

# How to bring the professional oath to life in daily practice

DeNederlandscheBank

EUROSYSTEEM

How does one bring the professional oath to life in daily practice? Representatives from the financial sector and the supervisory authorities tackled this question at the DNB seminar on the professional oath in late 2022. This brochure summarises the outcomes of the seminar.

The professional oath or affirmation (further referred to as “the oath”) is a declaration by which the individual taking the oath commits to a set of moral and ethical principles when practising their profession. The oath was created to strengthen trust in the financial sector.

Starting as a banking sector initiative, it has since been anchored in the Financial Supervision Act (*Wet op het financieel toezicht – Wft*) and applies to all management board members, supervisory board members and policymakers of financial institutions. In the banking sector, the oath has also applied to all employees since 2015.


The Dutch Authority for the Financial Markets (AFM) and De Nederlandsche Bank (DNB) monitor whether financial institutions take the oath and adhere to its principles. In 2021, DNB conducted a survey among selected banks, insurers, and payment institutions. The key questions were: how do institutions organise the taking of the oath, and how do they enable their employees to act in accordance with the oath’s principles in daily practice?

One of the findings of the survey was that while institutions go to great lengths to invest the oath-taking ceremony with meaning and lustre, the oath does not seem to feature explicitly in people’s everyday work life once the ceremony is done. This finding prompted DNB to organise a seminar aimed at exploring, together with the

sector and other stakeholders, ways of having the oath be more effectively reflected in the day-to-day practice of those who have committed to it. The seminar generated many valuable ideas. We have grouped them into the following five categories.

### Taking the oath

- Renewing the vows
- Customising the text of the oath
- Witnesses present at ceremony
- Celebrating the anniversary




### Nudges

- Reminders in places where it matters
- The stakeholder at the table



### Dialogue

- Dilemma workshops together with colleagues
- "50 shades of non-compliance"
- Reflecting on 'moments of conflict'



### Organisation

- Work context analysis: what is helpful and what is not
- The oath as part of recruitment
- The oath as an integrated part of recurring processes: performance management, daily stand ups etc.



### Behaviour

- Translating the oath to specific behaviours for specific roles
- "When do I take decisions, actually?"
- Learning from case histories



## Taking the oath

- **Renewing the vows** – for some oath-takers, it has been years since they took the oath. By having people periodically retake the oath in a ceremonial setting – say, every five years – institutions can reaffirm that they take the oath seriously as an organisation, while the individuals taking the oath can again express their commitment to its principles.
- **Customising the text of the oath** – the law allows the text of the oath to be adapted to better suit the organisation – as long as the original meaning of the oath is preserved. Adding role-specific or institution-specific wording, such as the organisation’s core values, can make the oath more inspiring and bring it closer to daily practice.
- **Asking witnesses** – formally, the oath is already taken in the presence of a witness: the oath-taker’s manager. However, one can also ask colleagues who have already taken the oath to act as witnesses. For the witnesses, the ceremony serves as a refresher, and the person taking the oath knows that their peers also look on. Another suggestion is to ask people from outside the own organisation to act as witnesses, such as customers, or other stakeholders.
- **Celebrating the anniversary** – the oath deserves to be celebrated: an annual reminder combined with a small attention, similar to a birthday, will keep the memory of the oath vitalised.

## Dialogue

- **Dilemma workshops together with colleagues** – the oath can acquire more practical substance when oath-takers take the time to jointly discuss the dilemmas the oath brings to the surface. This can be even more effective when discussed in groups of people who are well-acquainted with each other’s work practice. And by combining both oath-takers and colleagues who still have to take the oath, it is possible to highlight and bring together different perspectives.
- **“50 shades of non-compliance”** – to get a good sense of what it means to comply with the oath, one can also ask the question: when could I be in non-compliance? Under what circumstances, in the course of which activities? By encouraging people to actively think about how they might cross the lines of the oath in their work context, one can collectively delineate what adhering to the oath entails in practice.
- **Reflecting on ‘moments of conflict’** – it is good practice to regularly reflect together with one’s team, for example at daily standups, “retros”, departmental meetings, intervision groups, etc. By including the oath in these regular reflections and looking back at situations that conflicted with the principles of the oath, one can embed the oath as part of regular (team) conversations. Such conversations will also serve to showcase how individual people experience the oath in practice – including in difficult situations.

## Behaviour

- **Translating the oath to specific behaviours for specific roles**
  - the principles of the oath are intentionally formulated in universal terms, in order to make them applicable to a wide range of roles and functions. But what concrete behaviours should these principles lead to? The answer to this question will vary by business unit, line of defence, as well as the oath-taker's particular job. Exploring together with your peers what aspects of your work are affected by the oath, and what behaviour is appropriate in this context will make the oath less abstract. Having such a dialogue will help establish a shared understanding of what behaviours fit the oath. Documenting these considerations will make them available to current and future colleagues, as a form of moresprudence.
- **“When do I take decisions, actually?”** – at its core, the provisions of the oath concern those moments when the oath-taker makes decisions. What exactly *are* those decision-making moments in my work, then? How much room for manoeuvre do I actually have? Exploring this with one's colleagues increases the awareness of one's own agency, and of the key moments in practice when one makes decisions – which is when the oath matters.
- **Learning from case histories** - The Foundation for Banking Ethics Enforcement (Stichting Tuchtrect Banken) publishes all of its rulings on its website. Banks can learn from these case histories, and use them to specify appropriate and inappropriate behaviour under the oath.

## Nudges

- **Reminders in places where it matters** –the oath is, at its core, about making decisions. It helps to be reminded of the oath in the moment and space where one makes those decisions. If one maps out where decisions are made (in the boardroom, in the interview room where customers are advised, etc.), one can include reminders of the oath in these spaces. This could include, for example, texts from the oath, photos of the oath-taking ceremony, etc.; mementos that remind those present of their commitment when making decisions.
- **The stakeholder at the table** – a core provision of the oath pertains to weighing the interests of all stakeholders when making decisions. By making the stakeholders less anonymous and more visible in the working environment (e.g. through pictures of customers on the wall), oath-takers are more specifically reminded of the people affected by their decisions.

## Organisation

- **Work context analysis** – the oath is taken individually and makes an appeal to individual responsibility. However, these individual oath-takers operate within the context of their organisation – the context of processes, policies, management, remuneration, etc. The organisation has an obligation to provide a work context which enables its employees to act in accordance with the oath. Meeting this obligation is aided by performing a thorough analysis of organisational factors that help or hinder people in complying with the oath. The outcomes of the dilemma sessions could serve as input for such an analysis.
- **The oath as part of recruitment** – by and large, the oath primarily plays a role in a person's life once they have started working at an organisation. But the oath could also be used earlier in the employment cycle: in the recruitment process, as an expression of the organisation's standards and values. This allows candidates to understand what their prospective employer stands for, and whether this aligns with their own standards and values. This works even better when an organisation has established what specific behaviours correspond with the principles of the oath.
- **The oath as an integrated part of recurring processes** – Regularly discussing the oath is the best way to anchor it in daily practice. By including the oath as a topic in recurring processes that every employee has to deal with, such as performance appraisals and daily standups, it becomes a natural topic of conversation that is intertwined with the core of one's work.



## More information

This seminar built on ideas and findings from a number of recent (Dutch-language) studies on the professional oath, which you can find via the links below.

**The banker's oath and financial advice (2021)** | research by Vrije Universiteit Amsterdam and Universität Innsbruck on the effect of the banker's oath as a moral nudge on financial advice, in which 200 bank branches were visited by mystery guests.

**Wordt de beroepseed serieus genomen? DNB survey results (2021)** (Is the professional oath taken seriously?) | Results of a survey by De Nederlandsche Bank on the taking of and compliance with the professional oath. The survey was conducted among a selection of banks, insurers, and payment institutions.

**Onze twijfels op tafel: onderzoek naar eed/belofte en kernwaarden (2021)** (Our doubts on the table: survey on the oath/affirmation and core values) | Study by the Netherlands Compliance Institute in collaboration with Nyenrode University on the banking oath, conducted among bank employees through a survey.

**Tussen eed en tucht: ervaringen met bankierseed en tuchtrecht in de dagelijkse praktijk (2021)** (Between oath and discipline: experiences with banking oath and disciplinary law in daily practice) | Research by the Dutch Banking Association, conducted among employees of banks in the Netherlands through a survey and group interviews.

**De bankierseed en het bancaire tuchtrecht: drie rapporten (2022)** | (The banking oath and banking disciplinary law: three reports). An overview and comparison of studies by DNB, the Dutch Banking Association and the Netherlands Compliance Institute.

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