

LESSON

«INTEGRITY IN THE PRIVATE SECTOR: WHAT IS INTEGRITY AND WHY IS IT IMPORTANT FOR THE PRIVATE SECTOR?»

«Praetor» team, (Astrea law clinic of Borys Grinchenko Kyiv Metropolitan University)

LESSON GOAL:	awareness of key concepts: «integrity», «private sector» and «compliance»; creation of a communication platform for discussion, exchange of opinions and joint analysis, for a deeper understanding of the essence of integrity and its significance in the private sector.
AUDIENCE/NUMBER OF PARTICIPANTS:	13-18 years/ 15-25 people.
DURATION:	45-60 minutes.
FORMAT:	classes (online or offline).
EQUIPMENT:	multimedia projector, flipchart/chalkboard, stickers, markers, whiteboard magnets.
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LESSON PROGRESS.



GREETING, GETTING TO KNOW THE AUDIENCE. PRESENTATION OF THE TOPIC.

Congratulations to everyone! (the team presents itself)

We have divided all the material into 3 components in order to better assimilate the information.

First component: Integrity.

Our general theme is «Integrity in the private sector». The private sector covers all aspects of private life that are not directly controlled by the state, and is the basis for personal and economic freedom.

We consider it appropriate to single out the economic sector as an important component of the private sector, since it is in it that the free expression of the will of people and their ability to self-regulate are most clearly expressed.

The need for integrity in the private sphere lies in the fact that trusting and stable social relations are built on its basis, without which sustainable development is impossible. That is why we propose to consider in more detail the role of integrity in private business through the prism of compliance.

PRESENTATION FOR THE LESSON:



Question to the audience: What is integrity? What do you associate this term with?



Hint: : (two components – good and honesty; ability to do good, tolerance, respect for others, high moral purity, transparency).

At the beginning of our lesson, we want to address the audience with a question: «*What is integrity?*» This question is asked in order to capture their initial ideas and expectations about the topic that will become the starting point of the discussion. We plan to create an interactive discussion so that everyone can speak out and hear the opinions of others. Returning to the same question at the end of the lesson, we can see how their understanding of integrity has changed during our presentation. This will help to summarize how much deeper participants understood the meaning of integrity, especially in the business *sphere*.

Integrity is a set of values and principles that help build trusting, honest and responsible relationships. Following the principles of integrity is the foundation for personal and social stability, and today we will discuss why this is so important.

Take a look at our table in the presentation. In the first column, you can see the basic principles of integrity that are fundamental to the development of a harmonious life in society: honesty, responsibility, respect, transparency and justice. Following each of these principles helps create an atmosphere of trust – both in the family, among friends, and in society as a whole.

1. **Honesty.** This is a principle that means that we always tell the truth and avoid deception. In everyday life, this manifests itself, for example, when we honestly talk about our intentions and actions. For example, if a teenager promises his parents to return home on time, and then keeps this promise – this is a manifestation of honesty. If honesty is violated, it leads to a loss of trust, which is then not easy to regain.
2. **Responsibility.** It assumes that people are responsible for their actions and their consequences. In everyday life, responsible behavior will be to recognize your mistake when it happens and correct it. For example, if a child spills juice in the kitchen, they can take responsibility and clean up after themselves. When responsibility is ignored, others may experience frustration or even resentment.

3. **Respect.** Being respectful means accepting the other person's value, thoughts, and feelings. For example, we show respect when we listen to a friend's opinion, even if we don't always agree. A violation of respect – for example, when someone makes fun of another person or ignores their feelings – can damage the relationship and create conflict.
4. **Transparency.** This is openness and a willingness to share important information when needed. In everyday life, transparency is manifested in the fact that we honestly and openly talk about our decisions or the reasons for our actions. For example, when parents explain to their children why they make certain decisions, they create an atmosphere of trust. But if important information is hidden, others may start to question our motives.
5. **Justice.** This principle means equal and honest treatment of others, regardless of their personal characteristics. For example, when we treat all our friends equally well, without singling out anyone – this is a manifestation of justice. A violation of justice, such as if someone in a group is ignored or put at a disadvantage, can cause resentment and destroy the relationship.

What does integrity mean? (The definition of «integrity» is taken from the Manual for manager "Development of virtuous and effective organization», developed by NACP).

In English the term integrity has two key definitions: integrity and virtue (honesty).

In the sense of morality integrity as virtue – these are actions and decisions based on values and principles.

In the context of official activity, a person is considered virtuous if he or she performs their duties honestly, competently and in full.

Second component:

Differentiation of the concepts of «private sphere» and «public sphere»

Presentation of the concepts of «private sphere» and «private sector».

We all live in a world that can be divided into two common areas: public and private.

Public sphere – this is a sphere related to the interaction of the state and society. This includes all processes that are regulated by state institutions, laws related to public life, and spheres where the state actively intervenes to ensure public order and law enforcement.

Private sphere instead, it concerns aspects of life that are beyond the direct control of the state. This is everything that has an individual or group character: personal life, family relations, private property, social activity, as well as economic activity. It is a kind of space of freedom, where a person or organization has the right to act independently, based on own values and principles.

At the same time, the private sphere is also divided into separate **sectors**. For example, we can distinguish the economic component, cultural component, and education. These sectors, in turn, can be further detailed, which shows the complexity and versatility of this area.

Thus, we see that **private sector** – is only a part of the private sphere, but it is key when it comes to integrity in the context of business. After all, this is where the need to ensure transparency and responsibility arises.



INTERACTIVE TASK:

We ask a specific question, if the students partially agree, they raise one hand, if completely — both, if they do not agree at all — they don't raise hands. After that, by analyzing the number of hands raised, students can explain their opinion. After listening to everyone, students are given the opportunity to change their minds.

1. Do you agree that private companies should always tell the truth in their ads, even if it reduces their profits?
2. Do you think that private entrepreneurs should respect the rights of their employees, for example, to pay wages on time and provide safe working conditions?
3. Do you think that private businesses should participate in charity projects to help society?
4. Do you agree that private companies should offer internships for young people, giving them the opportunity to gain experience and skills?

Third component: Compliance

Integrity is a broad concept and we want to highlight it in the private sector. The tool for achieving virtuous business behavior is compliance, which helps in building a reliable business.

* Explanation of terms and essence of the concept

From English **compliance** («consent, compliance») comes from the verb to comply – «to perform» – and literally means compliance with certain rules, requirements or conditions.

In business, compliance is a system of rules, procedures and conditions aimed at compliance by the company and its employees with legislation, internal rules and ethical requirements, to prevent violations, minimize risks and preserve the reputation of the organization.

In order to coordinate and supervise the implementation of anti-corruption measures, organizations have the position of *Integrity* Commissioner. This specially authorized person uses various legal methods of collecting relevant data and information to assess the environment and corruption risks.

The main role of the Integrity Commissioner in interacting with various integrity building structures in the organization is coordination; development of internal documents and procedures; training and education; consideration of reports on violations, participation in investigations of such violations and implementation of appropriate response measures; reporting and providing recommendations.

So, **compliance** is the process of acting in line with the rules (which are usually formed in the form of laws, instructions, orders, the organization's code of ethics, and internal documentation). It is a tool through which a manager can achieve high performance and competitiveness of his organization, and thus create ethical, virtuous and stable environment for development, where each participant will feel responsible to society and future generations.



THE MAIN ADVANTAGES OF VIRTUOUS ORGANIZATIONS OR WHY SHOULD YOU BUILD A BUSINESS ON THE PRINCIPLE OF INTEGRITY?

1. **Security** – due to lack of reasons for prosecution and control by the state, the organization avoids red tape in court or other regulatory authorities, the imposition of fines through effective internal control and risk management.

Example: The total amount of losses incurred only by state enterprises of Ukraine from corruption in 2019-2021 is estimated at more than UAH 20 billion. Their heads are under hundreds of investigations and involved in thousands of court cases.

2. **Efficiency** – due to the fact that communication is extensive and well-established, an enterprise, institution or organization achieves its goals with minimal resources, quickly responds to all types of internal and external challenges, constantly develops, and improves manageability.

Example: Ukrposhta sorting center in Kherson was shelled and damaged in the morning of 21.03.2023, but a few hours after that it has already continued its work.

3. **Positive reputation** – builds trust, facilitates cooperation with suppliers, partners, regulatory authorities, and allows you to attract the best employees.

Example: 78% of customers want to buy products from companies with good reputation. And only 9% of people are willing to buy something from a company with a bad one. 70% of people express their willingness to work in a company with a high reputation index, and only 11% – in a company with a low one. 46% of job seekers indicate that corporate culture is a key factor when choosing a place of employment.



INTERACTIVE TASK:

Classification of integrity and compliance.

* The task is performed in the Learning Apps app





INTERACTIVE TASK 2

Applying the case method and role-playing method

The essence of the game: mentors divide students into 3 teams (it is the mentors who choose the composition of the teams), each team has 1 card (Annex 4) with a detailed description of the case. Team members discuss the case and form it together, describe it on flipcharts (if necessary), and voice answers to questions about the cases.



Cases:

1. The firm decides to enter into a contract with a contractor who promises the lowest price for the purchased material, but it is known that he pays the workers of his enterprise salaries «in envelopes», avoiding paying taxes.
2. The company requires all employees to attend a series of annual trainings on the basics of ethical behavior and integrity in their spare time. At the same time, the employee must independently pay the fee for participation in trainings, and the head of the company has removed the obligation to reimburse the funds spent by employees.
3. An employee of a logistics company authorized to sign contracts on its behalf has entered into a contract with a long-time friend's transport company. During the tender, he presented analytical materials that convincingly proved the economic profitability of this particular carrier, although in fact the cost of transportation was somewhat inflated. The management approved the proposal, unaware of the hidden friendly relations and informal agreements between the employee and the owner of the transport company.



Questions to cases:

1. *Determine what kind of behavior this situation is: virtuous/dishonest.*
2. *If, in your opinion, this case is a manifestation of dishonest behavior, formulate and argue the joint position of the team.*
3. *How should the parties act to make this situation an example of virtuous behavior?*



FINAL PART

We show an active civic position together

Summing up the results – flower + petals.

Goal: Based on the thoughts of students (petals) to form a complete (comprehensive) concept (flower).

Mentors draw the middle of the flower with a marker – «integrity in the private sphere», give children petals from the flower. By petals, we mean double-sided colored paper. On one side of the paper, students form their own definition of «integrity in private sphere» or *describe associations* that this expression evokes in them; on the other side of the paper, they write their own impression of the lesson: its advantages and disadvantages, recommendations for improvement, and so on. The petals are attached by students using magnets to the board, which allows them to summarize the general understanding of the topic by seeing a whole «flower».

We thank the students for their active participation and say goodbye

LESSON ANNEXES:

