BETTER BUSINESS: Ethics



Key Takeaways:

– Understanding the definition of ethics, state the purpose of an Ethics program, and list its common characteristics.
– Recognizing ethical standards for fairness and honesty, accurate record keeping, the treatment of other employees, political contributions, and financial standards–such as time charging and preservation of company assets.
– Evaluating conflicts of interest and ethical standards for giving and receiving gifts, gratuities, and entertainment with regard to customers and suppliers in both government and non-government sectors.
– Learning the laws, acts and practices associated with ethics in the workplace.
– Acknowledging the responsibility to comply with ethical expectations and report suspected violations, the disciplinary actions that could result from failure to comply with expectations or report violations, and the available methods for raising ethical concerns and seeking additional counsel.
– Comprehending the application of ethics principles through the use of case studies.

Course Description

Ethics Programs are meant to constantly reinforce honesty and integrity as the foundation for all other business principles, promote ethical work behavior, individual accountability and responsibility, and to protect employees and the company all accusations of wrongdoing. It can be devasting to a company if they fail to set and protect these high ethical standards.

You may define ethics simply as a solid commitment to integrity, which in turn, is defined as a “strict adherence to a moral code.” A company’s reputation as an organization of honesty and integrity is so crucial to society that you need to do more than simply follow the law. As well, you need to avoid even the appearance of inappropriate conduct.

Characteristics of an Ethics Program – Includes everyone – Incites active support of top management down to local supervisors – Demonstrates a model of ethical behavior – Guides through ethical dilemmas – Identifies questionable situations before they escalate to a violation – Can also require a verbal or written acknowledgement of compliance It is important to note that all employees

are expected to act professionally and to tell the truth in every dealing with the company, other employees, customers, and third parties. Employees need to be truthful in all company statements and entries or other types of communication, including telephone calls, faxes, and emails. As well, the omission of information may be considered a misrepresentation of the truth (not giving the full story in certain circumstances, or sharing only half of the facts). Employees are responsible for accurately completing all company records. Criminal prosecution for both the employee and the company can result from creating bids, proposals, reports, or any other documents containing inaccurate, false, or fraudulent information. Every financial statement and record must also accurately reflect company or customer transactions, and should be properly and promptly recorded. Anti-trust laws preserve a competitive economy for free enterprise to thrive. Companies are legally obligated to compete fairly and ethically for all procurement opportunities. Anti-trust violations are considered felonies and can result in severe penalties, including significant monetary fines and/or imprisonment. Never try to inappropriately obtain or possess a competitor's proposals or proprietary information. Even actions such as talking about prices, bids, and proposals with a competitor can be considered a violation. As well, you must realize that a company who is a customer or supplier in one area of business might actually compete with your company in another. You must not to take any action which could be construed as an effort to fix prices or terms and conditions, disclose information about a company proposal, or otherwise limit competition; any agreement with a competitor to limit competition is a violation of anti-trust law. This is what 'white collar' crime looks like. Even though companies usually establish their own specific policies, many are similar throughout the private sector. Purchasing Goods and Services – Purchases must solely be based on quality, performance, and price. – Laws punish all offering, soliciting, or receiving any form of bribe or kickback. – Legal departments of companies should be advised if any request to engage in such activity is received. Relations with Non-Government Personnel – Employees are allowed to, within reason, furnish meals, modest gifts, and entertainment in conjunction with business discussions. – Employees and supervisors need to use discretion to ensure expenditures are appropriate and could not be construed as bribes. – Modest gifts are allowed to commemorate a specific holiday or special event. – Companies are allowed to enforce a set dollar limit for gifts, such as $100. General Guidelines – Every approved expenditures needs to be fully documented. – All questions regarding specific company policy must be referred to management or the company's legal department. – Employees are responsible for avoiding any financial, business, or other arrangement that might not be in the best interests of the company, or cause a conflict with the performance of their duties. – Each employee is entrusted with the use of valuable company assets every day, and is responsible for protecting them from misuse and damage. Company assets can include property and equipment, such as buildings, vehicles, computers, cell phones, and many other items. It is important to note that theft of company or customer property, or other associated crimes are grounds for immediate termination of employment and may result in the filing of a criminal complaint.