

# Operations Aspects of Duty of Care

Duty of Care – Part II

John Kyriazoglou

A man in a white shirt and blue tie is shown from the chest down, holding a glowing, spherical object in his hands. The background is a dark blue network diagram with glowing nodes and lines. The word "MANAGEMENT" is overlaid in large, bold, purple letters across the center of the image.

**MANAGEMENT**

JOHN KYRIAZOGLU

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# **OPERATIONS ASPECTS OF DUTY OF CARE**

DUTY OF CARE – PART II

Operations Aspects of Duty of Care: Duty of Care – Part II

1<sup>st</sup> edition

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# SUMMARY AND CONTENTS

**Summary:** This is the second part of the “Duty of Care” book.

It contains the last four chapters of the implementation approach of seven-steps which can be used by managers to care for, manage and protect better the company’s assets, systems, data, customers and employees. The contents of Part 2 are:

- Chapter 4: Improve Business Operations
- Chapter 5: Manage Human Aspects
- Chapter 6: Augment Trust and Confidence
- Chapter 7: Improve Internal Management Controls

The contents of the other parts of this book are:

## **Part 1: Governance Aspects of Duty of Care**

The first part contains a prologue and the first three chapters of the implementation approach of seven-steps which can be used by managers to care for, manage and protect better the company’s assets, systems, data, customers and employees.

## **Part 3: Principles and Methods of Duty of Care**

The third part describes the principles, controls and methods used to support management’s duty of care tasks.

## **Part 4: Plans of Duty of Care**

The fourth part presents several plans that may be used to support better the implementation of management’s duty of care tasks.

## **Part 5: Policies of Duty of Care**

The fifth part of this book presents several policies that may be used to support better the implementation of management’s duty of care tasks.

## **Part 6: HR Management Controls of Duty of Care**

The sixth part of this book describes a number of human resource management controls that may be used to support better the implementation of management’s duty of care tasks.

## 4 IMPROVE BUSINESS OPERATIONS

*“You should enjoy when they check you rather than when they flatter you”*

– Pythagoras

### 4.1 INTRODUCTION TO BUSINESS OPERATIONS

Business Operations has to do with everything that happens within a company to keep it running and earning money. The outcome of business operations is the harvesting of value from assets owned by a business. Business managers are mainly responsible to carry out these tasks.

Business Operations also entails getting managers to improve their self-management skills so that they do the best job possible.

In this regard, it is worth considering what **Pythagoras** has said on self-management: “Never do anything which you do not understand, but learn all you ought to know, and by that you will lead a very pleasant life”; “Accustom yourself to a way of living that is neat and decent without luxury”;

and in his golden verse number 42, he instructed that everyone, on a daily basis, should ask himself (or herself) the following three questions:

Question 1: “Wherein have I done amiss?”

Question 2: “What have I done?”

Question 3: “What have I omitted that I ought to have done?”

And, depending on the replies (i.e., you have done good and acted responsibly), either reprimand and improve yourself or rejoice.

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

## 4.2 BUSINESS OPERATIONS HARD CONTROLS

**Improving Business Operations**, in the current 21<sup>st</sup> century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Transaction Authorization Controls
2. Financial Organization Controls
3. Financial Policies and Procedures, etc.

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

The above controls will be crafted, established, designed, developed, implemented and monitored in this step and will be evaluated and improved in step 7 (improve governance, policies and procedures).

Also all other controls (governance, leadership, board. etc.) will also be monitored during this step.

## 4.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON BUSINESS OPERATIONS HARD CONTROLS

**Business Operations hard controls** (e.g., policies, controls, etc.) specify and define “*what needs to be done*” by enterprise managers to achieve good and business operations for their company or organization.



**Business Operations 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 business operations 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 business operations hard controls.

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

#### **4.4 STRATEGIES FOR IMPLEMENTING BUSINESS OPERATIONS HARD CONTROLS**

When you design, develop and implement these business operations 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 manage your business operations**

Learning ways to manage your business operations, in general, may be achieved by:

1. Participating in specific professional training programs (coaching, mentoring, NLP, etc.) and taking seminars on business operations and related issues, concepts, ideas, trends and skills (e.g.: knowledge economy, warehouse management, production management, financing, logistics, internal controls, Internet of Things, Cybersecurity, Data Protection, foreign languages, etc.);
2. On-the-job training.
3. In addition to above, managing operations for 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 business operations aspects may impact them.

**Strategic Guideline 2: Prepare your mind and people for managing business operations**

To prepare your mind, as a manager, for managing the business operations of your company and your people 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 board effectiveness controls that make you employ fully all aspects of the B<sup>4</sup> workplace wellness model (detailed in Prologue) by:
  - 2.1. Believing in managing operations better;
  - 2.2. Bonding with your people on business operations issues;
  - 2.3. Belonging to the group that manages business operations for your company and its people with passion and positive attitude; and
  - 2.4. Benefiting all by enabling business operations controls to produce better products and deliver higher-quality services to your customers.

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

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 *business operations*.

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 business operations hard controls for enterprises. Consequently, you, as a manager, leader, board member, etc., can become more equipped to make wise choices and avoid implementation failures as regards the above-mentioned *business operations* hard controls.

**Strategic Guideline 4: Inspire yourself by harmony**

Inspire yourself, as a manager or leader, by the principle of harmony when you establish the business operations framework of your company.

This is because **Harmony** in every-day personal life and business operations has to do with the aspects of living in tranquility, peace and not war, wisdom, associating with others the best way, enhancing inter-personal relationships, treating others well, educating yourself and others, increase learning, knowledge, health and pleasure, and giving advice to all that request it.

Consider all these aspects and manifestations in taking your board, management and 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 harmony-related wise wisdom**

In addition to the above guidelines, remember when you design your company's business operations 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 *harmony*:

**Saying 1:** 'Harmony is a blend or composition of contraries' by Aristotle; and

**Short story:** The meaning of **Aesop's fable** "The Shipwrecked Man and the Sea" *that Harmony includes opposites and that resolving conflicts in a business environment must be done with grace by managers*, as detailed next:

"A shipwrecked man, having been cast upon a certain shore, slept after his buffetings with the deep. After a while he awoke, and looking upon the Sea, loaded it with reproaches. He argued that it enticed men with the calmness of its looks, but when it had induced them to plow its waters, it grew rough and destroyed them. The Sea, assuming the form of a woman, replied to him: "Blame not me, my good sir, but the winds, for I am by my own nature as calm and firm even as this earth; but the winds suddenly falling on me create these waves, and lash me into fury."

### **Strategic Guideline 6: Plan your business operations implementation actions**

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

1. To plan better for the implementation of the *business operations* 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.) on business operations issues;
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 business operations plan with soft controls**

Utilizing all of the above (learning ways, preparing your mind, seven principles, the principle Your business operations plan should be finally completed by the full use of specific soft controls and their corresponding improvement actions, described next.

## **4.5 APPLYING HARMONY-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 **business operations** hard controls of this step, to improve the structure of your company's reporting relationships and other aspects, by executing the following improvement actions (IA).

### **1. Structure of Reporting Relationships Improvement Actions**

- IA (1):** Craft an effective organizational chart and communicate it to all staff,
- IA (2):** Develop job titles for all employees and use them in all dealings,
- IA (3):** Review and improve both organizational chart and job titles, as the organization grows and its demands change, and
- IA (4):** Streamline your structure of reporting relationships and improve your operational philosophy and ethical climate by having an effective set of: Organizational Chart, Corporate Policies and Procedures, Ethics and Compliance Program, Office and Organization, Business Conduct Manual, Duties Description, Accountability, Information Awareness and Disclosure, and an Organizational Performance Review Process.

## 2. Operational Philosophy Improvement Actions

- IA (1):** Deal with all people (internal staff, outside auditors, customers, external suppliers, government authorities, regulators, stakeholders, community, etc.) on the same basis of fairness,
- IA (2):** Deal with all people (internal staff, outside auditors, customers, external suppliers, government authorities, regulators, stakeholders, community, etc.) on the same written and approved rules and codes of business conduct,
- IA (3):** Craft and implement effective ethics, human rights and procurement policies, and
- IA (4):** Communicate all company information to all parties on the basis of transparency and accountability.

## 3. Information Flow throughout the Organization Improvement Actions

- IA (1):** Draft and implement a communications policy, by identifying the strategic objectives of the organization, reviewing current communications practices, identifying the communications audiences and determining the communications methods and means to be used,
- IA (2):** Get executives trained on listening techniques and practices),
- IA (3):** Ensure that information (internal and external), critical to achieving the objectives of the organization is identified, regularly collected and reported to management and stakeholders,
- IA (4):** Implement a performance system that identifies, collects, stores, processes, analyzes and communicates corporate performance to all approved stakeholders of the organization, and
- IA (5):** Implement and monitor mechanisms to allow the easy flow of information down, across, and up the organization.

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 *business operations* hard controls.

## 4.6 ALIGNING OPERATIONS HARD CONTROLS WITH “DUTY OF CARE”

In addition to all above, you must also ensure that the defined *business operations 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 B<sup>4</sup> 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” **Operations** performance measures and compliance indicators as presented in Chapter 2 of Part 5 of this book.



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## 4.7 CONCLUSION

All of these, i.e., the seven ancient Greek principles and more specifically the principle of *Harmony*, 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;
2. Will improve your capability to handle more efficiently your personal and business daily affairs of life;
3. Will strengthen the ability of both yourself and your business associates to concentrate better on the tasks to be carried out;
4. Will enhance the inner strength and inner power of both yourself and your associates so that you resolve conflict in a more balanced way;
5. Will enable and support you to overcome and eliminate stress, anxieties and difficulties, both at the personal as well as at the business level; and
6. 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 *Business Operations* hard controls.

Using the beneficial effects of the principle of *Harmony* in all your *Business Operations* actions improves your social health by enabling you to relate to others better and be fair to all dealings with your employees, associates, customers and partners.

It is bound to help you take the **fourth step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the fourth “HARMONY” Milestone (M: Manage business operations and activities effectively and efficiently).

*Harmony* provides you also with the moral ground and inner strength for doing and thinking the way you do. It also improves further your emotional and mental ability, increase your emotional and mental fitness, sustain and improve your **emotional and mental health** and eventually complement, fulfil and complete your whole health, life and wellbeing at all levels: personal, family, professional and business. It will also give your employees an example to follow in their implementation of your *Business Operations* controls.

## 4.8 OUTCOME OF THIS STEP

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

1. To increase your business operations skills which facilitate all business management controls to take effect for your company or organization
2. To ensure that you execute the fourth “Duty of Care” responsibilities to the fullest extent of your capabilities
3. To help you reach your fourth HARMONY milestone (M: Manage business operations and activities effectively and efficiently).

## 4.9 MANAGEMENT TIP

Let *Harmony* be your fourth source of power and spiritual energy in implementing your company’s above-mentioned **business operations** 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.

*Harmony* will inspire your soul to enable you to execute more effectively and efficiently your **business operations** “Duty of Care” responsibilities towards your company, as per the DRAPES model and the B<sup>4</sup> 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; Standards.



# 5 MANAGE HUMAN ASPECTS

*"A friend is an alter ego, your other self; he must be honored as God"*

– Pythagoras

## 5.1 INTRODUCTION TO MANAGING HUMAN ASPECTS

Managing in all its forms, in the 21<sup>st</sup> Century enterprise, has become one of the globe's most common, stressful and demanding job. We make demands on managers that are nearly impossible to meet. We ask them to have or acquire a long list of more or less traditional management skills in finance, cost control, resource allocation, product development, marketing, manufacturing, technology, and a dozen other areas. We also demand that they master the management arts: strategy, persuasion, negotiation, writing, speaking, listening, etc.

Their primary purpose in the organization is to add value to that organization. They must solve problems to improve business processes, increase sales, reduce costs, comply with regulations, increase customer satisfaction with the organization's products, and so forth.

As business executives, managers have to think about the big picture. They need to consider issues such as what trends are affecting their company's markets, how their company's strategy should evolve and what new technologies or initiatives their organization should adopt.

But when it comes to the execution of big-picture ideas, so much of business comes down to people, and how they work together, both within organizations and in partnerships between organizations.

And by understanding the human element and managing human aspects as best as possible, managers will make their companies more profitable, lead more effectively, create brand loyalty, close more deals and do better work.

Employing the proposed ancient Greek wisdom **principles** of *Temperance, Faith, Justice, Harmony, Friendship, Kalokagathia (Goodness and Kindness) and Courage* (as explained in Part 3 of this book) and more particularly **Friendship**, as detailed later, will enable you to do a better job at it.

According to the ancient Greeks "friendship" ("filotis"), was more important than money, property, wealth and other material values.

**Aristotle** distinguishes between three kinds of friendship: Friendship based on utility; Friendship based on pleasure; and Friendship based on goodness.

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

## 5.2 HUMAN ASPECTS HARD CONTROLS

**Managing Human Aspects**, in the current 21<sup>st</sup> century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Human resource management policies
2. Personnel Administration Procedures
3. Employment Contracts and Job Descriptions, etc.

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

### 5.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON MANAGING HUMAN ASPECTS HARD CONTROLS

**Managing of Human Aspects** hard controls (e.g., policies, controls, etc.), specify and define “*what needs to be done*” by enterprise managers to achieve good **Managing of Human Aspects** for their company or organization.

**Managing of Human Aspects** 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 **Managing Human Aspects** 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 **Managing Human Aspects** hard controls.

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

### 5.4 STRATEGIES FOR IMPLEMENTING HUMAN ASPECTS HARD CONTROLS

When you design, develop and implement these human aspects 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 manage your company’s human aspects**

Learning ways to manage your company’s human aspects, in general, may be achieved by:

1. Participating in specific professional training programs (coaching, mentoring, NLP, etc.) and taking seminars on human aspects and related issues, concepts, ideas, trends and skills (e.g.: motivating people, career planning, employee relations, knowledge economy, warehouse management, production management, financing, logistics, internal controls, Internet of Things, Cybersecurity, Data Protection, foreign languages, etc.);
2. On-the-job training.

3. In addition to above, managing human aspects for 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 managing human aspects may impact them.

### **Strategic Guideline 2: Prepare your mind and people for managing human aspects**

To prepare your mind, as a manager, for managing the human aspects of your company and your people 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 B<sup>4</sup> workplace wellness model (detailed in Prologue) by:
  - 2.1. Believing in managing human aspects better;
  - 2.2. Bonding with your people on human aspects issues;
  - 2.3. Belonging to the group that manages human aspects for your company and its people with passion and positive attitude; and
  - 2.4. Benefiting all by enabling human aspects controls to produce better products and deliver higher-quality services to your customers.

### **Strategic Guideline 3: Drive yourself for managing human aspects with Ancient Greek Wisdom Principles**

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 *human aspects*.

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 human aspects hard controls for enterprises.

Consequently, you, as a manager, leader, board member, etc., can become more equipped to make wise choices and avoid errors, failures and gaps as regards the implementation of the above-mentioned *human aspects* hard controls.

**Strategic Guideline 4: Inspire yourself by friendship**

Inspire yourself, as a manager or leader, by the principle of friendship when you establish the human aspects framework of your company.

This is because **Friendship** in every-day personal life and business operations has to do with the aspects of living in relation to having beneficial social interactions, practicing friendship, supporting friends, handling enemies, employing love, mercy and responding to errors, practicing forgiveness, spreading the effects of happiness, and increasing the education opportunities of yourself and others via knowledge and learning.

Consider all these aspects and manifestations in taking your board, management and 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 friendship-related wise wisdom**

In addition to the above guidelines, remember when you design your company's human aspects 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 *friendship*:

**Saying 1:** 'Friendship is the basic substance of a good life' by Aristotle; and

**Short story:** The meaning of **Aesop's fable "The Bear and the Two Travelers"** *that Misfortune tests the sincerity and integrity of friends, colleagues, managers, team and project members, etc.*, as detailed next:

"Two men were traveling together, when a bear suddenly met them on their path in a forest. One of them climbed up quickly into a tree and concealed himself in the branches. The other, seeing that he must be attacked, fell flat on the ground. When the bear came up and felt him with his snout, and smelt him all over, he held his breath, and played dead as much as he could. The bear soon left him, for it is widely said and known that bears will not touch a dead body. When the bear was quite gone, the other traveler descended from the tree, and made fun with his friend, inquiring what it was the bear had whispered in his ear. "He gave me this advice", his companion replied: "Never travel with a friend who deserts you at the approach of danger"

### **Strategic Guideline 6: Plan your managing human aspects implementation actions**

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

1. To plan better for the implementation of the *managing human aspects 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 workplace conflicts and occupational stress and improve the health and wellness of your corporate employees; and
5. To improve your company's productivity and effectiveness, in the process.

### **Strategic Guideline 7: Complete your human aspects plan with soft controls**

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

## **5.5 APPLYING FRIENDSHIP-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 **managing human aspects** hard controls of this step, to improve the culture, morale, etc., of your company, by executing the following improvement actions.

### **1. 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.

### **2. Morale Improvement Actions (IA)**

**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.

### **3. Integrity Improvement Actions**

- IA (1):** Craft and implement an effective ethics and compliance program and communicate it to all staff,
- IA (2):** Establish and function the office of compliance and ethics,
- IA (3):** Provide examples of behavior in your daily supervision activities, and
- IA (4):** Review and improve both ethics and compliance program and policies, as the organization grows and its regulatory aspects and expectations change.

### **4. 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,
- 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.

### **5. Corporate Attitudes Improvement Actions**

- IA (1):** Use polite and positive language and manners in assigning and managing tasks.
- IA (2):** Connect tasks to awards.
- IA (3):** Add variety to tasks.
- IA (4):** Assign both liked and non-liked tasks to all employees.
- IA (5):** Think out a solution as regards the difficult task and situation with the person involved.
- IA (6):** Work out a mutually-agreed solution with the person involved and coach them as required.

### **6. Competences Improvement Actions**

- IA (1):** Assess your skills (managers and employees) via self-evaluation methods, benchmarking or other tools.
- IA (2):** Take specific industry courses yourself as managers and send your employees to courses also.

**IA (3):** Upgrade job-related knowledge by attending university and professional seminars,

**IA (4):** Get involved in coaching and mentoring programs.

**IA (5):** Get certified by a professional association.

## 7. Employee Motivation Improvement Actions

**IA (1):** Provide positive reinforcement to all employees.

**IA (2):** Carry out effective discipline and fair punishment for all transgressions.

**IA (3):** Treat all people fairly.

**IA (4):** Satisfy employee needs on a cost-benefit case.

**IA (5):** Set achievable work-related goals.


**IA (6):** Restructure jobs and tasks to become more manageable.

**IA (7):** Reward people on job performance.


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 *human aspects* hard controls.

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## 5.6 ALIGNING HUMAN ASPECTS WITH “DUTY OF CARE”

In addition to all above, you must also ensure that the defined *human aspects 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 B<sup>4</sup> 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” **Human Aspects** performance measures and compliance indicators as presented in Part 6 of this book.

## 5.7 CONCLUSION

All of these, i.e., the seven ancient Greek principles and more specifically the principle of *Friendship*, 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;
2. Will promote positive relationships in your business environment;
3. Will create the conditions for trust, effective communication, positive interpersonal relationships, and employee motivation which will furthermore create success and satisfaction on the job;
4. Will further enhance the inner strength and inner power of both yourself and your associates so that you resolve conflict in a more balanced and humane way;
5. Will enable and support workplace friendships which will make it easier for you and your people to overcome and eliminate occupational stress, anxieties and difficulties; and
6. 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 *Managing Human Aspects* hard controls.

Using the beneficial effects of the principle of *Friendship* in all your *Managing Human Aspects* actions improves your social health by enabling you to relate to others better and be fair to all dealings with your employees, associates, customers and partners.

It is bound to help you take the **fifth step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the fifth “HARMONY” Milestone (O: Organize people to produce best products and provide optimal services).

Employing all aspects of *Friendship* shows you, your employees and the business organizations how to function in a more friendly, loving and balanced manner. And this so that both, you and the business enterprise you own, manage or work for, fully support and serve society and each other better.

*Friendship* improves your communication and consultation aspects and affects how management decisions are made by you, other managers as well as board members of your company, and how your *Managing Human Aspects* controls are established.

*Friendship* provides you also with the moral ground and inner strength for doing and thinking the way you do. It also promotes reciprocity between managers and employees which increases the loyalty of your employees and improves your bottom line in the process.

In addition it improves further your emotional and mental ability, increase your emotional and mental fitness, sustain and improve your **emotional and mental health** and eventually complement, fulfil and complete your whole health, life and wellbeing at all levels: personal, family, professional and business.

It will also give your employees an example to follow in their implementation of your *Managing Human Aspects* controls.

## 5.8 OUTCOME OF THIS STEP

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

1. To increase your human management skills which facilitate all business management controls to take effect for your company or organization in the best way
2. To ensure that you execute the fifth “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 fifth HARMONY milestone (O: Organize people to produce best products and provide optimal services).

## 5.9 MANAGEMENT TIP

Let *Friendship* be your fifth source of power and spiritual energy in implementing your company's above-mentioned **Human Aspects** 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.

*Friendship* will inspire your soul to enable you to execute more effectively and efficiently your **Human Aspects** "Duty of Care" responsibilities towards your company, as per the DRAPES model and the B<sup>4</sup> 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.

# 6 AUGMENT TRUST AND CONFIDENCE

*“Goodness consists in the caring of the soul concerned with moral truth and understanding”*

– Socrates

## 6.1 INTRODUCTION TO AUGMENTING TRUST AND CONFIDENCE

Trust, in a typical setting, denotes to believe that someone is good and honest and will not harm you in any way, or that something is reliable and safe. Confidence, likewise, denotes the quality of being certain of your abilities or having trust in people, plans, or the future.

Trust relationships are vital to the conduct of business, in the 21<sup>st</sup> Century enterprise. Some base level of trust and confidence is required just to have employment contracts, or to engage in commercial transactions.

It's a proven fact that building customer trust and confidence in your products, your service and your company is a great way to increase profits and build a strong, dependable consumer base.

No matter what industry you are in, customer trust and confidence are among two of the most cost-effective ways to keep the profits growing. When you build customer confidence, you can charge fair prices for your products and services, even if your competitors are offering some sort of special discount or deal. Customer trust overrides prices when it comes to day-to-day business.

Employing the proposed ancient Greek wisdom **principles** of *Temperance, Faith, Justice, Harmony, Friendship, Kalokagathia (Goodness and Kindness)* and Courage (as explained in Chapter 1 of Part 3 of this book) and more particularly **Kalokagathia (goodness and kindness)**, as detailed later, will enable you to do a better job at it.

**Kalokagathia** is mainly expressed in current terms by philanthropy (be good and kind to people and love humanity).

All relationships between a leader and those being led require the ruled to have trust in the leader and the leader to have good will and be kind for their subjects, according to Aristotle.

Trust involves assuming true without further investigation the bona fides (good faith, sincerity) of another actor, process or institution, according to Socrates.

**Plato** argued that to know **good** was to do good, that doing good was more useful and rational than doing bad, and that one who behaved immorally did so largely out of ignorance.

And **Sophocles** complemented: ‘Kindness gives birth to more kindness’.

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

## 6.2 TRUST AND CONFIDENCE HARD CONTROLS

**Improving Trust and Confidence**, in the current 21<sup>st</sup> century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Customer Service policy
2. Quality Management policy
3. Standardization and Quality Management procedures
4. Health and Safety policy, etc.

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

### 6.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON TRUST AND CONFIDENCE HARD CONTROLS

**Improving Trust and Confidence** hard controls (e.g., policies, controls, etc.), specify and define “*what needs to be done*” by enterprise managers to achieve good **Trust and Confidence** for their company or organization.

**Trust and Confidence** 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 **Trust and Confidence** 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 **Trust and Confidence** hard controls.

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

### 6.4 STRATEGIES FOR IMPLEMENTING TRUST AND CONFIDENCE HARD CONTROLS

When you design, develop and implement these trust and confidence 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 improve trust and confidence in your business operations**

Learning ways to improve trust and confidence in your business operations, in general, may be achieved by:

1. Participating in specific professional training programs (coaching, mentoring, NLP, etc.) and taking seminars on trust and confidence and related issues, concepts, ideas, trends and skills (e.g.: marketing, advertising, human relations, knowledge economy, wellness, customer support, diversity planning, etc.);
2. On-the-job training.
3. In addition to above, improving trust and confidence in your business operations for your specific business also entails your in-depth knowledge of your company's operations, customers, functions, data, assets, people, and industry, as per the DRAPES model (detailed in Prologue), and understanding how trust and confidence aspects may impact them.

**Strategic Guideline 2: Prepare your mind and people for managing trust and confidence in your business operations**

To prepare your mind, as a manager, for managing trust and confidence in the business operations of your company and your people I recommend that:

1. You review and communicate your Duty of Care vision and mission (detailed in Prologue) to all your customers 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 trust and confidence controls that make you employ fully all aspects of the B<sup>4</sup> workplace wellness model (detailed in Prologue) by:
  - 2.1. Believing in improving trust and confidence;
  - 2.2. Bonding with your people on trust and confidence issues;
  - 2.3. Belonging to the group that manages trust and confidence for the business operations of your company and its people with passion and positive attitude; and
  - 2.4. Benefiting all by enabling trust and confidence controls to produce better products and deliver higher-quality services to your customers.

### **Strategic Guideline 3: Drive yourself as a manager for trust and confidence with Ancient Greek Wisdom Principles**

To drive yourself 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 *trust and confidence*.

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 trust and confidence hard controls for enterprises.

Consequently, you, as a manager, leader, board member, etc., can become more equipped to make wise choices and avoid implementation failures as regards the above-mentioned trust and confidence hard controls.

### **Strategic Guideline 4: Inspire yourself by Goodness and Kindness**

Inspire yourself, as a manager or leader, by the principle of *Kalokagathia (Goodness and Kindness)* when you establish the trust and confidence framework of your company.

This is because *Kalokagathia (Goodness and Kindness)* in every-day personal life and business operations has to do with the aspects of good life expressed by goodness, gratitude, kindness and peace, avoiding war, malice, badness and hate, and managing anger and errors.

Consider all these aspects and manifestations in taking your board, management and 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 Goodness and Kindness-related wise wisdom**

In addition to the above guidelines, remember when you design your company's trust and confidence 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 *Kalokagathia* (*Goodness and Kindness*):

**Saying 1:** 'Every art and every inquiry, and similarly every action and pursuit, is thought to aim at some good; and for this reason the good has rightly been declared to be that at which all things aim' by Aristotle; and

**Short story:** The meaning of **Aesop's fable "The Sick Stag"** *that Evil companions in business operations and human relations bring more hurt than profit*, as detailed next:

"A sick stag lay down in a quiet corner of its pasture-ground. His companions came in great numbers to inquire after his health, and each one helped himself to a share of the food which had been placed for his use; so that he died, not from his sickness, but from the failure of the means of living"

### **Strategic Guideline 6: Plan your trust and confidence implementation actions**

Utilizing all of the above (learning ways, preparing your mind, seven principles, the principle of *Kalokagathia* (*Goodness and Kindness*), sayings and short story) will support you and show you how, as a manager, leader, etc.:

1. To plan better for the implementation of the trust and confidence 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 employees; and
5. To improve your company's productivity and effectiveness, as well you customer support aspects, in the process.

### **Strategic Guideline 7: Complete your trust and confidence plan with soft controls**

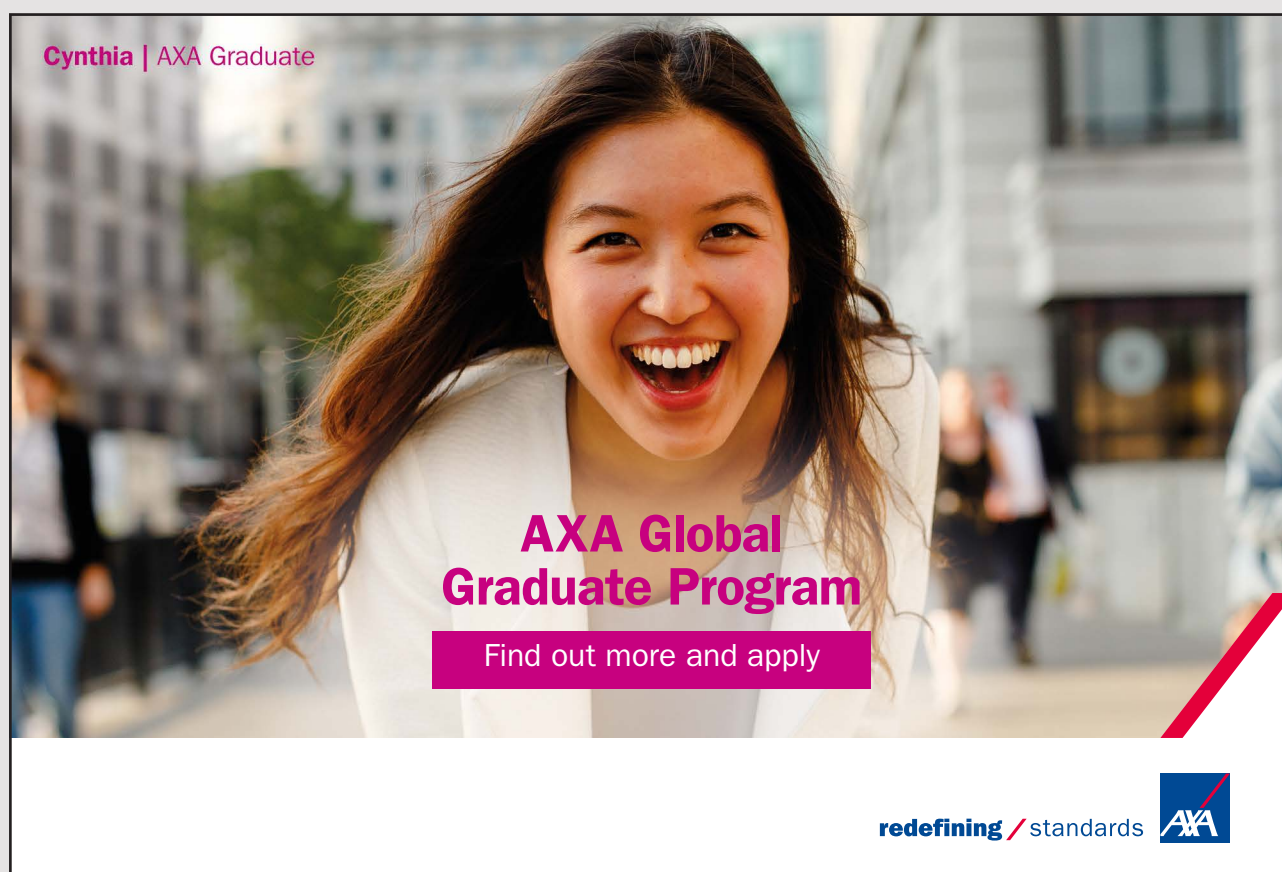
Your trust and confidence plan should be finally completed by the full use of specific soft controls and their corresponding improvement actions, described next.

## 6.5 APPLYING GOODNESS AND KINDNESS-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 **trust and confidence** hard controls (Customer Service policy, Quality Management policy, etc.) of this step, to also improve the trust and other aspects of your company’s employees in your company’s management and board, by executing the following improvement actions.

### 1. Trust Improvement Actions

- IA (1): Promote personnel to higher levels of organizational hierarchy, who are capable of forming positive, trusting and caring interpersonal relationships with people who report to them,
- IA (2): Develop the interpersonal relationship skills of all personnel and especially those of current managers and employees desiring promotion, by sending them to relevant courses or by coaching and mentoring programs,
- IA (3): Keep organizational personnel informed, as much as possible,
- IA (4): Act with integrity and keeping commitments to all participants in the affairs of the organization (employees, authorities, customers, board members, stakeholders, etc.),



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**IA (5):** Protect the interest of all employees in a work group, even those who are absent,

**IA (6):** Be effective, efficient and results-oriented, within limits, and

**IA (7):** Listen with respect, sensitivity and full attention.

## 2. Expectations Improvement Actions

**IA (1):** Meet with employees on a regular basis to discuss problems, issues, goals and progress,

**IA (2):** Promote enthusiasm for completing tasks, and

**IA (3):** Express confidence in each employee's ability, and

**IA (4):** Reinforce past achievement so that employee motivation is sustained.

## 3. Openness and Shared Values Improvement Actions

**IA (1):** Appreciate the opinions, skills and knowledge of all employees, and

**IA (2):** Re-examine traditional organizational standards in order to achieve better and more beneficial results.

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 *trust and confidence* hard controls.

## 6.6 ALIGNING TRUST AND CONFIDENCE HARD CONTROLS WITH "DUTY OF CARE"

In addition to all above, you must also ensure that the defined **Trust and Confidence** *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 B<sup>4</sup> 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” **Trust and Confidence** performance measures and compliance indicators as presented in Part 6 of this book.

## 6.7 CONCLUSION

All of these, i.e., the seven ancient Greek principles and more specifically the principle of *Kalokagathia* (*goodness and kindness*), 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;
2. Will enable you to set up your corporate philanthropic program to so show in a practical sense that your business gives back a little to the society and the community from which it gains and profits so much.
3. Will create the conditions for more trust in your product and services.
4. Will further enhance the inner strength and inner power of both yourself and your associates so that you resolve conflict with your partners and customers in a more balanced and humane way;
5. Will enable and support workplace wellness which will make it easier for you and your people to overcome and eliminate occupational stress, anxieties and difficulties; and
6. 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 *Augmenting Trust and Confidence* hard controls.

Using the beneficial effects of the principle of *Kalokagathia* (*goodness and kindness*) in all your *Augmenting Trust and Confidence* actions improves your social health by enabling you to relate to others better and be fair to all dealings with your employees, associates, customers and partners and produce better products and services.

It is bound to help you take the **sixth step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the sixth “HARMONY” Milestone (N: Nourish spiritual and mental aspects of all people (employees, customers, partners, etc.)).

Employing all aspects of *Kalokagathia* (*goodness and kindness*) shows you, your employees and the business organizations how to function in a more friendly, loving and balanced manner. And this so that both, you and the business enterprise you own, manage or work for, fully support and serve customers, society and each other better.

*Kalokagathia (goodness and kindness)* improves your ways in making better management decisions by you, other managers as well as board members of your company, and improve, in the process, your development and implementation of your *Augmenting Trust and Confidence controls*.

*Kalokagathia* energizes all your energy to bettering yourself with goodness and kindness, and benefit both yourself and others (your employees) by it. Sympathy will show you the way. It will help you perceive and comprehend better the other party's concern and difficulties in life. The value of sympathy toward the other person (employee, associate, customer, etc.), firm, etc., means several things: Living together in goodness and kindness, mutual understanding and compassion, trust of each other's values on a no-conflict way, enhancing overall personal and business well-being, and the ability to co-exist in harmony.

*Goodness and kindness* provide you also with the moral ground and inner strength for doing and thinking the way you do. It also promotes sympathy between among all parties (managers, employees, partners, etc.) which increases the loyalty of all toy your company and improves your bottom line in the process. In addition it improves further your emotional and mental ability, increase your emotional and mental fitness, sustain and improve your **emotional and mental health** and eventually complement, fulfil and complete your whole health, life and wellbeing at all levels: personal, family, professional and business.

*Goodness and Kindness* show you and the business organizations how to function in a more kind, less vociferous and offensive, more balanced and friendly manner. And this so that both, you and the business enterprise you own, manage or work for, fully support and serve customers, society and each other better.

It will also give your employees an example to follow in their implementation of your *Augmenting Trust and Confidence controls*.

## 6.8 OUTCOME OF THIS STEP

The results of implementing the above-mentioned trust and confidence hard controls are:

1. To increase your trust and confidence aspects of your personality which facilitate all business management controls to take effect for your company or organization in the most optimal way
2. To ensure that you execute the sixth "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 sixth HARMONY milestone (N: Nourish spiritual and mental aspects of all people (employees, customers, partners, etc.)).

## 6.9 MANAGEMENT TIP

Let *Goodness and Kindness* be your sixth source of power in implementing your company’s above-mentioned **trust and confidence** 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.

*Goodness and Kindness* will inspire your soul to enable you to execute more effectively and efficiently your **trust and confidence** “Duty of Care” responsibilities towards your company, as per the DRAPES model and the B<sup>4</sup> 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.

# 7 IMPROVE INTERNAL MANAGEMENT CONTROLS

*"You will never do anything in this world without courage. It is the greatest quality of the mind next to honor"*

– Aristotle

## 7.1 INTRODUCTION TO AUGMENTING TRUST AND CONFIDENCE

A company's Internal Management Controls framework includes a system of laws, rules and guidelines which are enforced through practices and social behavior models to govern employee behavior to produce business results and serve customers.

Improving your company's Internal Management Controls framework (laws, rules and guidelines) entails the following:

1. Review, evaluate, customize to your needs and expectations, and implement the hard controls (plans, policies, procedures, etc.), as detailed in this book;
2. Monitor and evaluate the results of this effort and make all necessary changes;
3. Use internal audit programs and questionnaires to ask and obtain the feedback of employees and management on all of these; and
4. Conduct self-assessment workshops and complete self-assessment questionnaires to ask hypothetical questions and record awareness of business ethics and other business management controls.

Employing the proposed ancient Greek wisdom **principles** of *Temperance, Faith, Justice, Harmony, Friendship, Kalokagathia (Goodness and Kindness)* and *Courage* (as explained in Chapter 1 Part 3 of this book) and more particularly **Courage**, as detailed later, will enable you to do a better job at it.

**Epicurus** deemed the value of law in a relative human sense. He said that laws are definitely neither given by god, nor are they immutable. According to Epicurus, the purpose of the laws is to serve human well-being, and therefore their validity is conditional: if a law does serve its purpose, it should remain in effect; if, however (e.g. due to changing conditions, different situations, etc.), it ceases to do so, it should be repealed.



The same is definitely true for corporations. If Internal Management Controls (laws, rules and guidelines) are not effective or do not serve their original purpose any more, they must be changed and improved.

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 an effective Internal Management Controls 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 Internal Management Improvement 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 Internal Management Controls need to be implemented and ways to achieve this task very well are further detailed in the next paragraphs.

## 7.2 IMPROVING INTERNAL MANAGEMENT HARD CONTROLS

**Improving Internal Management Hard Controls**, in the current 21<sup>st</sup> century business environment, includes activities to craft, establish, design, develop, implement, monitor, evaluate and improve the hard controls listed below.

1. Performance Management process.
2. Internal Audit procedures, tools and methodology.
3. “Duty of Care” Audit Assessment Process.

A full list of Internal Management Improvement Controls is included in Chapter 2 (Hard and Soft Controls) of Part 3 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 this step.



### 7.3 IMPACT OF PRINCIPLES AND SOFT CONTROLS ON IMPROVING INTERNAL MANAGEMENT HARD CONTROLS

**Internal Management Hard Controls** (e.g., policies, controls, etc.), such as Internal Audit procedures, etc., specify and define “*what needs to be done*” by enterprise managers to achieve good **Governance, Policies and Procedures** for their company or organization.

**Improving Internal Management Hard Controls**, action plans, assessments and procedural practices define and direct corporate people (managers, partners, employees, etc.) “*how to do it*”, i.e., how to implement the defined **Improving Internal Management** 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 Improving Internal Management hard controls.

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

### 7.4 STRATEGIES FOR IMPROVING INTERNAL MANAGEMENT HARD CONTROLS

When you design, develop and implement these hard controls (Internal Audit procedures, etc.) 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 improve Internal Management controls**

Learning ways to improve Internal Management controls in your business operations, in general, may be achieved by:

1. Participating in specific professional training programs (coaching, mentoring, NLP, etc.) and taking seminars on trust and confidence and related issues, concepts, ideas, trends and skills (e.g.: internal audit, management strategic planning, marketing, advertising, human relations, knowledge economy, wellness, customer support, diversity planning, etc.);
2. On-the-job training.

3. In addition to above, improving internal management controls in your business operations for your specific business also entails your in-depth knowledge of your company's operations, customers, functions, data, assets, people, and industry, as per the DRAPES model (detailed in Prologue), and understanding how these may impact them.

### **Strategic Guideline 2: Prepare your mind and people for improving Internal Management controls**

To prepare your mind, as a manager, for improving internal management controls in the business operations of your company and your people I recommend that:

1. You review, upgrade and communicate your Duty of Care vision and mission (detailed in Prologue) to all your customers 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 internal management controls that make you employ fully all aspects of the B<sup>4</sup> workplace wellness model (detailed in Prologue) by:
  - 2.1. Believing in improving internal management controls;
  - 2.2. Bonding with your people on internal management controls issues;
  - 2.3. Belonging to the group that manages internal management controls for the business operations of your company and its people with passion and positive attitude; and
  - 2.4. Benefiting all by enabling internal management controls to produce better products and deliver higher-quality services to your customers.

### **Strategic Guideline 3: Drive yourself for improving internal management controls with Ancient Greek Wisdom Principles**

To drive yourself 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 *internal management controls*.

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 internal management hard controls for enterprises.

Consequently, you, as a manager, leader, board member, etc., can become more equipped to make wise choices and avoid implementation failures as regards the improvement of the above-mentioned *internal management* hard controls.

#### **Strategic Guideline 4: Inspire yourself by Courage**

Inspire yourself, as a manager or leader, by the principle of Courage when you establish the internal management controls framework of your company.

This is because *Courage*, in every-day personal life and business operations has to do with the aspects of Adjustment, Acceptance, Perseverance and Vitality, Contingency Planning, Bravery and Valor, Risk Management, Decision Making, Effectiveness and Occupational Stress Coping.

Consider all these aspects and manifestations of courage in taking your board, management and 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 Courage-related wise wisdom**

In addition to the above guidelines, remember when you design the improvement of your company's internal management controls 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 Courage:

**Saying 1:** 'Friendship, freedom, justice, wisdom, courage and moderation are the key values that define a good society' by Plato; and

**Short story:** The meaning of **Aesop's fable "A mother crab and her son"** *hat example is 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 courage implementation actions

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

1. To plan better for improving your internal management 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 employees; and
5. To improve your company's productivity and effectiveness, as well you customer support aspects, in the process.

### Strategic Guideline 7: Complete your improving Internal Management controls plan with soft controls

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





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## 7.5 APPLYING COURAGE-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 Internal Management hard controls (Internal Audit procedures, etc.) of this step, to improve your company’s culture and other aspects, by executing the following improvement actions.

### 1. Culture Improvement Actions

**IA (1):** Discuss all cultural issues with employees

**IA (2):** Provide examples of behavior in your daily supervision activities.

**IA (3):** Involve your employees in reviewing corporate statements on vision, mission and values.

### 2. Integrity Improvement Actions

**IA (1):** Draft and implement an effective ethics and compliance program and communicate it to all staff.

**IA (2):** Establish and function the office of compliance and ethics.

**IA (3):** Provide examples of behavior in your daily supervision activities.

**IA (4):** Review and improve both ethics and compliance program and policies, as the organization grows and its regulatory aspects and expectations change.

### 3. Openness and Shared Values Improvement Actions

**IA (1):** Assess your skills (managers and employees) via self-evaluation methods, benchmarking or other tools.

**IA (2):** Take specific industry courses yourself as managers and send your employees to courses also.

**IA (3):** Upgrade job-related knowledge by attending university and professional seminars.

**IA (4):** Get involved in coaching and mentoring programs.

**IA (5):** Get certified by a professional association.

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 *improving internal management* hard controls.

## 7.6 ALIGNING THE IMPROVEMENT OF INTERNAL MANAGEMENT CONTROLS FRAMEWORK WITH “DUTY OF CARE”

In addition to all above, you must also ensure that the defined *Improving Internal Management 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 B<sup>4</sup> 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” **Internal Management Controls** performance measures and compliance indicators as presented in Part 6 of this book.

## 7.7 CONCLUSION

All of these, i.e., the seven ancient Greek principles and more specifically the principle of *Courage*, 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;
2. Will enhance your leadership aspects so that you demonstrate bold but reasoned judgment, spirited but calculated risk-taking and an assertive but reflective disposition;
3. Will promote taking initiative and action by making first attempts, pursuing pioneering efforts, etc., to improve your product and services, by all your employees;
4. Will promote showing confidence in others by letting go of the need to control situations or outcomes, having faith in people and being open to direction and change.
5. Will promote acts of truth in the workplace by all parties (you, other managers, your employees, etc.) in admitting mistakes, divulging that a product or process is faulty, dealing with a client, etc.; and



6. Will give you the skills and the ability to act in accordance with reasonable rules, justice and fairness in all your business decisions and dealings.
7. 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 *Improving Internal Management* hard controls.

Using the beneficial effects of the principle of *Courage* in all your *Improving Internal Management Controls* actions improves your social health by enabling you to relate to others better and be fair to all dealings with your employees, associates, customers and partners and produce better products and services.

It is bound to help you take the **seventh step** towards a more harmonic, balanced and fulfilling life for you, at both levels: personal and business, so that you reach the seventh “HARMONY” Milestone (Y: Yield to best improvement processes, viewpoints, ideas, concepts and practices).

Employing all aspects of *Courage* shows you, your employees and the business organizations you manage or direct how to calculate the most efficient means to achieving a given goal better, and will also encourage employees to be continually thinking of better ways to do their jobs or to organize some aspect of the company better.

*Courage* improves your ways in making better management decisions by you, other managers as well as board members of your company, and improve, in the process, your development and implementation of your *Improving Internal Management Controls*.

*Courage* shows you how to act bravely in a situation of vulnerability and does so because it is the noble thing to do, not to get the approval of others or to avoid social condemnation. It will also enable you to acquire the ability to act well at the critical moment and teach others to do the same when needed.

It will also give your employees an example to follow in their improvement process of your Internal Management Controls.

## 7.8 OUTCOME OF THIS STEP

The results of implementing the above-mentioned improving governance, policies and procedures hard controls are:

1. To increase your evaluation and improvement skills which will facilitate all internal and business management controls to be improved for your company or organization
2. To ensure that you execute the seventh “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 seventh and final HARMONY milestone (Y: Yield to best improvement processes, viewpoints, ideas, concepts and practices).

## 7.9 MANAGEMENT TIP

Let *Courage* be your seventh source of power and spiritual energy in implementing your company’s above-mentioned **improving Internal Management 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.

*Courage* will inspire your soul to enable you to execute more effectively and efficiently your process for **improving Internal Management Controls** “Duty of Care” responsibilities towards your company, as per the DRAPES model and the B<sup>4</sup> 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.



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