

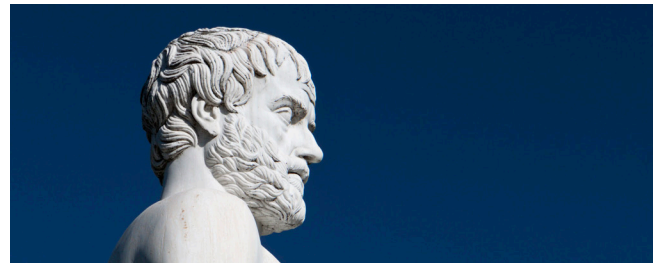
Organizational Integrity Group

Solving The Whole Problem™

First Principles



“When the objects of an inquiry . . . have principles, conditions, or elements, it is through acquaintance with these that knowledge . . . is attained. For we do not think that we know a thing until we are acquainted with its primary conditions or **first principles**, and have carried our analysis as far as its simplest elements. . . .”



Aristotle penned these words more than 2,300 years ago. While his sights were set on the natural sciences, the concept of “First Principles” has found far broader application in modern times, defining the fundamental tenets on which any system or method is based.

The following pages illustrate some of the OIG’s First Principles. These simple concepts highlight how we think about — and solve — complex problems relating to organizational integrity. Among other topics, our First Principles cover things like

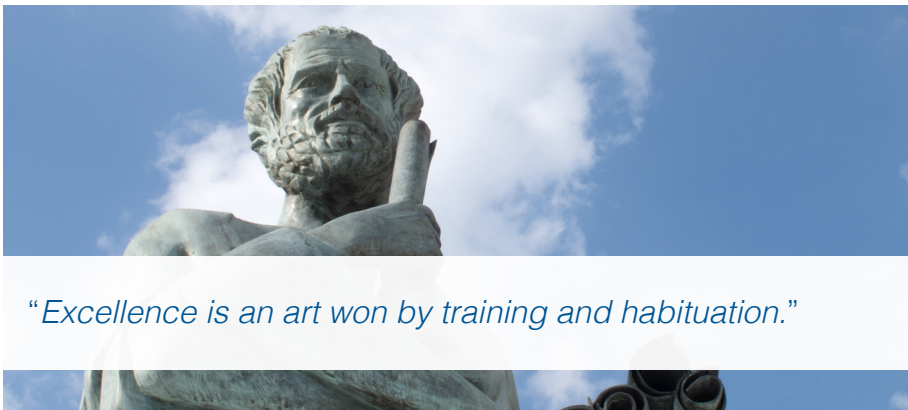
The Sheppard Mullin Organizational Integrity Group thinks a lot about the way people think. And we have given a lot of thought to how we think about complex legal and organizational challenges, which we have distilled into a set of “First Principles.” We share Aristotle’s view that knowledge is attained through introspection and self-awareness. We do not believe in “intuition” or “gut feel.” We believe in experience, examination, and evaluation. We believe in active listening, collaboration, and creative problem solving. And we believe one can and should be able to articulate the fundamental concepts that guide one’s thinking.

- Understanding probabilities and its role in balancing competing objectives,
- Leveraging the benefits of civility in problem solving,
- Using an organization’s values to drive compliant behavior,
- Understanding cognitive illusions and their role in decision-making,
- And much more.

While perhaps not as transformational as Aristotle's "eternal" First Principles of math and science, our First Principles nonetheless reflect concepts that sit at the foundation of our thought process. They guide our thinking and fuel our creativity. They provide us insight into not only what works in solving complicated problems, but *why* something works.

Aristotle said "excellence is an art won by training and habituation." Within the Sheppard Mullin Organizational

Integrity Group excellence has become a habit. But we believe excellence is the product of art and science, which is why we not only solve complicated problems every day, we think about *how* one solves complicated problems every day. We think about it in the context of risk reduction, litigation, deals, negotiations, crisis management, reputation preservation and, of course, organizational integrity. We believe this discipline gives us — and our clients — a strategic edge.



"Excellence is an art won by training and habituation."

For more information regarding Sheppard Mullin's Organizational Integrity Group or to learn more about how we work with our clients to craft multi-disciplinary solutions to complicated problems, please visit us at www.sheppardmullin.com/OIG.

Visit our blog at www.organizationalintegrity.com

About Sheppard Mullin's Organizational Integrity Group

Sheppard Mullin formed the Organizational Integrity Group because most problems facing sophisticated organizations cannot be solved by legal analysis alone. Complicated problems are solved through a thoughtful, deliberate, and holistic approach; an approach that seeks to identify the root causes of problems and to craft solutions that are practical, effective, and sustainable. We look at the bigger picture. We ask questions that transcend a traditional, stove-piped legal analysis. Is the problem one of compliance, or is there an underlying institutional or cultural issue at its core? Are there business imperatives or reputational risks that must be considered before moving forward with a solution? If we attack the manifestation of the problem, will we actually cure the root cause of the problem? What does the organization's mission, vision, and values tell us about how we should respond?