

## How to Engage the Business Unit: Another Perspective-Swarm Ethics

In an article in the September issue of the ACC Docket, entitled “*Swarm Ethics*”, author James Nortz discusses a technique to improve decision making in “circumstances that present complex moral questions” which he designates as ‘swarm ethics’. He uses this term to set out a specific method for a decision making calculus and as a method to have employees better accept final decisions that they may disagree with through the fairness of the decision making process. It is analogous to the Fair Process Doctrine for decision making. He also notes that this technique may improve your employees’ performance by making it easier for them “to leave their ego at the door.”

Nortz believes that the collective decision making process can be a powerful tool and he delineates a six step process to accomplish this dynamic. The six steps are:

1. Expertise. Assemble a well-informed, multi-disciplinary team which has the expertise to address the issue presented.
2. Avoid Bias. As a leader you must make clear that independent thought, analysis and questioning will be valued in the process. You must set ground rules to show that there will be no ‘follow the leader’.
3. Full Exploration. Understanding that such a group cannot endlessly debate, nevertheless there must be a full and thorough exploration and discussion of the issues presented. The quality of the final decision reached is “dependent on the accuracy and completeness of the information understood by the decision makers.”
4. Benchmarking. Your committee should test the conclusions against similar examples in your industry. Fortunately in the compliance world, there is wealth of the information and examples available and many compliance officers are willing to share their experiences in implementing solutions.
5. Set Objectives. You should set your principle objective(s) to be achieved and the general criteria to be used throughout this decision making process. This should aid your group in coming to a solution for the problems that your company is facing.
6. Secret Ballots. As the last step to avoid the dynamic of ‘group think’ Nortz suggests that you consider using secret ballots to vote on final or at least difficult issues.

Nortz has put together a cogent process for the compliance professional to utilize when bringing a group of non-compliance professionals together. A Chief Compliance Officer who is attempting to co-op or obtain company-wide buy-in to help solve a compliance issue may well wish to utilize some or all of these techniques.

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