business partner exactly as we described. That said, understanding what is normative in a culture can give you useful information as you endeavor to build trust with counterparts in different parts of the world.