

Your practical guide

Code of Ethics

 @pfsconf  PFS President's Thinktank

The Personal Finance Society 42–48 High Road, South Woodford, London E18 2JP
tel: +44 (0)20 8530 0852 fax: +44 (0)20 8530 3052 email: customer.serv@thepfs.org

www.thepfs.org

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Personal Finance Society
Standards | Professionalism | Trust



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The Personal Finance Society is part of the CII Group. It therefore shares the CII mission to encourage confidence on the part of the public, through working with members to ensure that they have appropriate knowledge and standards of behaviour. It sets the standards for technical knowledge, customer service and ethical practice across the entire financial advice community. To achieve its aims, the Society provides its members with access to technical qualifications, learning materials, support services and practical benefits.

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About the Author



This paper has been written by Duncan Minty, an independent adviser on business ethics. Duncan is a Chartered Insurance Practitioner, having worked in insurance in a variety of roles for 18 years. You can contact him via his consultancy website at www.duncanminty.co.uk and read his blog at www.ethicsandinsurance.info

Qualified CII members:

Reading and reflecting on this practical guide can count as Structured CPD under the CII CPD Scheme.



Code of Ethics

Setting standards of integrity for our profession

The Personal Finance Society is dedicated to promoting the highest standards of professionalism in financial services. At the heart of that professionalism is a commitment to uphold certain standards of behaviour. Those standards of behaviour are important, for they provide members of the Personal Finance Society with clearly defined principles on how they should conduct themselves at work.

The Personal Finance Society has a Code of Ethics in which are laid out the standards of behaviour that its members are expected to uphold. The code is made up of five core duties, set out in a clear and unambiguous way, with supporting questions to guide members in their understanding of each duty.

This guidance paper explores in some detail each of the five core duties in the Code of Ethics. It looks at the central message underlying each core duty and illustrates how they work in practice with two case studies. In this way, members can understand both the detail, and the big picture, of how their Code of Ethics works.

You may be thinking two things at this point: firstly, that you sort of know what the Code of Ethics is about, and secondly, that it might struggle to find a place in your busy work schedule.

Let us deal with the first of those. If you are able to not only list the code's core duties, but also explain what they mean to a colleague, then congratulations! You do know enough about the code. If you can't, then please read on – there are plenty of case studies here to bring those core duties to life.

So why should the Code of Ethics warrant a place in your busy work schedule? Consider this. Honesty and integrity build trust. Trust builds a reputation that clients and employees value. That reputation builds confidence in your business, which leads to more recommendations, which leads to more business. In other words, ethics is good for your business.

So take some time to learn more about each of the core duties in the Code of Ethics. There are some fun case studies to make you think about how you would act in such situations. Remember: if you want your professionalism to count (to a new client or a new employer), then you need to be able to explain it. This paper will help you do so.

Core Duty 1

You must comply with this Code and all relevant laws and regulations.

Seems fairly obvious, doesn't it? A sort of call to do no wrong. But therein lies the danger. We could be tempted to skim over those few words, but then miss out on what they really mean. There's a lot more to them than first meets the eye.

This first rule deserves a closer look because it is the most important of all of the five core duties. This means that if upholding it conflicts with any other core duty, then this one must take precedence.

Your first reaction on reading it may be along the lines of "I don't break the law" but your professional status requires more from you than just staying on the right side of the law. It means setting an example in how you conduct yourself at work. A reputation for being trusted has to be earned and this is the starting point.

Core duty one also sets out what is expected of you in terms of regulations, regulators and the Personal Finance Society's overall Code of Ethics. It's about being clear what your professional and legal obligations are and being open and honest in how you uphold them. It involves being on top of what applies to you and understanding why it applies to you. And it's about making sure your firm takes the necessary steps to provide the right compliance environment for you to do so.

Five things to remember about this core duty

- 1. It's not just about your legal obligations...**
because it includes complying with the overall Code of Ethics as well. You have to abide by your professional obligations, not just your legal ones.
- 2. It's about upholding the spirit of the law, not just the letter of the law...**
that means understanding not just what a particular regulation says but also what it's there to achieve.
- 3. It's not just about the regulations of the FCA...**
vital though they are. It covers all laws and regulations, from bribery to data protection and the environment.
- 4. It's about showing responsibility and leadership...**
because people will look to you to set an example of how things should be done. That's what being a professional means.
- 5. It's about staying tuned into your obligations...**
because they apply to you personally, whatever your job title may be.

Case Study 1 Listening to feedback

You're a leading figure in a firm of financial advisers, with many years of experience and a finger on the pulse of the sector.

You've been reading about a lot of fuss recently kicked up about some decisions of the Financial Ombudsman Service that challenge a post-RDR practice common amongst firms like yours.

You've always seen your team as one that knows what really matters to clients and this just doesn't seem to be something that your type of client needs to worry about.

Do you raise the issue with your team so that they are aware of trends like this, or do you leave it until there's a clear instruction from the regulator?

Recognising that one of the things that really matters to clients is trust, you discuss it with your team and agree on some procedural tweaks that will safeguard against the practice straying in unchecked.

Case Study 2 Winning a client

George is an experienced financial planner and a consummate networker, priding himself on being able to pick up and quickly exploit those snippets of information that often float around the professional people in his area.

One such snippet has just come from a friend in a local law firm, regarding a client of theirs about to come into a generous inheritance. George is determined to be appointed to any investments that could come out of it. Knowing how the law partner looking after this client likes his wine, George arranges for them to have lunch. The law partner is delighted, especially by the vintage in their glasses and listens as George reminds

him about how steady a pair of hands he is for investment business. Is this just a convivial way of presenting your credentials, or has George overstepped the mark to win this appointment?

George may have many qualities that stand him in good stead, but understanding the legal boundaries around how business deals can be influenced is not one of them. Hospitality given with the intention of influencing a business decision could be considered a bribe and George now needs to stand back from the law partner and his client.

If George was unsure, he should reflect carefully on how this would have looked to an outsider. As a result, limits and referral checks on all legacy approvals are integrated into the system.

Having read those case studies, what stays most in your mind about them? Is it cooperating with auditors and CPD? Or is it the dry and remote obligations of regulations and the law? I suspect it is the former.

So next time you read the first core duty of the Personal Finance Society Code of Ethics, remember to look beyond its headline message of code, law and regulation and think about what it means for your clients, the shareholders of your firm, your colleagues at work and your profession as a whole. Understand what those codes, laws and regulations require of you, but also remember what they do for you.

Core Duty 1 Code of Ethics

You must comply with this Code and all relevant laws and regulations.

This includes, but is not limited to:

- 1.1 dealing with the CII in an open, clear and co-operative manner;
- 1.2 dealing with regulators in an open clear and co-operative manner;
- 1.3 ensuring regulators and the CII are treated courteously and not in a vexatious or frivolous manner and that all queries are dealt with promptly;
- 1.4 meeting any Continuing Professional Development (CPD) requirements;
- 1.5 working not only within the law but also within the spirit of the law;
- 1.6 if within your control, making sure your organisation is suitably regulated and has effective compliance arrangements;
- 1.7 ensuring, where required, you are individually authorised or regulated; and
- 1.8 reporting any breaches of the Code to the CII.

Where this core duty conflicts with another core duty this duty will have priority over the others.

By way of example, notwithstanding core duty 3, it is your duty to give confidential information to the relevant authorities where the information relates to a criminal act or fraud by your client.

Some key questions to ask yourself:

- Am I up-to-date with recent regulatory and legislative developments?
- Am I aware of general business regulatory requirements covering areas such as advertising, data protection and competition?
- Do I take full account of reports on individual cases from ombudsman services, as well as the wider regulatory and legal framework?
- Do I appreciate the general purpose of the rules I am following, for example, do I follow the letter of the regulation but fail to think about the outcome for my client?
- Am I aware of internal compliance arrangements?
- Do I consider the compliance arrangements within my organisation are effective and comply with all relevant regulations?
- Am I aware of how to update or correct compliance arrangements or whom to contact if they require change or update?

Core Duty 2

You must act with the highest ethical standards and integrity.

What does this grand statement mean? The answer is well summed up in one of the key questions associated with this core duty: do people trust me?

So, do people trust you? “Yes, of course” is the answer I’m sure you’re all giving. So let’s rephrase the question slightly. Do you think people trust you more than they did this time last year? Reflect on your answer for a while and then check it against the ten points in this core duty, and ask yourself – can you put an improving tick against all of them?

This exercise illustrates an important aspect of this core duty; namely that high ethical standards do not just happen – they need attention. So as a financial services professional, you need to ask yourself if you are being honest and trustworthy with a client; ask yourself if your colleagues see you as reliable, dependable and respectful. None of us are perfect, so these are questions we need to ask ourselves on a regular basis, to ensure that we as individuals, and our company, are maintaining professional standards.

If you are ever unsure about how a client or colleague might view something you’ve done, then turn to a simple test embodied in the first of the key questions in this core duty: how comfortable would you feel explaining what you have done to family and friends?

Remember that while the overall code is aimed at individual members, this core duty also urges each of you to look beyond your own actions and consider how ethics can be promoted within the firm you work for and across the industry as a whole. This cannot be overemphasised, for ethics is about how we interact with each other.

Five things to remember about the second core duty

- 1. It is about building trust...**
and not just in yourself, but in your firm and the industry as a whole.
- 2. It is not just about what you do at work...**
important though that is. Your behaviour outside of work matters too.
- 3. It is about reflecting upon what you are doing...**
to understand how others might judge your actions.
- 4. It is about encouraging ethical behaviour in others...**
because ethics happens when everyone works together.
- 5. It is about being clear and correct about your professional status...**
so that people link it with your conduct.

Handling further advice

Ralph works at a small financial planning firm and is currently finishing off some pensions business for a client who has turned out to be rather hard work.

The client had to overcome a considerable reluctance to pay the fee that Ralph's firm has set for such work, perhaps recognising for the first time just how much time and training goes into pensions advice.

Ralph is concerned however that to bring up the cost of ongoing advice to keep the pension, and

other parts of the client's portfolio, in order is likely to sour the client relationship still further.

Should Ralph put the client relationship first and drop the idea of ongoing advice, or should he raise it with the client now and resolve the matter once and for all? Recognising that this is a situation that firms like theirs have to get right from the start. Ralph talks through with his other partners how best to present the value clients like this will gain from ongoing advice and has some marketing material professionally drawn up to make sure the message is conveyed as clearly as possible.

A surprising phone call

You are the national sales director at an independent firm of financial planners.

This morning, a junior member of a sales team rang you from one of the firm's regional offices and described how one of your regional managers appears to be falsifying some returns that you rely on.

You find it too incredible for words, as the manager is someone you have known for a long time. Your reaction reflects this and the caller is told in no uncertain terms to stop spreading wild rumours. Is the support you've given the manager justified or should you look into it a bit more? You recall that those returns had been looking surprisingly good recently.

Something also clicks in your memory about employees raising concerns and you look up the Code of Ethics on the firm's intranet. This refers to a 'speaking up policy', which you click on the link to. It sets out the process you should have followed with the caller.

You ring the caller back and apologise for your earlier reaction. You talk through with them the options in the speaking up policy for taking the issue further and encourage him to speak up about it.

Later you find out that the regional manager had been up to all sorts of mischief, of which falsified returns had been just the tip of the iceberg.

These case studies demonstrate that making decisions according to the highest ethical standards is not always easy.

It is important to be able to reflect on the underlying values involved and see an issue from the perspective of the different people involved.

Code of Ethics

You must act with the highest ethical standards and integrity.

This includes, but is not limited to:

- 2.1 being honest and trustworthy;
- 2.2 being reliable, dependable and respectful;
- 2.3 not taking unfair advantage of a client, a colleague or a third party;
- 2.4 not bringing the financial services industry or the CII into disrepute whether through your actions in work or outside work;
- 2.5 not offering or accepting gifts, hospitality or services which could, or might appear to, imply an improper obligation;
- 2.6 promoting professional standards within the industry;
- 2.7 encouraging your organisation to produce an ethical code;
- 2.8 making sure your CII membership or chartered status is described correctly;
- 2.9 informing the CII of any change in your work or circumstances which affect your membership or chartered status; and
- 2.10 operating both professionally and in a financially responsible manner including avoiding personal insolvency.

Some key questions to ask yourself:

- What would an outsider think of what I am doing, and does this matter ethically?
- How would my actions look to the CII?
- Should I discuss my proposed actions with my superior or another appropriate person or the CII?
- Do I know if my organisation has an ethical code and do I fully understand it?
- Does my organisation reward good ethical behaviour?
- Does my organisation follow a whistle blowing policy?
- How can I promote trust in my organisation and the financial services industry?
- Do people trust me? If not, why not?
- Do I think it is OK if I don't get caught?
- Do I say "show me where it says I can't" or do I say "is this ethical"?
- Why am I being entertained or offered hospitality?

Core Duty 3

You must act in the best interests of each client.

Acting in the best interests of each client is something we often hear talked about, but perhaps less often explained. That is what is so useful about this third core duty – it drills down into the detail and supports that detail with questions to check our understanding.

Those questions are important, for one skill that differentiates a professional from others is the ability to stop and reflect upon your actions. In fact, you could sum up this core duty as a two stage process: firstly, reflect upon what you are doing and why, and secondly, if it is not serving the client's best interests, then do not do it.

On the face of it, this core duty is quite detailed, but in fact, it boils down to information and how we handle it. What do you know about the product and service? Do you understand what the client needs? What does the client need to know and how can you best get that across to them? Are you respecting what they have told you?

It would be nice to think that there is always a clear cut answer to such questions, but that is often not the case. So what this core duty tells us is, if in doubt, always put the client's best interests first. If it is a complex situation, then talk it through with a colleague. And this is where your firm's culture should support you. It should encourage you to resolve potential conflicts involving clients' interests and not pressurise you with inappropriate targets.

Five things to remember about the third core duty

- 1. It is about knowing your client...**
because otherwise you won't know where their best interests lie.
- 2. It is about putting their interests ahead of your own...**
even when they may appear to be at odds.
- 3. It is about being open and honest...**
with yourself, colleagues and clients.
- 4. It is about committing to this as a firm...**
because it has got to be part of your culture.
- 5. And your firm rewarding you for doing so...**
so that the firm's interests are aligned with the clients.

Case Study 1

A vulnerable client

You work for a small firm of advisers and have just had a meeting with one of your oldest clients, a delightful old lady who lives on her own and has a small portfolio arranged through your firm.

You are somewhat puzzled, for she has just given you an instruction that makes no sense at all – she is bound to lose out if you carry it through.

You pointed out the ramifications of her decision, but she did not seem interested. You recall one or two recent meetings when she had not quite seemed her old self and you wonder if she is losing her grasp of things.

Should you just get on and follow her instructions? Or should you still seek to act in her best interests, while respecting her confidentiality at the same time?

Aware of your extra responsibilities to vulnerable clients, you talk the matter through with your colleagues and decide to write her a letter, setting out your concerns about her instruction and urging her to seek a second opinion, perhaps through close relatives, her lawyer or doctor. A week later, you hear from her sister and arrange to meet up with the two of them to talk the matter through further.

Case Study 2

Convoluting descriptions

You work for the financial planning arm of a high street bank, based in one of its larger branches.

While everyone has targets to meet and a style in how they go about achieving them, you are beginning to suspect that one of your colleagues is cutting some corners.

You have heard him reel off long and somewhat complex descriptions of products to clients, that leave even you a bit baffled, but which appear to satisfy clients, for he is near the top of the sales chart for your region.

His style is reassuring and persuasive, but you are worried that clients may be signing up to products that they do not really understand. Is this the sort of concern that anyone noticing it should report, or are you in danger of being found guilty of sour grapes?

You could raise it as a general point about selling styles at the team meeting later that week and see how your line manager reacts, or just go direct to the compliance department now. You read up on the firm's intranet about how compliance handles such situations and reassured, give them a ring.

We all want to act in the best interests of a client, but these case studies show that in doing so, we can sometimes face difficult choices.

They also show that a good way of finding the best way forward is to talk the matter through with someone. A problem shared is a problem halved.

Core Duty 3

Code of Ethics

You must act in the best interests of each client.

This includes, but is not limited to:

- 3.1 encouraging your organisation to put fair treatment of clients at the centre of its corporate culture;
- 3.2 basing your decisions on a clear understanding of client needs, priorities, concerns and circumstances;
- 3.3 giving your client all the information, of which you are aware, which is needed for your client to make an informed decision provided that information is not confidential to another client;
- 3.4 making sure the promises you make to clients about a product's performance and the after sales service is true;
- 3.5 respecting confidential information of clients, former clients and potential clients;
- 3.6 ensuring you do not use information from work improperly and/or to your personal or business advantage;
- 3.7 turning down work when a conflict of interest exists between you or your employer and the client; and
- 3.8 refusing to act when a conflict of interest exists, save where acting in these circumstances is expressly permitted by a regulator.

A conflict of interest is a situation in which someone has competing professional or personal interests. Depending on the circumstances, there may be a perceived rather than an actual conflict of interest. Both perceived and actual conflicts must be dealt with appropriately.

Conflicts of interest can arise where:

- You owe, or your firm or employer owes, separate duties to two or more clients in relation to the same or related matters and

those duties conflict or there is a significant risk they may conflict; or

- Your duty to act in the best interests of any client conflicts, or there is a significant risk it may conflict, with your own interests.

Some key questions to ask yourself:

- Am I acting fairly towards this client or my employer or my colleagues?
- Are my opinions and statements objective?
- Am I being honest and truthful?
- How can I better help my client to make capable and confident decisions?
- Would I like to be treated in this way if I were a client?
- Is this in the best interests of my client or my bonus?
- Do I try to cover up my mistakes?
- Does my organisation reward arrangements that deliver fair treatment to customers as well as offer incentives to help employees grow the business?
- Are employees rewarded in ways which encourage them to put their client's best interests first?
- If the client is vulnerable, what extra steps can I take to make sure I act in my client's best interest?
- How can I help my clients to understand financial services?
- Do I provide clear information pre and post sale?
- Do I listen to my clients or just hear them?
- Will acting for this client compromise my position?
- If I act for this client will it harm them or be to the detriment of another client?

Core Duty 4

You must provide a high standard of service.

You may wonder at first what service has to do with ethics.

After all, customer service is an everyday activity connected with virtually everything that happens in financial services, from explaining to clients about their options, to being clear on fees and ensuring their cover continues to meet their needs.

Let us take a step back and consider for a moment what the public think good customer service looks like. Research by Ipsos MORI in 2010 found that 53% of financial services customers described it as “providing the service they promised” and 51% said “honesty”. Therein lies the connection with ethics. A high standard of service is built around trust. You can invest in answering the phones faster or turning correspondence around quicker, but what really matters to customers is what you say in those communications and how that relates to what you have promised.

This is where such behaviour matters to you individually, because this core duty is not just about customer service. It also covers how you and your colleagues engage with each other at work. So if a colleague does something they promised to do at a recent meeting, or a manager asks you to do a job in a way you appreciate, then you feel more satisfied at work and feel more committed to the company as a result.

What this fourth core duty does is take those themes of promises and honesty, and set them out in more detail, putting them into the language of how insurers and advisers work. In its accompanying key questions, it then brings out something that can often be forgotten when seeking to achieve a high standard of service: the ability to listen and take on board what people are telling you. There is no point investing in service improvements relating to something that customers do not see as a priority. That is why understanding what customers value most should underpin how you achieve a high standard of service. If your company does not share such information with you, then ask to see it – it can make very interesting reading. And consider using what it tells you about your customers to influence the continuous professional development you undertake, so that you gain the types of skills and expertise that matter most to your job.

Five things to remember about the fourth core duty

- 1. It is about putting the client first...**
and building the service you provide around them.
- 2. It is about being accurate and straightforward with clients...**
because that is what they value most.
- 3. It is about knowing where your abilities lie...**
and seeking help where necessary.
- 4. It is about keeping up to date with best practice...**
and making sure your team does so too.
- 5. It is about listening to feedback...**
and using it to do things better.

A change in time

You work for the financial planning arm of a leading high street bank and following a recent promotion, you have taken on responsibility for the files of a recently retired colleague.

You spend a few hours looking over each file. Everything about the original sales seem to be in order and you can see that he has worked hard to meet his cross selling targets. In some cases, you can see that a change in the client's circumstances allowed him to land a further

spot-on sale, but it then dawns on you that he did not go back to the original policy sale and agree any changes to it to reflect those new circumstances. Is it your responsibility to open up what looks like a potential can of worms, or is the proper way forward to grasp the nettle and sort it all out?

You decide to outline the situation to your compliance officer, who asks you to set up meetings with each of the affected clients in order to agree the necessary changes.

Reckless records

You work at a mid sized firm as a trainee in support of a busy sales person.

At the moment, you are getting some practical experience in how her work is processed through into the back office functions. She has been very busy and has recently got into the habit of passing over files for you to process that are a bit of a mess.

Concerned by this, you have gone back to some guidance notes that she gave you when you started, on how the files should be processed and recorded. These confirm that her record keeping is drifting increasingly wide of the mark and there is a danger that a client's policy could be mismanaged in some way as a result.

Do you just take what she is passing over to you and process it as it stands – after all, she is the professional and the client has already got the policy they wanted. Or do you act to address the problems that that would create for you and the firm.

You decide to raise your concerns with her, at the same time outlining three things she needs to focus on. You explain how you can help her in this and are pleased to find that she responds positively – she knew that her record keeping had deteriorated and your helping hand to sort it out was appreciated.

A high standard of service can sometimes be a challenge to achieve, but as consumers consistently rate it as their top priority when dealing with a company, it is bound to produce results for your firm.

It also likely to make your everyday work more satisfying. After all, we are all customers ourselves and treating others how we would like to be treated ourselves is a valuable yardstick.

Code of Ethics

You must provide a high standard of service.

This includes, but is not limited to:

- 4.1 communicating with each client in a way that is accurate and straightforward and expressed in a way that the individual client can understand;
- 4.2 being transparent about fees and other costs;
- 4.3 making sure reasonable steps are taken to ensure that all advice is accurate and suitable for the individual client;
- 4.4 obtaining and providing clear information before, during and after the point of sale;
- 4.5 ensuring adequate and correct records are kept;
- 4.6 acting with skill, care and diligence
- 4.7 acting only within your ability and authorisation and seeking help when necessary;
- 4.8 ensuring your knowledge and expertise is kept up-to-date and relevant for your work;
- 4.9 ensuring those who work for you have appropriate training and supervision and contributing to their learning and development; and
- 4.10 if it is within your control, making sure your firm has clear written complaints procedure which is followed.

Some key questions to ask yourself:

- Do I do what I say I will do and do it when I say I will?
- How can I improve the service I give my clients?
- Am I approachable?
- Do I give and receive constructive feedback to/from colleagues?
- Does my organisation seek feedback from clients?
- Does my organisation have a swift and effective mechanism for resolving complaints?
- Do I learn from complaints?
- Do I take complaints seriously?
- Can I improve my knowledge by additional training?
- Do I encourage subordinates to increase their knowledge?
- Do I ask for help when I need it?
- Does my organisation have systems for managing paperwork and data which work?
- Do I listen to my clients or just hear them?
- Does my organisation assess customer satisfaction and provide feedback to employees?

Core Duty 5

You must treat people fairly regardless of age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion and belief, sex, and sexual orientation.

This core duty seems to cover a lot of issues, however they can all be summed up in two words: equality and diversity.

While we are probably all familiar with those two terms, it is worth outlining what they mean and how they compare.

Equality is about creating a fairer society, where everyone can participate and fulfil their potential. It is about addressing unfair discrimination based on being part of a particular group – for example, women being paid less than men for doing exactly the same job.

Diversity is about recognising that everyone is different in some way. It is about creating a workplace culture that respects and values those differences – for example, recognising that in working for a worldwide group, you will come across colleagues who are more sensitive to certain things than you are. So one is about making things equal and the other is about respecting differences.

The bigger picture

There is a further dimension to this core duty. We may think of it as being about the people we work with, but it also encompasses how we engage with clients and how we use agents and suppliers to deliver our products and services. So think not just of the people you meet at work, but all those whose lives you influence through the work you do and how you do it.

That is why equality and diversity need to be borne in mind when drafting a policy or reviewing a client's needs. In fact, it has been a prominent issue in recent years, following the ruling in 2011 by the European Court of Justice that insurers were no longer able to rely on gender as a rating factor.

As we increasingly engage with clients from across the world, our work brings us into contact with an enormous diversity of cultures and the different ways of doing business these produce. This core duty reminds us to treat every one fairly and with respect. Understanding how they are similar and how they are different, and why, are vital steps to building the understanding and confidence of successful business relationships.

Lead by example

Remember that while you may not be responsible for writing or monitoring your firm's policies and procedures on equality and diversity, you are responsible for ensuring they are acted upon. Setting an example in such circumstances is an explicit part of this core duty.

Five things to remember about the fifth core duty

- 1. It is about remembering everyone is an individual...**
and deserves to be treated as such.
- 2. It is about treating everyone with equal respect...**
and with equality of opportunity.
- 3. It is about putting yourself in someone else's shoes...**
and seeing things from their perspective.
- 4. It is about challenging unfair practices...**
not just ignoring them, hoping they'll go away.
- 5. It is about everyone you deal with at work...**
not just clients and work colleagues.

Case Study 1

Inflexible attitude

You are a successful financial planner in the Asian division of a global bank.

Emboldened by a recent article in the staff magazine about arrangements for enhancing worklife balance, you ask your boss to allow you to work from home for one day a week, in order to ease some problems caused by a recent illness in your family.

You explain how you will arrange your work to ensure your continued productivity. The manager responds to your request in a dismissive manner

and makes it clear that that sort of arrangement isn't going to happen in his department. His tone then becomes more pressurised, in an attempt to make you withdraw your request.

So, do you bow to the apparent intransigence of your manager, or do you seek the support of the local HR director?

After talking it through with a trusted colleague, you decide to meet with the HR director and present them with a well prepared case setting out how the alternative arrangements will meet the firm's needs.

Case Study 2

Interview attitude

You work in human resources at a mid-sized firm and are part of an interview team for a new para-planning post.

The next candidate has just been called in and, like some other people in the room, you cannot help but hear a groan from the senior person on the interview team as the candidate manoeuvres his wheelchair into place.

You run through your questions with the candidate, as do others on the interview team except the senior person, who seems to be pre-occupied and when asked if he has any questions,

replies that he has none. The interview team reconvenes at the end of the day to choose which candidate should be offered the post.

To your surprise, the senior person presents you with the names of the two candidates he is prepared to work with, neither of whom is the person who used a wheelchair.

Do you proceed in line with the wishes of the senior person, or do you act upon the obvious flaw in the afternoon's proceedings? You find the HR director in his office and explain the situation to them.

Equality and diversity are themes most of us are familiar with, but beware: do not be lulled into thinking that all that can be done has been done.

The financial services sector has come a long way in the past few decades, but the journey is not over yet. We all have a role to play, as individuals, employees and customers, in securing lasting equality and diversity across the financial services sector.

Core Duty 5

Code of Ethics

You must treat people fairly regardless of:

- age
- disability
- gender reassignment
- pregnancy and maternity
- marriage and civil partnership
- race
- religion and belief
- sex and sexual orientation

This includes, but is not limited to:

- 5.1 treating each person as an individual;
- 5.2 challenging and reporting unlawful or otherwise unfair discriminatory behaviour and practice;
- 5.3 always acting openly and fairly and treating employers, employees, colleagues, clients, potential clients and suppliers with equal respect and opportunity;
- 5.4 making reasonable adjustments to assist people with disabilities or particular needs you may deal with at work;
- 5.5 encouraging your organisation to produce and promote an equality and diversity policy setting out how the business plans to promote equality, diversity and inclusion, prevent discrimination and deal with any instances of discrimination which might happen; and
- 5.6 if it is within your control, making sure processes and procedures do not discriminate.

You should be aware:

- Disability is defined as a physical or mental impairment which lasts, or will last, for over a year and which adversely affects the individual's capacity to undertake day to day activities. It includes conditions as diverse as dyslexia and cancer;

- Race includes ethnic or national origin, colour and nationality;
- Religion and belief includes non religious beliefs (including no-religion) and philosophical beliefs which impact upon the way in which an individual chooses to live their life.

Some key questions to ask yourself:

- If I belong to any of these protected characteristics, would I feel unfairly disadvantaged?
- Is what we are asking for more difficult for this person to achieve? And, if so, is the thing we want really necessary or can we make an adjustment to make it easier for the person to achieve?
- What can I do to promote a workforce that is representative of the people we serve?
- Does my organisation have effective equality and diversity training arrangements?
- Does my organisation systematically audit its own policies and practices to ensure that these comply?
- Does my organisation create unnecessary hurdles for this person?

Key skills for thinking ethically

Having looked at each of the code's five core duties in turn and explored what they mean to individual members, we should now draw together what we have learnt and highlight some of the key messages that emerge.

While each core duty focuses on a particular aspect of how members should go about their work, there are a number of common themes that bind the five core duties together. These themes are worth a closer look because they help members to put the code into practice.

There are five of these themes:

Understand why it matters

It is all very well being able to recall what each of the core duties in the Code of Ethics say, but it is just as important, if not more so, to understand why the code is asking these things of you. Understanding the 'why' as well as the 'what' will help you apply the code more confidently to tricky situations, as well as help you to more clearly explain your profession's ethics to colleagues and customers. Getting behind the Code of Ethics in this way will also show you how to best use this ethical commitment to your business's advantage: for example, by crafting a better explanation of the value that behaving in an ethical manner brings to each client.

Set an example

You may not have direct responsibility for ethics at your firm, but you are still responsible for showing others how to uphold both the letter and the spirit of the core duties in the Code of Ethics. So help others to follow your example by setting one yourself. People will notice and start to follow your lead. That is how a culture of doing the right thing can become established. Setting an example also shows others that you are the type of person who they might share any ethical concerns with. Make sure you listen carefully when they do and even better, be familiar with how to guide them should they want to take it further.

Think beyond yourself

Ethics always involves more than one person, be it in terms of how you respond to what others do, or how they respond to what you do. So when you are weighing up the rights and wrongs of a particular situation, don't just think of how it may affect yourself. Remember to take account of what other people (be they colleagues or customers) might say or think about the situation and consider the options available to you from their perspective. One of the simplest ways of doing this is to ask yourself how you might explain a particular situation to friends and family and what their reactions may be.

Reflect upon what you are doing

If you feel there is an ethical question mark hanging over something you have been asked to do, stop for a moment and take some time to reflect upon it. Ask yourself some of the questions that accompany each of the code duties in the Code of Ethics. If it still seems difficult or awkward, seek out a like minded person you know at work and talk it through with them. Discussing the situation with someone often brings out alternatives that you may not have spotted, as well as often confirming that you are not the only one feeling under ethical pressure.

Give it regular attention

There may be times when you feel that you have not done something in an altogether ethical way. None of us are perfect, but we can always learn from a situation and be prepared next time round to make the better choice. Being familiar with the Code of Ethics will help you in such situations, as it can guide you on where and how you may have fallen short. It is also useful to think ahead and use your continuous professional development to learn more about the skills to more confidently tackle that situation in a more ethical manner next time round. In the meantime, take a look at the CII's online ethics course, which has case studies illustrating a great many types of work situations.

You can see that the five common themes outlined above resemble what might be called 'ethical skills', to use in applying the detail of each of the core duties. These skills are important because ethics can sometimes be tricky –between the clear dos and don'ts are grey areas which these skills will help you tackle. Bear in mind as well that these skills are not particularly unique to ethics – they will help you with many other types of situations you will come across at work.

The Code of Ethics is there to help you, so keep it handy, in a folder in your desk or computer. Consider keeping this paper about each of the core duties with it as well. When you are faced with a tricky situation or when you want to improve how you work, take it out and start by asking yourself some of the questions that form part of each core duty.

It would also be worthwhile looking at some of the other resources on ethics available from the CII. As well as the online ethics course, there are guidance papers on ethical culture, conflicts of interest and whistleblowing.

The Five Core Duties that make up the Personal Finance Society's Code of Ethics

- 1. You must comply with this code and all relevant laws and regulations.**
- 2. You must act with the highest ethical standards and integrity.**
- 3. You must act in the best interests of each client.**
- 4. You must provide a high standard of service.**
- 5. You must treat people fairly regardless of age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion and belief, sex and sexual orientation.**