
Embedding Integrity in SME Culture

DAVARCCI

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SME Challenges

- Reduced business and revenues
- Securing financing
- Attracting and retaining good employees
- Maintaining morale
- Higher expectations of integrity in compensation plans, expense accounts, operations and environmental concerns

FORTUNE

FORTUNE® magazine has named
David Weekley Homes as one of the
“100 Best Companies to Work For”
six times



David Weekley

Straight from the Heart

“Whether we’re recent immigrants or our ancestors arrived on the Mayflower, each of us wants our loved ones to have a hot meal and a roof over their head. No matter where we live or the color of our skin, all of us want our children to have it better than we did.

*Several years ago David Weekley Team Members adopted a very simple Purpose: **to Enhance People’s Lives.**
Not just for those who buy our homes, but for everyone...”*





**After Bailout, AIG Execs Head to California Resort
Rescued by Taxpayers, \$440,000 for Retreat Including
"Pedicures, Manicures"**

**AIG Executives Blow \$440,000 After
Getting Bailout**



Chicago Tribune

AIG, spa

AIG Fights Back on \$440,000 Resort Trip

Says No Corporate Executives Attended

Company Says "Standard Practice in Our Industry"



Hank Greenberg

On March 15, 2005, AIG's board forced Hank Greenberg to resign from his post as Chairman and CEO under allegations of fraudulent business practice, securities fraud, common law fraud, and other violations of insurance and securities laws.







Accountability

Assertiveness

Commitment

Compassion

Confidence

Consideration

Cooperation

Courage

Courtesy

Creativity

Determination

Diligence

Empathy

Enthusiasm

Excellence

Fairness

Flexibility

Forgiveness

Friendliness

Generosity

Honesty

Honour

Humility

Idealism

Initiative

Integrity

Joyfulness

Justice

Kindness

Love

Loyalty

Moderation

Modesty

Orderliness

Patience

Peacefulness

Purposefulness

Reliability

Respect

Responsibility

Self-discipline

Service

Tact

Tolerance

Trust

Trustworthiness

Truthfulness

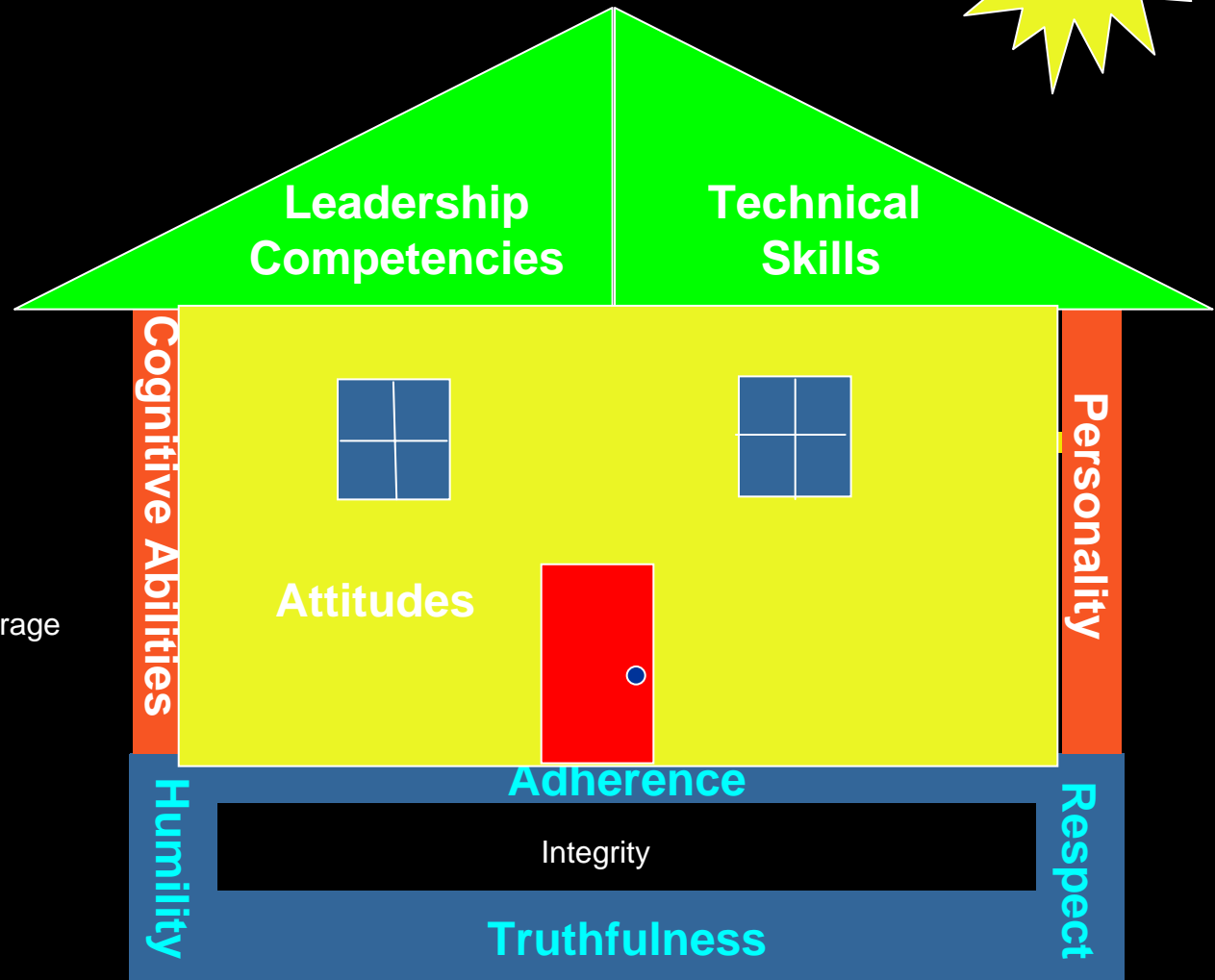
Unity

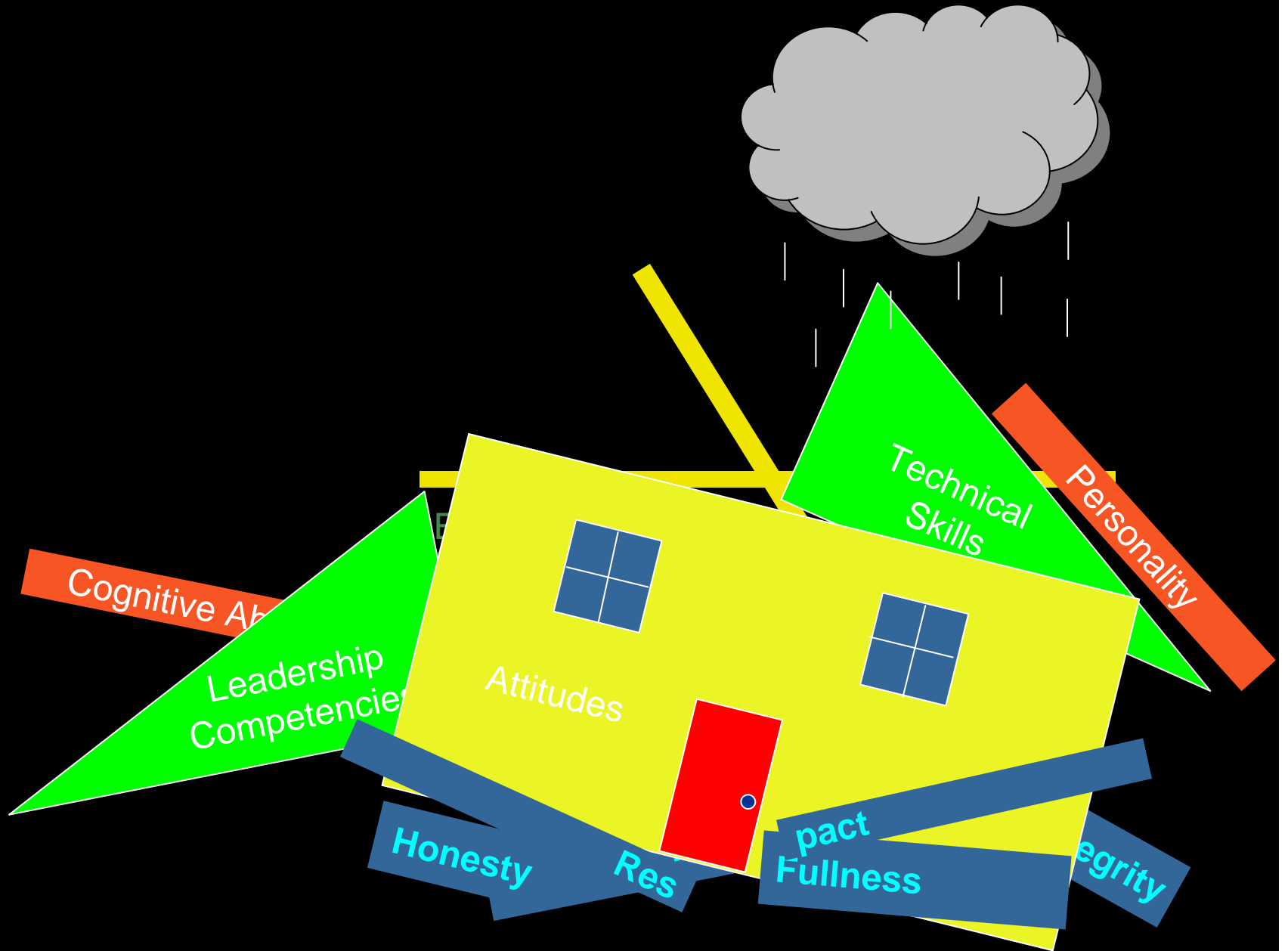
Wisdom

Why Virtues?



- Honour
- Excellence
- Orderliness
- Compassion/Forgiveness/Mercy
- Self-Discipline
- Politeness/Sociability
- Positive Spirit
- Service
- Trust
- Unity
- Focused Determination
- Purposefulness/Confidence/Courage
- Trustworthiness
- Creativity
- Flexibility/Adaptability
- Moderation
- Reflection



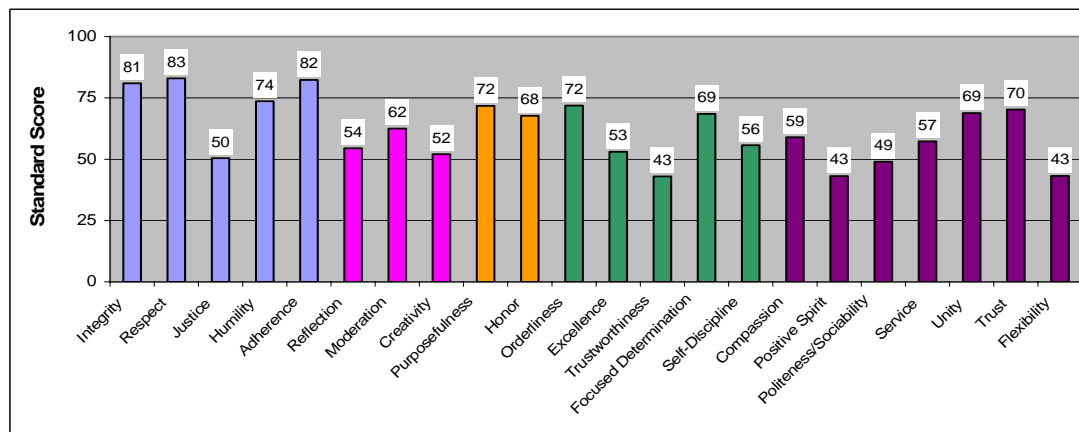
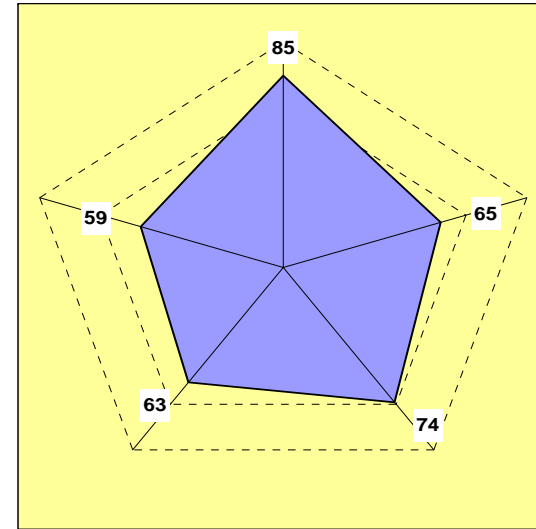


Simon Sample

**Virtues Assessment
Summary Report**

Virtue	Raw Score*	Standard Score
Ethics	4.39	85
Integrity	4.58	81
Respect	4.52	83
Justice	3.97	50
Humility	4.18	74
Adherence	4.69	82
Envision	4.04	65
Reflection	3.95	54
Moderation	4.57	62
Creativity	3.59	52
Edge	4.38	74
Purposefulness	4.33	72
Honor	4.43	68
Execute	4.12	63
Orderliness	4.53	72
Excellence	3.94	53
Trustworthiness	4.07	43
Focused Determination	4.35	69
Self-Discipline	3.70	56
Energize	3.91	59
Compassion	3.86	59
Positive Spirit	3.72	43
Politeness/Sociability	3.61	49
Service	4.02	57
Unity	4.20	69
Trust	4.35	70
Flexibility	3.60	43

**Virtues Dimension Scores
(Standard Scores)**



* out of a possible 6 points

Virtues are the Keys to Sustainable Success

- Focus on Virtues –
the building blocks of human character
- Personal commitment of the leaders
- Build systems and processes around virtues

Strategies of the Virtues Project

- Speak the Language of Virtues
- Recognize Teachable Moments
- Set clear Boundaries
- Honour the Spirit of the Organization
- Companionship

Speaking the Language and Setting Clear Boundaries at GE

- Performance with integrity is the foundation of GE's reputation
- Each senior leader is personally accountable for the integrity of the company
- Integrity must never be compromised to make the numbers
- For senior leaders – one strike and you're out!

Accountability	Empathy	Initiative	Reliability
Assertiveness	Enthusiasm	Integrity	Respect
Commitment	Excellence	Justice	Responsibility
Compassion	Fairness	Kindness	Self-discipline
Confidence	Flexibility	Love	Service
Consideration	Forgiveness	Loyalty	Tact
Cooperation	Friendliness	Moderation	Tolerance
Courage	Generosity	Modesty	Trust
Courtesy	Honesty	Orderliness	Trustworthiness
Creativity	Honour	Patience	Truthfulness
Determination	Humility	Peacefulness	Unity
Diligence	Idealism	Purposefulness	Wisdom













Conrad Black

Sentenced to 6½ years in prison for his role in the misappropriation of millions of dollars from the newspaper empire he once headed.



Phil Condit

Boeing Chairman and CEO Phil Condit resigned after a hiring scandal led to the firing of its chief financial officer.



Dennis Kozlowski

Tyco CEO found guilty of grand larceny, conspiracy
and other charges.



John Rigas

Adelphia Communications founder was convicted of conspiracy, bank fraud and securities fraud.



Richard Scrushy

Founder of Healthsouth Corp. charged with 36 counts of fraud, false corporate reportings, making false statements, bribery and mail fraud



Joseph Nacchio

CEO of Qwest Communications International was convicted of 19 counts of insider trading and was sentenced to six years in federal prison.



Jacob "Kobi" Alexander

CEO of Comverse Technology charged with multiple counts of fraud and related offenses pertaining to irregularities in trading of Comverse stock.

He subsequently fled to Namibia, a nation which has no extradition treaty with the US.





Jeff Skilling

Enron CEO was sentenced to 24 years in prison for his role in Enron's 2001 collapse



Kenneth Lay

Chairman of Enron, found guilty of 10 counts of securities fraud and related charges related to the Enron scandal.

He died before his sentencing.



Bernard Madoff

Received maximum sentence of 150 years in prison for securities fraud, investment advisor fraud, mail fraud, wire fraud, money laundering, making false filings with the SEC, and theft from an employee benefit plan.

*“There are three things required for success,
integrity, intelligence, and energy.
If you are missing the first,
the other two will kill you.”*

Warren Buffett

perform better

DAVARCCI

Creating Excellence in Leaders

Mona Khavari

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