The
Ethics and Insurance
Blog

How good are you
at ethical dilemmas?

...and is that good enough?

Insurance firms are increasingly being asked to
demonstrate that their key employees are people of
integrity. And any such assessment of integrity will
involve ethical dilemmas.

So how good are you at handling ethical dilemmas?
Use this quick guide to find out...

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….. How good are you at ethical dilemmas? .....

Many people at your firm will think of themselves as 'good people', but to be honest, that's not going to carry enough weigh when it comes to demonstrating that they have the necessary knowledge and skills to tackle ethical dilemmas with confidence.

That's why I've created a maturity matrix for the handling of ethical dilemmas. You can use this matrix to work out how good you and your key people are at ethical dilemmas. And from that, you can then pinpoint the training needed to fill in any gaps.

The matrix uses four levels of maturity in handling of ethical dilemmas: emerging, developing, maturing and robust. And it assesses that maturity at three stages of a typical ethical dilemma: recognising, reviewing and resolving.

You can use the matrix for assessing individuals or whole management teams, although you'll get more insight by repeating the exercise for each individual person. Read the descriptions for each stage and circle the one you think fits best. Only circle one of the four levels when you know there's evidence to justify it. When you've finished, turn to p3.

Stage 1 : Recognising Ethical Dilemmas

Emerging	Developing	Maturing	Robust
They rely on their personal values to recognise an ethical dilemma They are selective in what they choose to address, being guided by their personal interests.	They are starting to refer to their firm's values, although not often differentiating between ethical values and business values. They focus on their team's priorities and take an interest in the ethical issues facing their area of technical expertise.	They refer to their firm's ethical values, and take account of their professional values too. They focus on their firm's priorities, address dilemmas associated with their technical expertise and notice how their decisions affect other functions within their firm	They are able to integrate their personal, corporate and professional values. They are confident at addressing ethical dilemmas across their firm, as well as advocate on issues within their technical expertise. They're happy to help colleagues with their problems.

Stage 2 : Reviewing Ethical Dilemmas

Emerging	Developing	Maturing	Robust
They rely on their personal experience for weighing up ethical dilemmas They use a sense of right and wrong to weigh up an ethical dilemma and so tend to see it in black and white terms.	They describe the ethical dilemma in values terms, but struggle to deal with excuses such as 'everyone else is doing it' They are able to see ethical dilemmas through the eyes of others, such as work colleagues or their family	They use ethical values to frame the ethical dilemma and are not put off by excuses such as 'if I didn't do it, someone else would in my place'. They are looking for the best solution and use colleagues as critical friends to weigh up options.	They set out the ethical dilemma in clear ethical terms and have clear responses to excuses such as 'will anyone really be worse off?' They see the ethical dilemma in terms of both those influencing it and those influenced by it.

Stage 3 : Resolving Ethical Dilemmas

Emerging	Developing	Maturing	Robust
They tend to rely on technical or compliance rules to resolve the ethical dilemma. They strive to find the 'right answer' rather than a 'better answer'.	They are starting to vocalise their firm's values in how they resolve ethical dilemmas. They sometimes struggle to resolve a dilemma by looking for too perfect an outcome.	They use ethical values to express how the ethical dilemma is to be resolved. They are confident to recommend a next step in how to improve decision making around this ethical dilemma in the future.	They can map out the changes needed to reduce this dilemma within their firm's They are confident at using ethical values to resolve ethical dilemmas and at explaining their decision to others.

So, how did you rate yourself and your key people at the handling of ethical dilemmas? Was there consistency? At which stage did the strengths and weaknesses lie? I often find more strengths at the 'recognise' stage than the 'review' and 'resolve' stages.

For an overall assessment across all three stages, take the weakest of the levels across the three stages. It may sound tough, but to be honest, if you're weak at recognising an ethical dilemma, being good at reviewing or resolving them won't really count for much.

And the big question you need an answer for is of course: is this good enough?

Is This Good Enough?

The answer lies in the table below, in which the capacity for handing ethical dilemmas (emerging, developing, etc) is matched against the extent of the responsibilities.

Matching Capacity with Responsibility				
Senior Executive	Danger	Danger	OK, but must be improved	Acceptable
Director	Danger	OK, but must be improved	Acceptable	Great
Manager	Danger	OK, but must be improved	Acceptable	Great
Supervisor	OK, but must be improved	Acceptable	Great	Great
	Emerging	Developing	Maturing	Robust

What to do now

There are two clear steps to improving someone's capacity for dealing with ethical dilemmas.

Step 1 is to improve their knowledge and skills at ethical decision making: in other words, how to factor ethics into the decisions taken at work.

Step 2 is to give them lots of practice at resolving ethical dilemmas. That practice builds confidence, which in turn builds competence. It turns someone who 'thinks' about ethical dilemmas, into someone who 'does' ethical dilemmas – that's a crucial step.

The Ethics and Insurance Blog is a blog that provides insight, guidance and challenge on the ethical side of what goes on in insurance markets.

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Duncan Minty helps insurance firms achieve greater certainty on ethical issues. He's an ethics consultant, as well as a Chartered Insurance Practitioner. The two online ethics courses used by the Chartered Insurance Institute were both written by him.

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