



Ethics are moral principles which not only distinguish right from wrong but also rights and responsibilities in terms of the law. Ethics are usually structured and adopted by a group of people. It dictates their conduct and behaviour towards their organisation, company, association or society. Business ethics refer to the principals and values followed in all aspects of the running of a company.

An ethical company is one seen by staff, suppliers, customers and the general public as choosing right over wrong, good over bad. In today's volatile economic climate no company wants to be seen in a negative light. Ethical business practices are those that encompass the entire business process and how a company interacts with its employees, customers, suppliers, investors, government, its competition and other stakeholders.

While employees should be trusted to act in the best interest of the company, a company code of ethics should be put in place to outline the company culture, responsibilities of staff and how employees should act in particular instances.

Good ethics go hand in hand with morals and values. For example, the company may have an opportunity to make a big profit, but the execution of the project may be unethical and therefore turned down by management.

Is it important?

Unethical behaviour can damage a company's reputation and can have a direct impact on profits. It can also erode trust among employees and customers, creating a negative environment.

Maintaining high ethical standards can assist a business to form lasting relationships with all stakeholders and the community in which the business is located. Creating a work environment that fosters respect and honesty will help to improve job satisfaction among employees, boost productivity, build teamwork and increase morale.

Ethics and honesty in the workplace

Key principals surrounding business ethics include honesty, loyalty, integrity, fairness, keeping one's word, upholding the law and showing respect for human dignity.

- Good leaders in any organisation will follow set of personal values and align these with the company's code of ethics. If you lead a team, ensure that you uphold ethical behaviour to the highest standards. You cannot expect your team members to follow the rules if you don't. Display the same behaviour you would like to see in your team members. Your position makes you a role model, so be a positive one.
- If your company does not yet have a written ethics policy, one should be put in place. See the box 'Company Code of Ethics and Conduct'.
- > Ensure that policies are put in place to deal with instances of unethical behaviour. Just one instance of unethical behaviour can ruin the reputation of a company. Perpetrators must face the consequences, but still be treated fairly and honestly through the disciplinary process.
- Put channels in place where employers can report unethical behaviour. If whistle blowers come forward, there should be policies in place to protect them.
- Always show respect towards colleagues and be transparent in your business dealings. If you lead a team, be open in your communications. Give constructive feedback. 'Constructive' doesn't always mean positive – if feedback is negative, provide ways for the employee to approach these problem areas and rectify them. Be professional in how you approach the problem.



Practice good time management, not only to improve your own productivity but also with respect towards your colleagues and their responsibilities. If you need to provide feedback or work to a colleague, do so on time. Don't set unrealistic deadlines for subordinates to complete tasks.



Values and morals

Two sides of the same coin

Values

Values are rules that help us to define right and wrong. We define our own

values. They are based on how we see the world, our personal perception of things and how we want to live our lives. Your values change and develop throughout your life as you learn to see things differently based on personal experiences.

Morals

Morals are born from values and are a system of beliefs which can be taught. They also help us to determine right from wrong but are based on a belief system. Morals can be related to a particular religion, company, political leaning or social structure. The morals taught in that arena should be followed to the letter – you can't pick and choose which to follow or which to disregard.

Company Code of Ethics and Conduct

This is a statement of the values, beliefs and moral behaviour as defined by the company. It should include:

- A clear outline of the purpose of the code. For example: the expectations the company has from its employees and their conduct towards each other, management, customers and other stakeholders.
- The commitments the company makes in terms of the environment and other social responsibilities
- A commitment of each employee to uphold the law.
- How employees are expected to use and treat company property.
- A commitment to show respect for colleagues, without victimisation, discrimination or racism in any form. Employees should always be respectful and professional in their duties
- A guide to dealing with decisions of an ethical nature how employees should consider their decisions.
- A commitment to show respect to those in positions of authority.
- › A dress code, if applicable.
- The company stance on corruption as well as employees accepting gifts from clients in exchange for favours.
- Conflict of interest what is considered a conflict of interest and why should it be avoided.
- Any disciplinary actions that may be taken as violations.