The effective management of ethics in the workplace includes a few basic prerequisites. Knowing and understanding what constitutes ethical behaviour and what is considered unethical are primary issues. The “doing” part of ethics is equally important: ethical standards need to be lived, so that ethics permeates the company’s behaviour, decisions, strategy and culture. In addition, sound ethical management requires the assessment of the organisation’s ethical status. A variation on the business dictum that “you can’t manage what you don’t measure” can be applied to ethics, namely that you can manage ethics better and more easily if you measure it.

An accurate ethics assessment can be done with an instrument such as the Ethics Monitor, a web-based ethics survey, which reflects employees’ perceptions and experiences of ethics in the workplace. The results highlight the company’s ethical strengths and weaknesses, and identify and prioritise actions to improve ethics.

The Workplace Ethics Checklist can also be used as a quick and easy appraisal of the level of a company’s ethics aware-
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Cynthia Schoeman is managing director of Ethics Monitoring & Management Services which has developed The Ethics Monitor, a web-based survey that enables leaders to measure, monitor and proactively manage their organisation’s ethical status.

1. Do your people (directors, executives and employees) share a common understanding of what constitutes ethics in your business?

| YES | NO |

A clear, shared understanding is an essential foundation for ethical behaviour. It also serves to build greater levels of ethical awareness. In the absence of a common understanding, differences can arise from divergent personal values.

2. Do your people understand why workplace ethics is important?

| YES | NO |

Insight into the benefits of sound ethics and the potential costs of unethical conduct strengthens employees’ understanding of why workplace ethics matters so much. Benefits include being able to attract and retain key staff and board members, strong customer loyalty, increased investor and market confidence and easier access to capital. Costs can range from financial losses to fines, damaged reputations and, in extreme cases, jail sentences and the closure of the business.

3. Do you know your company’s ethical status as perceived and experienced by your employees and key stakeholders?

| YES | NO |

You should measure your company’s ethics so that you know and understand your organisation’s current ethical reality – not as you wish it to be or as the board of directors assume it to be, but as it really is. The assessment should thus be based on the experiences and perceptions of all employees and key stakeholders.

4. Have you set up a social and ethics committee?

| YES | NO |

The Companies Act requires all but small companies to set up a social and ethics committee. Instead of this being viewed as another compliance cost and treated in a ‘tick-box’ manner, it can fulfil an important role and add value for those organisations that strive to be good corporate citizens and are prepared to embrace the associated responsibilities.

5. Do you manage your ethics proactively and regularly?

| YES | NO |

The benefits of ethical conduct and the costs associated with misconduct warrant that ethics is not managed reactively or on an ad hoc basis. Effective ethics management rests on proactive, regular attention.

6. Do you have a strategy to manage ethics effectively?

| YES | NO |

An ethics strategy should identify clear goals and actions to create an ethical workplace and an ethical culture. Ideally, this strategy needs to include six focus areas: setting the ethical standards; setting up an ethics committee; building ethical awareness; measuring and monitoring ethical status; taking action to improve ethical behaviour and reduce unethical conduct; and maintaining an ethical culture.

7. Do you provide opportunities for your people to learn how to handle ethical dilemmas effectively?

| YES | NO |

Effective training to address ethical challenges in the workplace (among other issues) reinforces an ethical culture. To ensure that ethics training programmes are impactful, the following design features should be taken into account: take what is already known and the “knowing–doing” gap into account; don’t teach what the participants already know; teach ethics based on your ethical reality, not on abstract theory; combine appropriate theory and practice.

8. Do you report on your company’s ethics?

| YES | NO |

Ethics reporting is a recommendation of King III and a requirement for the Companies Act social and ethics committee. An ethics report should include the activities of the social and ethics committee and the annual measurement of the company’s ethics, both of which should be presented in relation to the organisation’s ethics strategy and goals.