

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