

Cambridge Elements

Elements in Corporate Governance

edited by

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TRUST, ACCOUNTABILITY AND PURPOSE

*The Regulation of Corporate
Governance*

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The Trust Project

The University of Sydney



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The Regulation of Corporate Governance

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Abstract: The collapse of trust can be found across all of our institutions but most of all in finance. This Element seeks to answer an existential question: how to rebuild trust in distrusting times? Integrity, responsibility and accountability must be embedded into corporate mission statements, values and codes of conduct through organisational and regulatory design across five interlocking themes – legal, regulatory, managerial, ethical and social. What is required is substantive rather than technical compliance; warranted rather than stated commitment to high ethical standards; effective deterrence strategies; enhanced accountability; and a shared commitment to risk within negotiated, binding and enforceable parameters.

Keywords: trust, accountability, corporate governance, risk, integrity, social licence to operate

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