



## WORKPLACE ETHICS

# Know your status

**Workplace ethics, though hardly** ever spoken of, can have a huge impact on companies. Recent ethical scandals, such as the illegal trafficking in organs, which tainted Netcare, or Pioneer's price fixing (which cost the company R1,05bn), illustrate just how much ethical failure can affect a company's bottom line and, more importantly, its reputation.

But a moral philosophy of ethics is difficult to put in place in corporations. Also, until recently, corporations have lacked a tool to be able to practically approach workplace ethics.

The Ethics Monitor, designed by Cynthia Schoeman, was developed to tackle just this. Schoeman, who has lectured on and researched the subject for over a decade and is the former HR director at engineering firm TWP Projects, says the importance of workplace ethics is that the cost of ethical failure is high. But if you get ethics right, the benefit is huge.

The five-minute Web-based survey is a

tool for organisations (companies to government departments) to get to know their ethical status. The monitor measures incidents of unethical behaviour and the relative strengths of the factors that reduce and improve ethical behaviour. All stakeholders, from employees to clients, would take part. The idea is that targeted and relevant action can then be taken.

Having recently completed its pilot projects, the monitor is now going commercial. Schoeman will start with the distressed construction industry.

The upside to monitoring and managing ethics is long-term competitive advantage: ethical scandals erode trust and the share price. "Ethics is the new fault line for leaders," says Schoeman. "It's unlike any other workplace challenge as failure cannot be corrected by simply cutting costs in the next quarter."

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**Cynthia Schoeman**  
New fault line for leaders

Jeremy Glyn

head Corli le Roux says ethics is critical, though not yet given the attention it should be given. "King 3 encapsulates [ethics] very well; if you dig behind a lot of the scandals we see, it's an ethical issue that often lies behind it," says Le Roux. "We often confuse corporate governance with ethics, when the real issue is one of ethics."

**Lise Pretorius**