Ethics: A Challenge for Czech Businesses

Viva Etika a project of TI – Czech Republic
Viva Etika

- Open the discussion of the necessity of ethical behavior in businesses
- Promoting Business Principles for Czech companies
- Legislative changes
- Education on business ethics
The situation in Czech Republic

- The majority of Czech companies have the opinion: to talk about ethics is waste of time
- Czech managers in joint venture companies have bad experiences with code of conducts
- “To implement a code of conduct is difficult and expensive – the result is not visible immediately”
- Czechs are not used to follow rules unless they can be enforced
- “Small businesses do not need code of conduct”
- “Education could help but it is tailored for students, not for businesses”
The reason

- Big financial scandals in the period of “wild privatization”
- Banks went bankrupt, lost licenses due a huge number of classified loans
- Criminal activities of businessmen was considered as “a normal way of making business”
- Politicians turned a blind eye to these activities – some of them were supported by them
- Frequent cases of conflict of interest among PM, representatives of government and local government without any form of condemnation
- Still weak law enforcement
Investigation of criminal offenses in businesses is still far too slow.

Frequent violation of the procurement law without any consequences.

Ethical behavior is not yet at the agenda.
Education on BE in Czech Republic

- Courses and seminars on BE are not obligatory at Czech business schools
- They are obligatory since 2001 at international business schools operating in Czech Republic
- The quality of lectures vary from mediocre to terrible
- A big number of students consider this courses as useless and waste of time
- A huge number of unqualified teachers
- Apart BE education at business schools, there is a big gap on BE education for companies
What can Viva Etika do on curbing BE education?

- Collaboration with university from the international community on developing a high standard BE education method - Certification
- Create a platform where academics and businesspeople can exchange
- Persuade schools to include education on BE into the curriculum
- BE education has to become an organic part of education