

Integrity in Professional Ethics – John Hudson 19 January 2010

I should like to make the following brief comments in respect of the FEE's discussion paper with which I find myself in much favour. Before these matters are set in stone, it is my firm wish that you involve as many people as possible. This task must not be limited to obtaining comments from accountants or even their clients.

In western culture, individualism and independence are predominant. To be effective, however, accountants need to serve communities in an interdependent way. Interdependence often involves getting close to clients and colleagues in a way that requires mutual encouragement and intimacy. Nevertheless, this requires an accountant's commitment to act with pure motives.

When asked, "Do you want to live a life of integrity every day?" most accountants would say "yes." Why, however, do so many struggle to see such attitudes in day-to-day living? What is missing?

Are accountants lives really changed simply by exposing our intellects to more information or accounting standards?

If you were to ask the average thinking person, "What does integrity mean to you?" you will get a somewhat varied response. Even a criminal is said to be a man of integrity if he sticks with the code (principles) of not becoming an informant. Therefore, to be effective, personal growth into mature integrity must not take place in a vacuum, but always takes place through the nurture and work of the wider community beyond accountants. Integrity, therefore, is the strength of the practising accountant who demonstrates wholeness of character, an uncompromising adherence to a code of values, and consistency of word and deed based squarely on widely agreed principles.

For various reasons some balk at this approach. Many prefer a very private, exclusive or independent style. Generally though, no firm foundation arises that is sufficiently acceptable to support it. This can lead to clients and users of accounting information feeling disenfranchised or outsiders to the accounting cliques who provide the information. At the extreme, the potential for cheating or deceiving becomes greater and greater.

Therefore, the wider community or society has a mutual responsibility in helping accountants pursue integrity. It is important to keep this responsibility simple and understandable to the "layman" (i.e. the "man on the street"). This will ensure that society is served with wholeness of character, consistency of word and deed, uncompromising adherence to a code of values. The accountant will thus avoid distortions that come from taking favourite methodologies out of their technical context. No part or parts of society's system will function effectively if isolated from the system as a whole. The accountant who lives within and for the benefit of society's relationships has true integrity.

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