



Scyne Advisory's implementation of ethical and accountability frameworks

December 2024

Summary

In October 2023, the Department of Finance (Finance) released a report into its evaluation of the ethical soundness of Scyne Advisory (Scyne) which recommended Finance monitor Scyne's implementation of its ethical and accountability frameworks.

Over the past 15 months, Finance's monitoring has involved review of Scyne's bi-annual progress reports, feedback from relevant Commonwealth entities and regular meetings with Scyne to discuss their progress. Finance concludes that Scyne has implemented appropriate ethics, accountability and governance arrangements to support contracting with the Commonwealth and has taken steps to embed its frameworks and ethical decision-making practices into its operations.

Process

Regular meetings

Meetings between Scyne and Finance were held to discuss Scyne's implementation activities and contractual performance in November and December 2023, and February, April, May, June, July, October and November 2024.

Bi-annual reports

Scyne provided two bi-annual reports¹ to Finance on its progress, including advice on any Code of Conduct breaches and the outcome of any investigations, evidence of the ethical and accountability frameworks being applied, and progress on implementing its frameworks.

These reports addressed the key matters raised by Finance in the 2023 evaluation report:

- **Governance**

Scyne established a new Advisory Board (Board) and Advisory Leadership Team, appointed an inaugural Chief Executive Officer, and launched a 5-year business development strategy. Additionally, Scyne introduced an Environmental, Social and Governance strategy.

Finance considers that the governance structures of the Board and its sub-committees have played a significant role in establishing a robust corporate governance framework. These structures provide effective accountability and control systems that appropriately

¹ Visit <https://www.scyne.com.au/news> to access these reports.

manage the risks related to ethics, culture and values at Scyne. Matters of significance are escalated to the Board and sub-committees in line with their Charters, including vetting of new senior staff and conflicts of interest.

- **Culture and Values**

Scyne implemented a range of strategies to shape its organisational culture and embed core values. Key initiatives include:

- requiring all employees to complete a structured compliance training program and acknowledge the Code of Conduct and policies in the Employee Handbook.
- establishing a Working Group focused on proactive psychosocial risk mitigation.
- launching a Diversity, Equity and Inclusion strategy.
- development of Issue and Incident Management guidance to support staff to raise concerns.
- engagement with the Cranlana Centre for Ethical Leadership to build ethical capability in the organisation.

Finance notes Scyne's development of its ethical roadmap, in collaboration with the Cranlana Centre, reflecting its commitment to embedding its values and ethics across the organisation. Finance recognises that the steps that Scyne are taking will require an extended period to fully embed and build a self-maintaining culture. Finance considers that the initiatives underway, and Scyne's support of those initiatives, create the bedrock necessary to see strong adoption over the medium and long term.

- **Implementation of Frameworks**

Scyne implemented the following frameworks and supporting documents:

- Ethical Framework and Ethical Decision-making Guide
- Enterprise Risk Framework
- Enterprise Compliance Framework
- Performance Framework
- Remuneration and Rewards Framework
- Work Health and Safety Framework
- Quality Management Framework, and
- Tax Governance Framework.

Finance notes that over the past year, Scyne has transitioned from development and implementation of key frameworks to embedding and ensuring their effective operation. Finance supports the strong focus on 'tone from the top' and Scyne's commitment to transparency. This has been demonstrated through Scyne's willingness to share (appropriate privacy redacted information) Code of Conduct investigation processes, providing Finance with confidence in their implementation. Further, Finance notes Scyne's advice regarding its client acceptance procedures, and the steps it is taking to ensure that its business engagement decisions are in line with its ethical framework.

Finance considers that Scyne has effectively and appropriately focused on building an ethical business, and having developed the appropriate structures within their business, are now taking relevant steps to ensure their effective implementation.

Feedback

Finance sought feedback from Commonwealth procurement officials on their interactions with Scyne and provided Scyne with an update based on this feedback.

Feedback from Commonwealth entities with contracts with Scyne was positive. Entities expressed confidence in Scyne's ability to meet its contractual obligations and perform those obligations ethically.

Conclusion of Monitoring Process

Finance considers that Scyne has engaged openly with Finance throughout the 15-month monitoring process, providing all relevant and requested information through regular meetings and detailed reports. Scyne has demonstrated a strong commitment to ethical behaviour and has effectively addressed key matters raised by Finance. This report concludes Finance's monitoring of Scyne's implementation of its ethical and accountability frameworks, however ensuring ethics is at the forefront of Scyne's decision making process is a longer-term area of focus. Finance and agencies who engage Scyne will continue to monitor ethical and contractual performance in line with the Management Advisory Services Panel contract management frameworks.