Moral and Strategic: Re-establishing Corporate Legitimacy

7 August 2018
Hosted by The Banking and Finance Oath at The Ethics Centre
Academic research presented by Dr Rosemary Sainty

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INTRODUCTION

Background

The following discussion paper assesses key themes to emerge from The Banking and Finance Oath (The BFO) event, “Moral and Strategic: Re-establishing Corporate Legitimacy", held on the evening of August 7th, 2018 at The Ethics Centre, Sydney.

The occasion was conceived as deliberative exploration, set up under Chatham House guidelines, and involved senior signatories to The BFO Charter.

Collaboration with The BFO was integral to proceedings as The Oath creates a safe, independent and unique environment for signatories to promote the sustained evolution of ethical standards. Under the declaration “Trust Is the foundation of my profession”, those who take The Oath pledge:

*I will serve all interests in good faith
I will compete with honour
I will pursue my aims with ethical restraint
I will help create a sustainable future
I will help create a more just society
I will speak out against wrongdoing and support others who do the same
I Will accept responsibility for my actions
In these and all other matters my word is my bond.

Key themes arising from the evening’s deliberations have been clustered and presented in this paper. Focus on a ‘social license to operate’ and aspects of corporate culture - particularly in banking and finance - is intensifying as evidence accumulates that a decline in trust and reputation threatens the legitimacy of the sector. Simultaneously, as the Royal Commission into Misconduct in the Banking, Superannuation and Finance Sector continues, calls to address failings of corporate culture become louder. The need to rebuild reputational identity and restore public trust - centred on customers’ interests – is escalating.

How is this understood by senior business members / decision-makers, ultimately responsible for the governance of their corporations?

How can seemingly competing interests underpinning corporate culture be realistically managed and re-aligned?

How can these elements be communicated to the community in ways that effectively rehabilitate soured perceptions?

The magnitude of the challenge presented is equaled only by the scope of opportunity in addressing it.

The group advanced ideas to acknowledge and address damaged impressions of good faith, trust and integrity and to reverse negative attitudes facing the sector.

Matters involving empathy, transparency and accountability formed the core of the group’s deliberations and whilst there is no denying the primacy of these factors within the industry, restorative strategies must necessarily combine sincerity with pragmatic action.

The best pathway towards restoring community confidence, is demonstrating genuine engagement and a desire to do what needs to be done.

It is not only a question of what can be willingly done, but also of who will willingly do it?

> *Elizabeth Proust, AICD: “it’s time for an honest conversation about the challenges and opportunities we face as a society”*

EXECUTIVE SUMMARY

The normalisation of errant behaviour, the distance from - and prevailing lack of empathy towards - customers, coupled with the need for courageous remedial action were pivotal themes.

It seems people within the sector might be aware of the principal ethical concern “Is this right?” but allow some “elasticity” in actively engaging in what should be a fundamental necessity: constantly challenging the status quo. Moral courage was singled out as a powerful enabler of change and the best procedural tool to employ in overcoming manifestations of arrogance or self-reinforcing systems. What would such lax attitudes sound like to someone who didn’t work in the industry? The ‘front page’ or ‘sunlight’ test is the best exemplar of how an apparently complicated issue can be reduced to a personal response.

Discussions expressed notions of what “being ethical” means in this context and there was considerable deliberation over the causes of morally challenging situations.

Participants agreed such issues are seldom precipitated by strong intent to do wrong but by a lack of appropriate reflection or objective questioning. Such passive attitudes readily facilitate an imbalance and a tendency to diminish responsibilities to customers, the community and shareholders. Linked to such scenarios has been a certain level of privilege and elitism at board level.

A robust discourse ensued on the value of having a moral compass and some wider sense of empathy at a board level. This led to speculation as to what an empathetic board actually looks like. What is a board’s capacity to be truly empathetic given it generally comprises an exclusive group of selected individuals?

Further discussion in this ambit included practical company responses and accountability in cases where failure (to community) are discovered.

As one participant observed “It’s not the crime, it’s the cover up” citing the importance of clear disclosure/transparency to all stakeholders. The group reflected on well-publicised failures to ensure compliance with the fiduciary duties, and a lack of transparency around breaches of such duties.

The conclusion was that these shortcomings must be properly acknowledged to enable the rebuilding of trust – first within the community and, consequently, within the sector whereby restoration of corporate legitimacy is achieved.

RESEARCH PRESENTATION

The evening's dialogue began with an overview of important themes to emerge from three years of Australian research conducted by Dr Rosemary Sainty, an academic with the UTS Business School and the Founding Australian Representative of the UN's Global Compact.

The qualitative data from this international project emerged via a series of interviews and "director's conversations" exploring the assumptions, beliefs and practices of corporate boards and business leaders.

Among these forums were stakeholders in the banking and finance sector – individuals responsible for navigating a course through emerging social, environmental and governance issues and broadening stakeholder responsibilities.

This preliminary research illuminated significant tensions and compromises facing board members as they confront the frustrations and challenges of a sector in flux. Board members must balance competing interests, in particular from financial markets, government regulators but also from those involving employees, customers and, increasingly, the broader community.

Underpinning this landscape was an evolving awareness of the importance of maintaining corporate legitimacy.

Corporate legitimacy, in this context, is defined as "the social acceptance of business organisations and their activities."[1] Acceptance must be regarded as a vital resource by organisations given its origins lie within the privileges of limited liability which connect private rights with public duties.

Two key positions are required to sustain corporate legitimacy: economic pragmatism, and moral responsibility. As the research reveals, corporations need both strategies to function effectively in an increasingly contested operating environment. For example, authentic stakeholder consultation is enhanced when reinforced by strategic public relations processes.

The findings also cited the evolution of corporate governance practices necessary in considering the needs of multiple stakeholders - balanced against the responsibility to protect shareholder rights, with the aim being to rebuild trust while safeguarding corporate legitimacy. This research suggests maintaining such a balance is not easy – especially for large complex companies such as banks - and calls for careful reflection both on the purpose of individual corporations and the role of business in society.

The research points to a need for both a strategic and moral approach to maintain corporate legitimacy. This requires two elements: board-level stewardship, and inclusive stakeholder dialogue.

To reference the CBA APRA report: "*two critical voices became harder to hear simultaneously"* - the 'voice of risk', and the 'customer voice'.

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[1] Sainty, R. 2018, ' Boards in transition: Re-establishing corporate legitimacy', Company Director, vol. 70, no. 8, pp. 44-45. https://www.governanceinstitute.com.au/resources/governance-directions/issue-8/boards-in-transition-re-establishing-corporate-legitimacy/

Another set of voices, often critically missing, lies from within the sector, that of employees, managers, executives and board members.

In response on the evening, one participant challenged this assertion, saying: "The voice of the board and executives is not missing at all … it's more they are not necessarily talking about the right issues."

Notwithstanding the legitimacy of this viewpoint, discussions involving upper and lower levels of decision-making are a worthwhile step in creating a shared sense of corporate purpose and a step in the right direction.

When it comes to stewardship and dialogue, The BFO can play a unique and enabling role by providing a forum in which fierce competitors can come together to work collectively as an industry and learn from each other.

In this way we can "honour the dispute and explore the tensions".

***** (note Sun Herald article October 27 regarding competitive synergies in broadcast and publishing medias*****

KEY THEMES CLUSTERED

1. Normalising bad behaviour

A key discussion point of the evening was the normalisation of poor behaviours and practices across the industry, as brought to light during hearings of the Royal Commission into Misconduct in the Banking, Superannuation and Finance Sector (RC).

For the banking and finance community, questionable behaviours have become so entrenched the public's impression of the sector is powerfully influenced by negativity.

When individuals have found themselves in the RC interview box they suddenly see these behaviours through the eyes of the community. The belated enlightenment of hindsight which could have been avoided by foresight, comes into play.

The shift from internal to external vantage point prompts the searing cross-examination: "What would it look like to someone who wasn't in this company?" Such objective self-interrogation in turn prompts the deeper question: "Why do good people do bad things?

Poor behaviour becomes blurred by repetition and is rationalized as "'everyone else does it" – making it easier to gloss over the principal concern: "Is this right?" How would an industry outsider react to this lazy logic?

Would I be comfortable seeing these matters ventilated on the front page of tomorrow's newspaper?"

Added to this vexing scenario is a fear of first mover disadvantage – of losing market share.

"What we don't necessarily do right is the small stuff and cutting corners in the middle is the familiar management line" offered one participant.

In the many layers of substantial, complex organisations involving senior executives, lawyers and large numbers of employees, the authentic message of " I/We did it wrong" can be lost.

From a regulator's perspective, ratios and numbers are easier to govern but how do you govern people and their behavior in an ecosystem founded upon maintaining the status quo?

Regulation tends to focus on systems and process where compliance culture to a template is the outcome.

In terms of behavioural economics, lethargy takes over from rationalism which ultimately means failure filters down to individual people and personal behavior. Yet business operates within a social environment so there's an obligation to shift from an excessive emphasis on short-term shareholder value - which has led us in the wrong direction - and move towards closer relationships with all stakeholders. Derelict behaviour has been overly influenced by short-termism. We owe a duty of care to the company on behalf of the owners and to ourselves in differentiating between those with a long-term interest - not just temporary interest - in the company.

There needs to be a willingness to call out inappropriate behavior - to challenge the board or executives on why we are doing certain things. The fallout from failure to apply this level of scrutiny is loss of trust the impact of which can manifest as life and death scenarios for even the largest company (Arthur Andersen).

The inability to resist normalisation of poor practices and behaviours *can* be taught and enhanced both through stewardship and moral accountability.

There is a need for industry codes to cite clear examples of unethical scenarios and a need to develop greater professionalism – such as in medicine where the key precept is: “First, do no harm.”

In situations where Integrity confronts rationalisation and justification, integrity comes with a known up-front cost/benefit equation: “What do I stand for as an individual?’ Not merely “What can I gain from this?”

“Maybe I *can* do this but is it **right**?”

2. Customer and community impacts

From a board’s perspective, the ‘customer’ has become a disconnected, more abstract concept understood in terms of data bases instead of connection.
Loyal consumers are disadvantaged, and “customer ‘inertia’ is widely exploited. Cheaper deals are offered to new clients as existing ones are considered less likely to change. Such behaviour is justified in the context of market forces and profit maximization.

Speakers at the event ventured a growing public awareness that banks and their boards need to put a greater focus on recognising their obligation to community - not just shareholders - and to support a more focused monitoring system where examples of unintended customer harm (and effective remediation) occur.

There is a widely perceived failure among banks and their boards to accept they have a responsibility to the wider community not simply the shareholder base. Banks should accommodate the public view and regard the community as an ally rather than an adversary in wealth creation.

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The RC is a wake-up call reminding the industry its obligations need to be in line with its power.

Money affects lives and the imbalance between of customer and community power has impacted the most vulnerable customers some of whom are “priced out” given they are least able to pay.

Obviously, these imbalances extend beyond financial wellbeing.

Families have been torn apart by inflexible or ruthless practices leading to accusations that, in extreme cases, banking can be an industry that “kills people,” References were made to impacts on mental health when financial situations go badly awry prompting one observer to note the bleeding obvious yet salient truth: “But for them we wouldn’t have a business”.

It is therefore critical that the industry develops better listening skills.

There may be higher community expectations on the Financial Services sector than others but, by the same token, impacts can be more profound when things go wrong.

There needs to be authenticity in corporate responses to the community.
When failure is discovered accountability should be accepted.

“It’s not the crime it’s the cover-up” said one participant noting how reluctance to concede responsibility invariably exacerbates the original mistake.

Clear disclosure and transparency towards stakeholders should be an accepted norm.

Being responsible is frequently viewed as separate from the principal business imperatives, leading to compartmentalisation of interest and separate reporting.
It was noted that the corporate perspective tends to be framed by “what the corporation needs to do to make community feel good” (for its own benefit as much as for community perception), and rarely translates to company being inherently good to its stakeholders.

So how should the industry respond when called to account?
There are often unnecessary delays in addressing issues when they brought to light and the eventual response is not always framed with the customer’s interest in mind.

The community is saying ”we don’t agree with profit maximisation – and we feel the cost.” More frequent cases of exploitation of power, similar in essence to those exposed by the “#MeToo” movement, are coming to light as the community increasingly feels let down by industry.

The claim “We need to have a zero tolerance for failure”, implies people only change when there is zero tolerance.

Asset value can be easily counted on a ledger but intangible value seldom appears in accounts.

Recognition of intangible asset value has been increasing so that the worth of both brand and market share are aligned with a perception of emotional capital when reflecting upon a company’s worth.

Principal among risks to perceived goodwill within the banking sector is the closing of branches – particularly in rural areas – which signal a growing disconnect between a bank and its customer base.

The industry is now grappling with community expectation and being called to account. It requires courage to acknowledge failures and while it is likely community reaction might not be as bad as companies fear, the proper strategy is to adopt clarity and transparent processes when acknowledging failures.

The language employed in doing so also needs to change.

Empathic language should be used internally, within the organisation, and also during interactions with customers.

Empathy is the ability to understand the attitudes - and share the feelings - of others.

3. Taking action: the role of courage

A further ambit of this discussion suggested that "None of this would fly at Board level" implying that a degree of courage is required - moral courage to challenge the status quo.

This prompted the assertion that "It's not that directors *don't* have the courage to stand up for what they believe in, it's more that issues may not be presented and framed in ways that clearly identify potential conflict and hence provoke an appropriate debate."

Greater visibility and consideration of potential customer impacts is required.

For this to occur necessitates the sector emerging with a more forceful voice and saying "We acknowledge that we need to change".

So where *are* the leaders taking action?

It's not simply a matter of rigorously applying ethics.

Greater courage is needed at the top of organisations to acknowledge failings. Moral courage can be both a powerful enabler of change and an agent for overcoming entrenched manifestations of status quo.

There's a very clear need to be able to call out unethical behaviour and interrogate critically.

What does 'being ethical' mean?

What causes unethical situations to arise?

There was consensus that It is less often a case of strong intent to do wrong and more one of lacking appropriate reflection and diligent questioning.

Preoccupation with shareholder primacy tends to obscure the moral compass guiding business decisions.

"People don't consciously make an unethical decision but there may not always be a legal reason preventing staff from thinking: "we can't do it."
This is when it becomes mandatory for the individual to ask: "Is it right?'"
Moral and ethical behaviour carries with it a known upfront cost.

Inherently it involves a challenge to individuals whereby they are obliged to suspend or even sacrifice (in part) their own self-interest.

Such actions are a testament to what you stand for as an individual and every individual on every board requires courage to confront the status quo.

Doing so can often entail young directors challenging the supremacy of the Board's Chair.

How often do less experienced directors have the ability to voice a concern?

A panelist noted that board dynamics are key here - highlighting the need for a refreshing of cultures across boards, the primacy of the Chair's influence and the ability of fledgling directors to voice dissent.

Issues of power, comfort zones, resisting change – and the dominance of the Chair are pertinent.

The prevailing status quo of many boards creates wider latitude, complacency and a culture of comfort while maintaining control and creating resistance to change.
One speaker noted: "Most boards (I have been on) have some inherent element of status quo – and you need courage to challenge".

4. Distance and disconnect from customers – privilege vs empathy

Linked to the lively discourse on the nature of establishing an effective moral compass were discussion around what **empathy** looks like at a board level.
Can a board be truly empathetic if it is an exclusive group of selected individuals?

There has traditionally been a disconnect from customers, with one suggestion being advanced that boards generally have "no understanding of the pressures facing ordinary customers".

Boards need people with different life experiences so that when an instance involving injustice emerges, there can be an appreciation of the potential impact. Such an appreciation enables empathy to be factored into the solution.

If one has always lived a privileged life without having encountered injustice, it is harder to appreciate what it's like to struggle.

The group explored the prospect of businesses operating within a social ecosystem founded on elitism and privilege with one speaker suggesting: "We (the exclusive group of board directors) drive the same cars, live in the same suburbs..."
In a comfortable bubble of sweet content."

Such a privileged environment can easily become an echo-chamber where decision-making processes become normalised, where thinking is based on market practice and where legal imperatives and duty to the company and shareholders takes precedence.

These elements amount to a form of hubris and for some respondents this was seen as the cornerstone of inevitable structural compromise.

Given the social and economic distance of directors from the average community, can we truly appreciate their perspective?

"How do we ask these questions?

How do we promote empathy for those who do not have the money"?

One panelist suggested corporate structures in which the elite make decisions for the masses, are no longer relevant. Values have changed.

In clarifying this point it is worth noting the typical corporate structure emerged at a time in history when it was generally accepted that the elite were better equipped to make decisions for the masses.

However, the validity of this situation has diminished and there is a shift away from pervasive hierarchies even though corporate structures often seem to be accountable to no-one when ‘the shit hits the fan’.

Impenetrable language no longer dazzles punters or evokes a mystique of intellectual superiority.

Plain speaking is both equalizing and usually taken as a sign of honesty.

5. Corporate Governance

One of the comments arising from this topic was: “How the bloody hell did we get here?”

We, the business community, have lost the trust of the broader community.
And failed to see the elephant in the room.

Its name: Executive Remuneration.

Excessive salaries, the group agreed, have compounded perceived breaches of trust.

Part of the issue stems from the ASX ruling whereby executive remuneration is published in annual reports.

This is seen as unhelpful with many senior execs not called to account in justifying their remuneration or being allowed to hide behind the rationalisation of “market forces.”

Reflecting upon this aspect of the discussion, it is worth noting the ASX remuneration disclosure regime enables Boards to see what executives at comparable companies are paid.

When Boards know their own executives are significantly better performers than rivals with higher remuneration they tend, in the best possible faith, to raise their own executives’ remuneration to ensure parity across the industry.

There is an unintended consequence however – an overall, tail-chasing increase in remuneration that hasn’t served the corporate world well.

Recently it has been demonstrated how loss of trust in a specific brand can create life or death scenarios in the financial services industry. References were made to the recent past involving ‘The Big 5’ accounting firms (Arthur Andersen).

The trust of the community and ultimately corporate legitimacy has to be underpinned by scrupulous understanding of fiduciary duty in the sector.
Our markets are highly regulated so it follows that where there is a market failure there has also been a regulatory failure.

The common denominator is people and behaviour.

The average CEO holds his or her position for around five years.
So how do these tenures relate to long-term strategies?

Should boards take carriage of dealing with these concerns and should the relatively short-term CEO model come with more robust and legitimate models for continuity?

Another governance issue involves the dubious practice of “passing people around.” The revolving boardroom door works to the advantage of those who may be sub-standard or lacking the requisite moral compass.

Given the industry hasn’t yet found a way to grapple with this conundrum, regulation - a blunt instrument at best - has had to do the job.

“Where will the industry find itself if it can’t devise a collective solution to the issue?” Locked, perhaps, in a perpetual and unsustainable juggling act, trying to balance natural justice with the desire to avoid wrongful dismissal actions.

Additionally, it was noted, that it is often acceptable for employees who have been sacked for breaches to be generously compensated.

This form of golden handshake scapegoating is too widespread and unacceptable. Those who “leave under a cloud” with the company’s umbrella raised – only to move to another company and resume their career trajectory - sends a poor governance signal disguised as generosity and dubious loyalty.

Boards seem reluctant to enforce disciplinary action- instead relegating such odious “departures” to HR, or the CEO.

Such behavior is unlikely to be modified until remuneration policies are thoroughly overhauled.

The comparison between liability for poor advice in the medical field and that within the corporate sector was reiterated.

6. Short term vs long term purposes of shareholders

The behaviour of capital markets is prone to short-termism, but the observation was made that a company is more than just shareholders”.

It is important to distinguish between shareholders (‘renters of the stock’) and true owners (those with a long-term investment in the company’s future.)

These ‘owners’ are focused on creating value for the long-term and their interests tend to align more closely with those of the community.

Considering the needs of these long-term owners (not fund managers) and engineering a break from the remuneration echo-system is crucial.

Annual shareholder meetings offer opportunities for senior directors to come to an understanding of the desires and needs of the true owners. Directors need to be plugged into this community when setting their forward agenda.

7. Role of The Banking and Finance Oath (The BFO)

Being a signatory to the Oath and a member of The BFO community is a personal commitment, not just a signatory obligation. With that commitment, **The BFO provides an artefact that helps to create a good culture**. Codes of conduct and/or ethics are on the kitchen wall but the signatory insignia placed within the email sign-offs are visible in all of one's communications and visible to all stakeholders.

- Leadership must come from individuals.
  Signatories of The BFO should encourage conversations about ethical dilemmas.

- The RC can be seen as an opportunity to engage in dialogue likely to deliver a better way of conducting business.

- The BFO and its signatories can lobby and influence - There is a bigger job to do.

  - Myths about The BFO in the industry today must be forensically addressed to allay individual concerns that The Oath conflicts with any given organisation's code of ethics. It should be seen as complementary to - and reinforcing of - that organisation's business conduct.
  - Individuals concerned with personal accountability should view their concerns as a reason to take The Oath and therefore to accept personal accountability for what is right.
  - Individuals who tend to ask, 'What's in it for me?' could instead be persuaded to ask: "What can I do for the industry?"

The BFO supports and brings together a network of individuals who have taken The Oath. By accepting its tenets, signatories to The Oath have differentiated themselves. They are the ones standing up to say, 'We want to see positive change in our industry, and we want to be part of it.'

REFLECTIONS AND NEXT STEPS

Reflections

It can be confronting to face difficult issues. Often, we hear only what we want to hear.

These discussions provide a platform for senior signatories to explore some of the issues presently facing the sector.

Participants in the discussion were invited to offer their reflections as part of The BFO's feedback initiative in the preparation of this discussion paper.

Naturally there were widely differing interpretations of various discussion points, but there was an overwhelming consensus for the need of the industry to learn and evolve from mistakes being highlighted in the RC.

Some reflections following the discussion were:

"Thank you for the event and for sending through the paper. It was a thoroughly worthwhile discussion and yet I feel it is only the start of what is needed. There were many voices in the room, and I think there is still more to uncover in the area of conduct, ethics and rebuilding trust in the financial services sector."

"The document alone becomes important as it can be referred to by many when grappling with challenging issues. It reminds us of the key questions to ask in any situation: Is this right? Do I have empathy for those who will be impacted by this decision? Do I understand what the impact will be? Am I maximising profit at cost to someone or some group? Is that the outcome I want?”

These personal responsibilities involve moral courage which comes with certain risks for “career non-executives” if they choose to “insist" on pursuing an issue when the chairman wants to "move on”. They risk being characterised as “difficult” consequently limiting their potential prospects for future appointments.
It can take enormous moral courage to be “difficult."

“One key thing I noticed when talking to my friends about the banking industry and the effect the Royal Commission has had on their faith in the industry was that in every case, their opinion of the banking industry hasn’t actually been changed as a result of the RC.

“While they believe cases of bad behaviour being revealed by the Commission are deeply unethical, they aren’t surprised by it in the way I feel people within the banking industry have been surprised. This leads me to think that while the RC has been a necessary catharsis for the banking industry, it has not shocked the public in the way the media is portraying it because they didn’t trust bankers to begin with.
“As such, I believe the banking industry has much deeper problems in terms of its relationship with the community.

“It might be beneficial to re-frame the present dialogue around re-establishing corporate legitimacy and trust in a more long-term fashion that addresses the fact that this is not a new issue but rather one that has existed for decades and therefore it may take years before the effect of positive actions are felt and start to make a real difference.

“This, in turn, might help address the ‘short-termism’ that was mentioned in the paper as directors understand that this is not something that they can temporarily fix and then move on from but instead, is something that needs to be worked at continuously over time.

“In lots of cases, the unethical behaviour revealed in the RC can be traced back to poorly trained salespeople.

“What I mean by this is that a salesperson who is well-trained and confident in their ability to sell ethically - to people who are a good fit for the product they are selling - will not (A) take advantage of people in the way that (say), funeral insurers have taken advantage of Aboriginal customers and (B) will not feel the need to cut corners to meet ambitious sales targets in the way demonstrated by home loan officers who did not do their due diligence on a customer’s income before approving a loan.

“From my own personal experience working in a retail bank branch, I have found that there is very little emphasis placed on training salespeople in selling. Instead, managers rely on employees to develop these skills themselves over time through experience. If there were a more rigorous training program put in place for these frontline employees I believe it would then be easier for banks to disseminate an education in ethics to employees as it could be incorporated in a practical way with how they learn to sell from day one.”

Next steps

The BFO is committed to its vision of ‘A banking and finance industry that meets the community’s needs and has its full confidence.’

In response to Commissioner Hayne’s Interim Report, The BFO has made a submission advocating for all individuals within the financial services sector to consider taking the Oath as a way for them to commit to high ethical standards and demonstrate their integrity. The BFO is hopeful that over time, individuals who uphold the commitments of the Oath will set an expectation around ethical behavior in the workplace, contribute to a more transparent and accountable organisational culture, and in turn foster positive change in the banking and finance industry.

As the industry awaits the final report from Commissioner Hayne, The BFO will continue to raise awareness of the Oath and re-assert the ethical foundations of the industry in a way that goes beyond regulation and compliance, by highlighting the importance of ethics, integrity, honesty and trust in the behaviour of individual industry participants.