

**BUSINESS ETHICS:
What would you do?**

Note: *This communication provides general information about human resources and employment practices issues. It is not a legal opinion or legal advice. Readers should confer with appropriate legal counsel for their particular situations.*

Recently, the topic of business ethics—or lack thereof—has made front-page headlines thanks to high-profile cases involving well-known companies and individuals. The reality is that front line workers, managers, and board members face ethical business decisions every single day. Many companies are learning the hard way that foregoing a formal code of ethics leads to the “sorry, I just work here, it’s not my problem” mentality, which in turn destroys morale, spirit, and performance.

Smart companies, however, are establishing a clear-cut code of ethics and infusing it into all aspects of their operations. With a well-supported code of business ethics, every piece of the business sees results. Employee loyalty increases, questionable behavior decreases, and competitive positions improve. Management gets more confident, employee relations get warmer, and customer relationships become more solid than ever.

Consider following these steps to begin developing a formal code of ethics for your company:

- Assign a team to assess your situation in terms of your current policies, practices, culture, industry standards and legal considerations.
- Examine documents that may live in your employee handbook, business plan, annual report or marketing materials. Compare what you preach to what you practice and what you want to practice: where are the gaps? Employing SWOT (Strengths and Weaknesses, Opportunities and Threats) analysis could help you manage this process and ensure effective results.
- Post-analysis, assess your current employees and hiring principles as they relate to your code of ethics. Determine what kind of training employees need to get them up to speed and how graduates of the training should be measured. Also develop a continuing education program to ensure continuity as your company changes.

BottomLine

Employees look to their leaders for business ethics guidelines. Creating an environment that encourages ethical behavior eases anxiety and gives employees a sense of pride in their workplace. All of these add up to better customer service, improved teamwork, and a more productive workforce.

If you would like more information about this or other human resources and employment practices issues, please contact Praxis HR via email at info@praxis.com by phone at 206.262.8133 or visit our website at www.praxishr.com.