

Module 10: Uphold the Code of Conduct

A successful ethics program needs safeguards and a clear code of ethics. In order to get the most from a program, it is necessary to evaluate and make adjustments from time to time. Becoming an ethical business is a process that takes time, but it is possible to succeed if all those involved uphold the program and continue working toward a common goal.

Click on the first lesson below—or the “*Start eLearning*” button above—when you’re ready to begin.



Ethical Safeguards



Developing and Upholding the Code of Ethics



Creating an Employee Code of Conduct



Ethical Warning Signs in the Workplace



Guide to Reporting Unethical Behaviour at Work



Knowledge Check

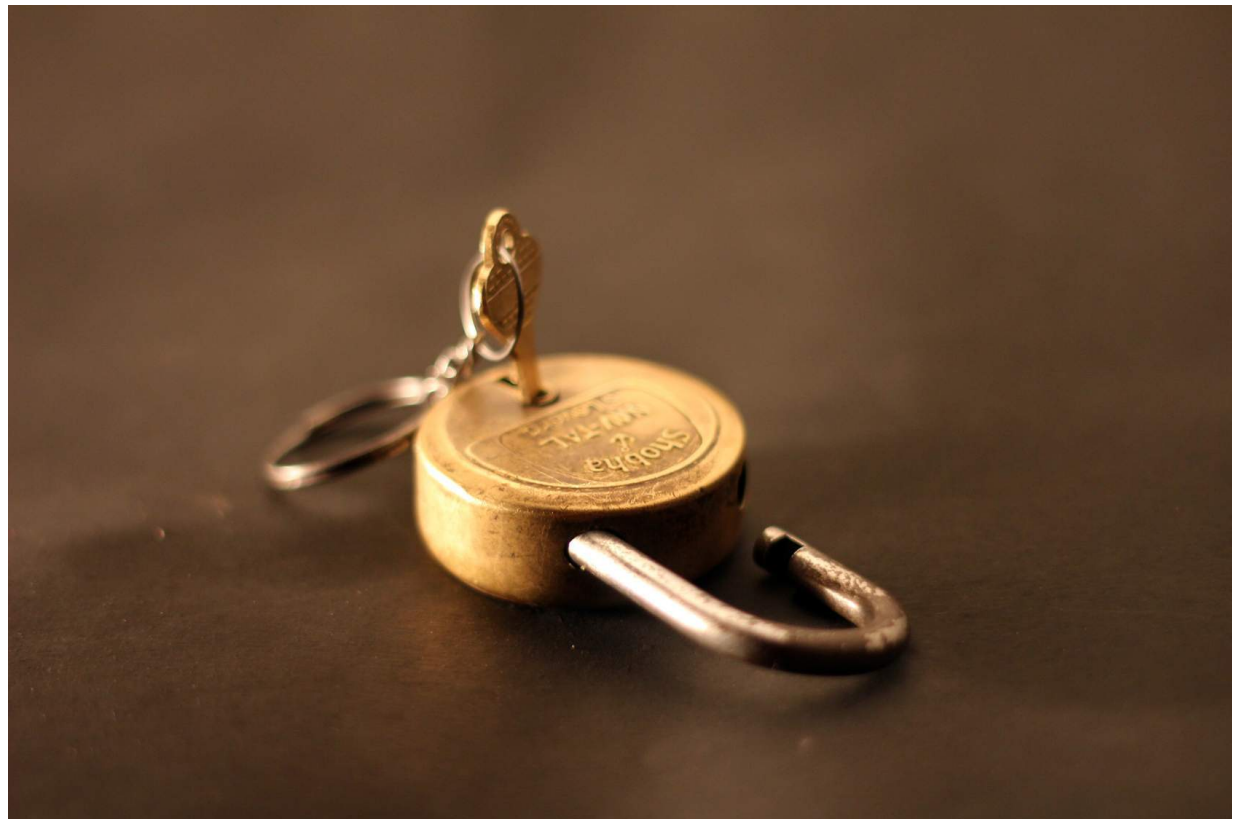
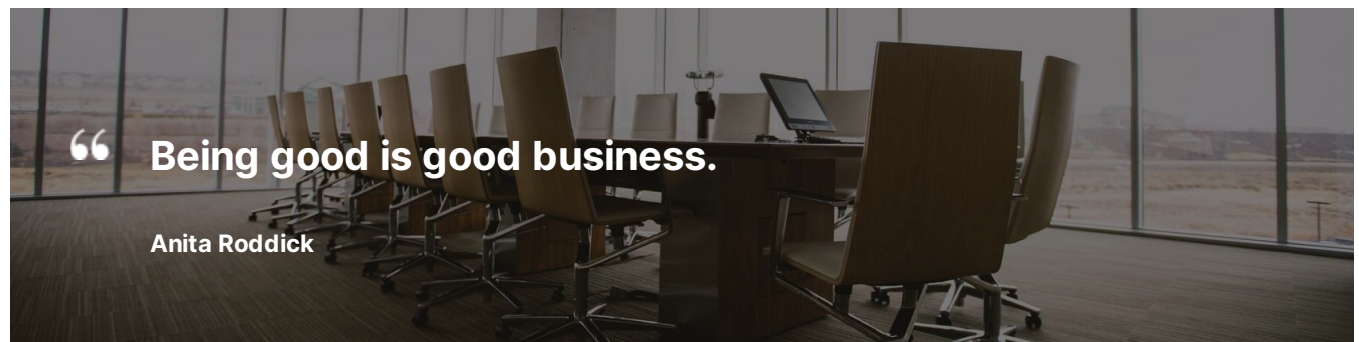




Module 10: Completed

Lesson 1 of 7

Ethical Safeguards



Ethical safeguards need to be in place to ensure ethical behaviour. Safeguards take away the excuse that employees do not know better. Safeguards do more than protect the company; they help bring in work. In fact, many government agencies demand that those they contract with have ethical safeguards in place.

Examples of ethical safeguards include:

- Code of conduct
- Employee training
- Ethics audits

CONTINUE

Developing and Upholding the Code of Ethics



A Code of Ethics is the foundation of an ethics program. The Code of Ethics needs to address certain issues, including:

Laws and Regulations

All legal requirements
need to be considered.

Company Needs

Consider the needs of the
organization when creating a
code.

Ethical Values

Use the ethics and values of the company. Include two examples for each value.

Wording

Make sure that everyone knows that they have to abide by the Code of Ethics.

Performing an Internal Ethics Audit

An internal ethics audit utilizes several different sources. An auditor (or a committee, if there is no auditor) usually goes over the information to determine if any adjustments need to be made.

Sources include:

- Surveys
- Interviews
- Documents
- Focus groups
- Direct observation



The audit is used to evaluate the design, execution, and effectiveness of the organization's ethical objectives, programs, and activities.



To check your understanding of the lesson content, answer the question below...

A Code of Ethics is the _____ of an ethics program.

Type your answer here

SUBMIT



Complete the content above before moving on.

Creating an Employee Code of Conduct



Shared Values and Expectations

A successful work environment is built on **shared values and expectations**. Employees must know what's expected of them—and what they can expect from *you*. Everyone must understand and adhere to the boundaries between acceptable and unacceptable behaviours. That's how you foster trust and shared understanding.

So, what's the best way to establish shared values and expectations? It's to create and disseminate an **employee code of conduct**.

In this lesson, you'll explore what an employee code of conduct is and why it's important. You'll then learn how to create an employee code of conduct—including what topics to include and tips to make your employee code of conduct effective. Finally, you'll gain some practical steps for disseminating your code of conduct and turning policy into action.

Watch this video clip...



How to Create a Better Code of Conduct | "How To" Series

Creating an amazing code of conduct is not a one-and-done activity. Also called a code of ethics, it should be a living, breathing document, always being reviewed and refined. Developing code of conduct criteria is mission critical to supporting an ethica

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What Is an Employee Code of Conduct?

An **employee code of conduct** defines how employees should act at work. It's a formal document that outlines company values, norms, policies, and expectations for employee conduct. It establishes acceptable and unacceptable behaviour. And it explains the reporting, investigation, and disciplinary process for dealing with employees who violate the code of conduct.

A code of conduct is also a declaration of the company's beliefs—and a public commitment to its customers and employees to act according to those beliefs.

What Does a Code of Conduct Accomplish?

So, what's the point of having a documented code of conduct? An employee code of conduct serves both internal and external purposes. Below, explore a few reasons leading brands invest in developing a comprehensive code of conduct:

1


It promotes ethical behaviour and minimizes misconduct. A code of conduct communicates how the company expects employees to behave at work. It provides examples of unacceptable behaviour and defines consequences for engaging in those behaviours. When employees know what's expected of them, they're more likely to behave accordingly and less likely to engage in misconduct.

2

It provides a framework for ethical decision-making. It's impossible to address every ethical dilemma that employees may face at work. That's why a code of conduct offers high-level values and guidelines that employees can use as a framework for ethical decision-making—no matter what the situation.

3

It creates alignment and strengthens the company culture. A code of conduct answers questions that are core to a company's culture, including: Who are we? What do we value? And what do we believe in? Cultivating shared values and beliefs is essential for creating team alignment.

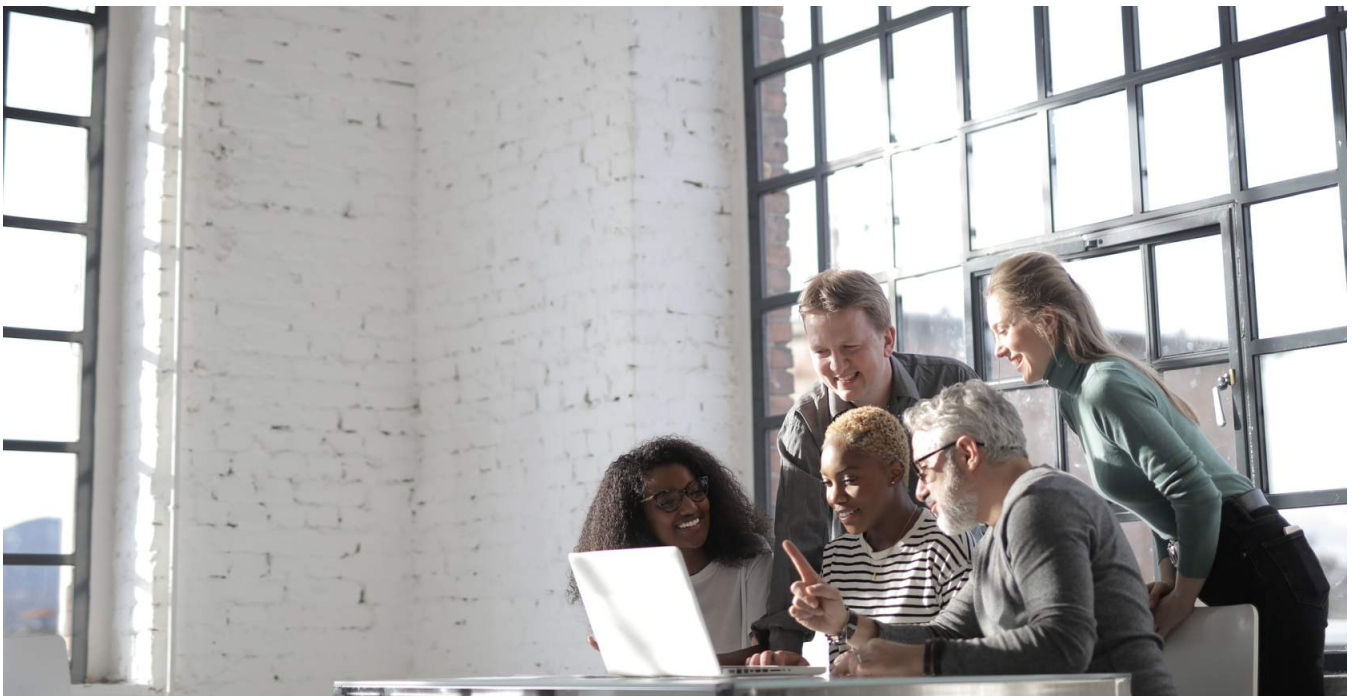


4

It reinforces the brand's identity. Externally, employers may market their code of conduct and use it to reinforce their brand identity. It's a public statement to customers and stakeholders about what the brand stands for.

5

It provides legal protection. Some organizations are required to have a code of conduct by law. Even if your company is not legally required to have a code of conduct, having such a document may still provide legal protection. For example, if an employee violates a code of conduct that was agreed to as terms of their employment, then you may have a legal justification to fire them.



A code of conduct encourages ethical behaviour and decision-making. It also strengthens your company culture and brand identity by reiterating who you are, what you stand for, and what you value as a company.

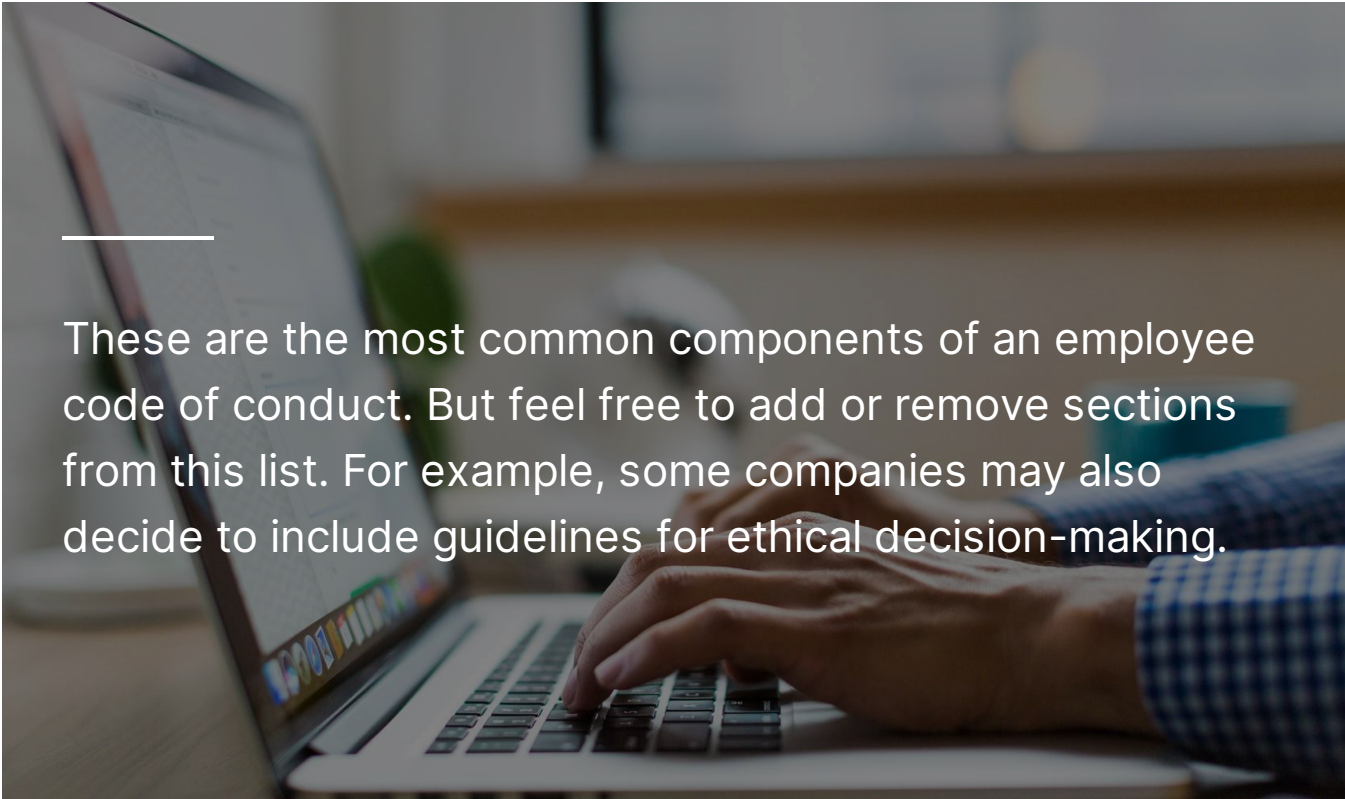
Format and Contents of an Employee Code of Conduct

Employee codes of conduct are company-specific—so they differ from organization to organization. Some codes of conduct are simple and short. Others are lengthy and more comprehensive. All codes of conduct reflect the unique values, culture, and brand identity of the company. So, tailor your code of conduct accordingly.

Most codes of conduct follow a similar structure and contain similar content, however. Here's a basic outline you can use as a starting point:

- Title page and table of contents.** First, start with an eye-catching title page and an easy-to-navigate table of contents.
- Objectives and a letter from leadership.** Second, communicate the objectives of the code of conduct followed by a letter from leadership that endorses it. A letter from leadership can give the code of conduct clout and demonstrate the company's commitment to its values.
- Company mission, values, and culture.** Third, state the company's mission and list its values. You might also choose to include a description of the company culture.
- Core standards and expectations.** This section is the “meat and potatoes” of your code of conduct. It's where you cover all the core expectations, standards, or provisions for employee conduct. For example, you might cover topics such as harassment, discrimination, and conflicts of interest.
- Reporting, investigation, and disciplinary process.** Also, consider adding a section that explains how to report unethical behaviour as well as your process for investigating and dealing with code of conduct violations. Encourage employees to speak up when they witness or suspect illegal or unethical activities and communicate a manager's responsibility to respond promptly and appropriately.
- Conclusion and additional contact information.** Finally, the last section of your code of conduct is the conclusion and additional

contact information. Summarize a few key takeaways from the code of conduct, and make it easy for employees to find who to contact for reporting violations or asking questions.



These are the most common components of an employee code of conduct. But feel free to add or remove sections from this list. For example, some companies may also decide to include guidelines for ethical decision-making.

What Should I Cover Under Core Standards and Expectations?

The bulk of your code of conduct falls under core standards and expectations. In this section, you describe what's expected of employees and establish clear dos and don'ts for ethical behaviour. While it's up to you to decide which topics are most relevant to your business, expand the rows below for inspiration:

Professional Etiquette

- Honesty, integrity, and accountability

- Fulfilling one's job responsibilities
- Quality of work and performance expectations
- Attendance and punctuality
- Personal internet, social media, and cell phone use at work
- Appropriate use of company time
- Teamwork and collaboration
- Confidentiality and gossip
- Dress code

Employment Practices and Work Environment —

- Workplace violence policy
- Safety policies and regulations
- Fair labour practices
- Discrimination and equal opportunity
- General harassment and workplace bullying
- Sexual harassment
- Romantic relationships between employees
- Environmental issues and regulations
- Industry-specific compliance issues
- Illegal drug or alcohol use
- Anti-retaliation policy

Protecting Company Assets and Confidentiality —

- Maintaining and disclosing accurate records
- Nondisclosure agreements and protecting intellectual property
- Information and communication system security
- Protecting and disclosing customer data or personal information
- Appropriate use of company equipment, property, and resources
- Facility security

Corruption and Conflicts of Interest —

- Doing business with governments
- Loans, bribes, or kickbacks
- Gifts, gratuities, and entertainment
- Outside employment
- Friends and family members
- Personal financial or commercial interests
- Romantic relationships between supervisors and employees
- Interactions with competitors
- Political activity and contributions

5 Tips for Making Your Code of Conduct Engaging and Useful

What separates the mediocre codes of conduct from the great? Click through the following cards to learn five tips for making your code of conduct more engaging and useful for employees.

Tip 1

Involve Others

The first tip is to **involve others** in the discussion and development of your code of conduct. Ask leaders and employees from different departments what they think is important. Gather diverse perspectives to create a code of conduct that's more comprehensive and reflective of your company culture. And here's a secret: Employees are more likely to accept and support a code of conduct if they had a part in developing it.

Tip 2

Write as You Speak

The second tip is to **write as you speak**. Use plain language that's easy to read and understand. Avoid jargon and overcomplicated "legalese" when you can. Employees must be able to understand the code of conduct to practice it.

Disclaimer: Consult a lawyer if you're unsure whether your code of conduct phrasing protects you legally or fulfills a legal compliance requirement.

Tip 3

Connect Policies to Values

Another tip is to **connect policies to values**. It may feel overwhelming for employees to look at a montage of disconnected rules and policies. Instead, consider organizing your code of conduct provisions by high-level values. An employee may forget a specific policy, but if they remember the company's core values, then they'll likely be able to determine the right thing to do.

For example: One of your values might be integrity. Under integrity, you could define what it means to behave with integrity. This could include maintaining accurate records, developing personal accountability, and doing what's best for the company (such as using company time wisely).

Tip 4

Make It Visually Appealing

The fourth tip is to make your code of conduct **visually appealing**. Break text into digestible sections with headings. Add images, illustrations, or graphics. Use colour, bolding, or other forms of text emphasis to draw the reader's attention.

Do whatever you can to make your code of conduct visually enjoyable and interesting. That way, employees are more likely to pay attention and read it through to the end.

Tip: As part of their marketing strategy, some companies make their code of conduct public for anyone to see. That's one more reason to make your code of conduct beautiful.

Tip 5

Keep It Simple and Concise

Finally, the last tip is to keep your code of conduct as simple and concise as possible. Use short sentences. Avoid lengthy words or run-on sentences. And follow these do's and don'ts:

- **Do:** Focus on core values, must-have policies, and greater themes for employee conduct.
- **Don't:** Try to cover *every* ethical dilemma an employee might face.

Remember, less is often more. Your code of conduct is not the be-all and end-all for your team. It's a framework and provides a *foundation* for ethical conduct and decision-making. Employees will remember and implement a compact code of conduct more readily than an excessively long or constrictive one.

Implementing Your Code of Conduct

Finally, the last step to create a code of conduct is implementation. Get the company founder or CEO to endorse the code of conduct. Then, distribute the code of conduct to all current employees in an easily accessible form. You might send it electronically, keep physical copies in public areas, and offer it on your company's intranet. Finally, incorporate the new code of conduct into your hiring and onboarding process for new

employees. For example, you might require new hires to read and agree to the code of conduct as part of their terms of employment.



To check your understanding of the lesson content, answer the question below...

Which of the following items might you include in your employee code of conduct? *Please select all options that apply.*

Your company mission and values.

A letter from leadership that endorses the code of conduct.

The company's process for reporting and investigating

- code of conduct violations.
- Potential consequences for violating the code of conduct.
- Core standards and expectations for employee conduct.

SUBMIT

Summary

Every business can benefit from having an employee code of conduct. An employee code of conduct is a formal document that communicates acceptable and unacceptable work behaviour. While every code of conduct is company-specific, most codes of conduct loosely follow the same basic format.

Finally, the best codes of conduct are concise, engaging, and easy to digest. They're visually appealing, and they draw clear connections between company values and policies. You don't have to make your code of conduct stuffy or overly complicated. Instead, focus on high-level values and guidelines to provide employees with a flexible framework for ethical decision-making.



Review and update your code of conduct regularly. Establish a regular cadence for reviewing and updating your employee code

of conduct. That way, it will always stay relevant.



To check your understanding of the lesson content, answer the question below...

A code of conduct encourages _____ and decision-making.

Type your answer here

SUBMIT



Complete the content above before moving on.

Ethical Warning Signs in the Workplace



Something Feels “Off”

Have you ever had a “bad feeling” about a coworker’s conduct or business dealing? Has your manager ever asked you to do something that made you feel uncomfortable? Or, have you ever wondered, *“Is this the right thing to do?”*

The feeling that something is “off” or “isn’t right” may be a warning sign that you, your team members, or your company are crossing ethical boundaries.

Workplace scandals and ethical lapses rarely happen without forewarning. Signs and symptoms of ethical collapse appear in advance, but company leaders and employees either don’t notice them—or ignore them.

In this lesson, you’ll learn how to spot the warning signs that you or your workplace are in ethical danger. Learn how to recognize the red flags on a personal and organizational level so that you can successfully intervene and prevent the next workplace scandal.

Obvious Red Flags

First, let’s start with the obvious. The most obvious red flags are breaking the law, violating your company’s code of conduct, or blatantly disregarding workplace rules and

regulations. You may hear coworkers excuse or condone rule-breaking behaviours with statements like, *“That’s just a formality,” “It doesn’t really matter,”* or even, *“No one will check/notice/know.”* Don’t listen to them. Breaking the law or violating your company’s code of conduct are clear-cut signs that you or your company are in an ethical danger zone.

Personal Red Flags

However, not all warning signs are obvious. In these cases, it’s helpful to listen to your gut, and pay attention to how a situation makes you feel. Most of us have an internal moral compass and a sense of right from wrong that we can access if we tune in to them.

Here are four ways that your conscience is trying to tell you something’s wrong:



You feel uncomfortable. Take note if a situation makes you feel uncomfortable or uneasy.



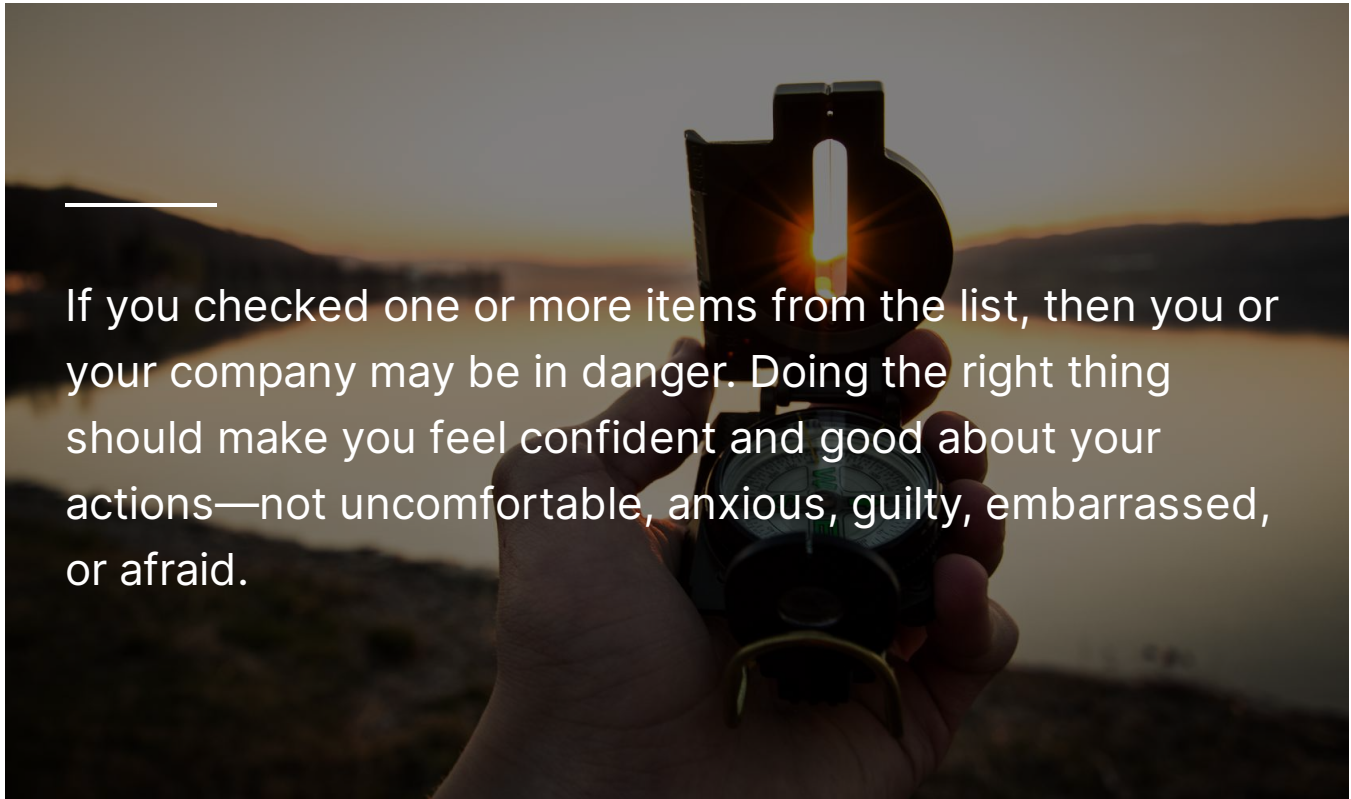
You feel pressured, anxious, or angry. Flag decisions or situations that make you feel pressured, anxious, or angry. These emotions may arise when you’re asked to do something that feels wrong or contradicts your values.



You feel guilty, embarrassed, or ashamed. Another red flag is when your actions or involvement in a situation make you feel guilty, embarrassed, or ashamed. Would you want your boss or customers to know what you’re doing? Could you explain your actions to a hiring manager? Or would the company’s conduct hold up against the media and public scrutiny?



You feel afraid. Finally, pay attention if you're afraid of getting "caught" or that somebody is going to "find out" what you did or are doing. Do you feel the need to hide your or others' actions? If so, then something's wrong.



Organizational Risk Factors

Be aware that some organizational cultures are more likely to breed unethical conduct than others. Know your risks. Company leaders and managers—especially—should stay alert if they notice one or more of the following organizational risk factors:

Fear and Silence —

First, ethical breakdowns are more likely to occur in workplace cultures based on **fear and silence**. This is a work environment in which people are afraid to tell the truth. For example, employees may be hesitant to:

- Talk openly
- Share their ideas
- Admit their own mistakes
- Call out others' mistakes
- Contradict or anger team leaders and top executives

Employees may fear reprimand, humiliation, punishment, or retaliation. So, they keep their observations and honest feedback to themselves, which allows bad behaviour to perpetuate.

Excessive Pressure to Perform —

Another risk factor is an organizational culture that places **excessive pressure on employees to perform**. This is the company that's hyper-focused on boosting the bottom line. Managers may explicitly or implicitly tell employees: *"I don't care how you do it—just make it happen/get it done."*

Excessive pressure to perform is especially common when a business or person is in "survival mode." For example, this may include early startups, failing businesses, or hyper-competitive work environments. A sense of urgency, desperation, or immediate threat can lead employees to resort to unethical means "to survive."

Conflicts of Interest —

The third risk factor is decision-makers who have **conflicts of interest**. This happens when company decision-makers have personal interests that compete with the best interest of the

organization. For example, a manager who hires an unqualified relative for a high-paying position has a conflict of interest. Conflicts of interest can lead decision-makers to advocate for their personal interests instead of doing what's best and ethical for the company.

Isolation —

Fourth is **isolation**. Employees and teams who are isolated from their company—due to geographical distance, organizational silos, or the lack of psychological connection—are at a higher risk for breaking company rules and values. For example:

- Employees who don't respect their boss are less likely to follow their boss's lead and example.
- Employees who don't like or feel connected to their team may be more willing to disappoint them or act hostile towards them.
- And siloed teams are more likely to compete with other departments to secure their own interests.

Employees who feel disconnected from their team or company are less likely to buy into shared values and norms. They're more likely to "play by their own rules" and look out for themselves instead of the company.

Denial and Rationalization —

Finally, the last risk factor we'll cover is a culture of **denial and rationalization**. This describes an organizational culture in which management and company leadership continually tolerate or ignore employees who engage in unethical conduct.

Denial often starts small. A manager lets one "small" violation slide. The violator gets away with it, so they do it again. Other employees witness the lack of consequences, so they follow suit. Over time, misconduct becomes more normalized and egregious. The team and company grow desensitized to it. Eventually, employees think the misconduct is acceptable because *"everyone is doing it."*

Telltale Behaviours

Still, it can be difficult to tell when your organizational culture embodies the characteristics outlined above. And, since every workplace culture is continually evolving, you may not realize that your team culture, once open and honest, is now growing more silent and fear based. So, with that in mind, here are a few telltale behaviours to watch for in yourself, coworkers, and employees:

Scapegoating

Failing to take responsibility
and placing blame where it
doesn't belong

Underachieving

Failing to meet the minimum requirements or expectations of the job

Lying, Falsifying, or Overinflating

Concealing the truth, telling lies, falsifying information, or overinflating results

Empire-Building

Hoarding power or doing anything to increase personal influence and authority

Bullying or Intimidation

Threatening, coercing, harassing, insulting, or otherwise engaging in aggressive and abusive behaviours toward others

Rationalizing

Rationalizing illegal
behaviour, rule-breaking,
or misconduct

CONTINUE

What Should I Do If I Notice These Ethical Warning Signs?

You may still be wondering, *“How do I use this information?”* Or, *“What should I do if I notice these ethical warning signs in my workplace?”*

First, realize that awareness is the first step towards action. Stay alert, and recognize when a situation feels wrong. You need to realize that something's wrong before you can intervene and correct it.

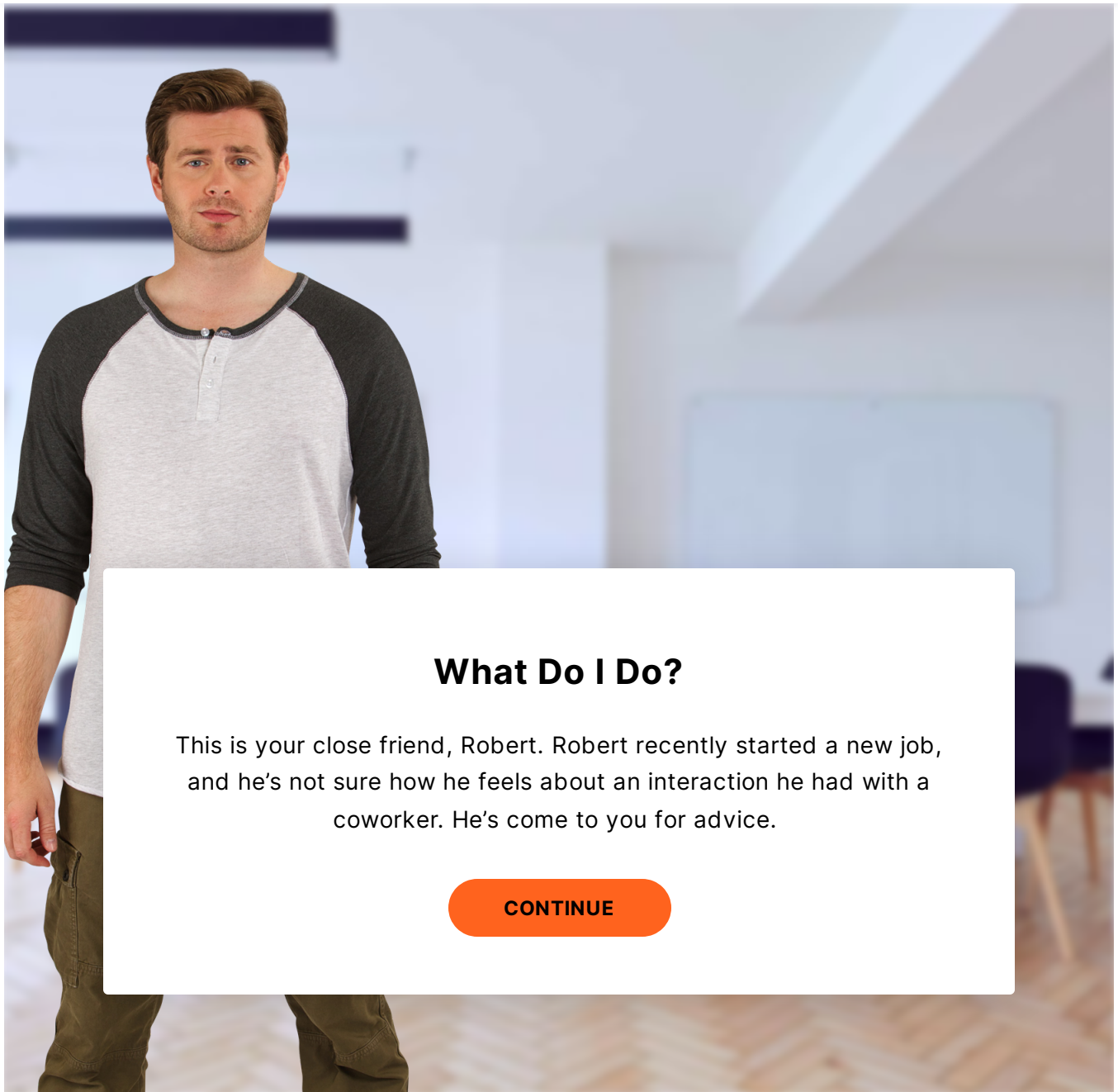
From there, you can either change your own behaviour—or speak up if the situation involves others. Talk to perpetrators about their behaviour, directly. If that doesn't work, then go to your manager or a human resources professional for help. Even if

you're unsure whether or not your intuition is right, it's better to ask and talk about ethical dilemmas openly so that there's no room for error.



To check your understanding of the lesson content, complete the activity below...

Check your understanding of ethical warning signs in the workplace by navigating the following scenario. Imagine that a close friend has come to you for advice about his new job.



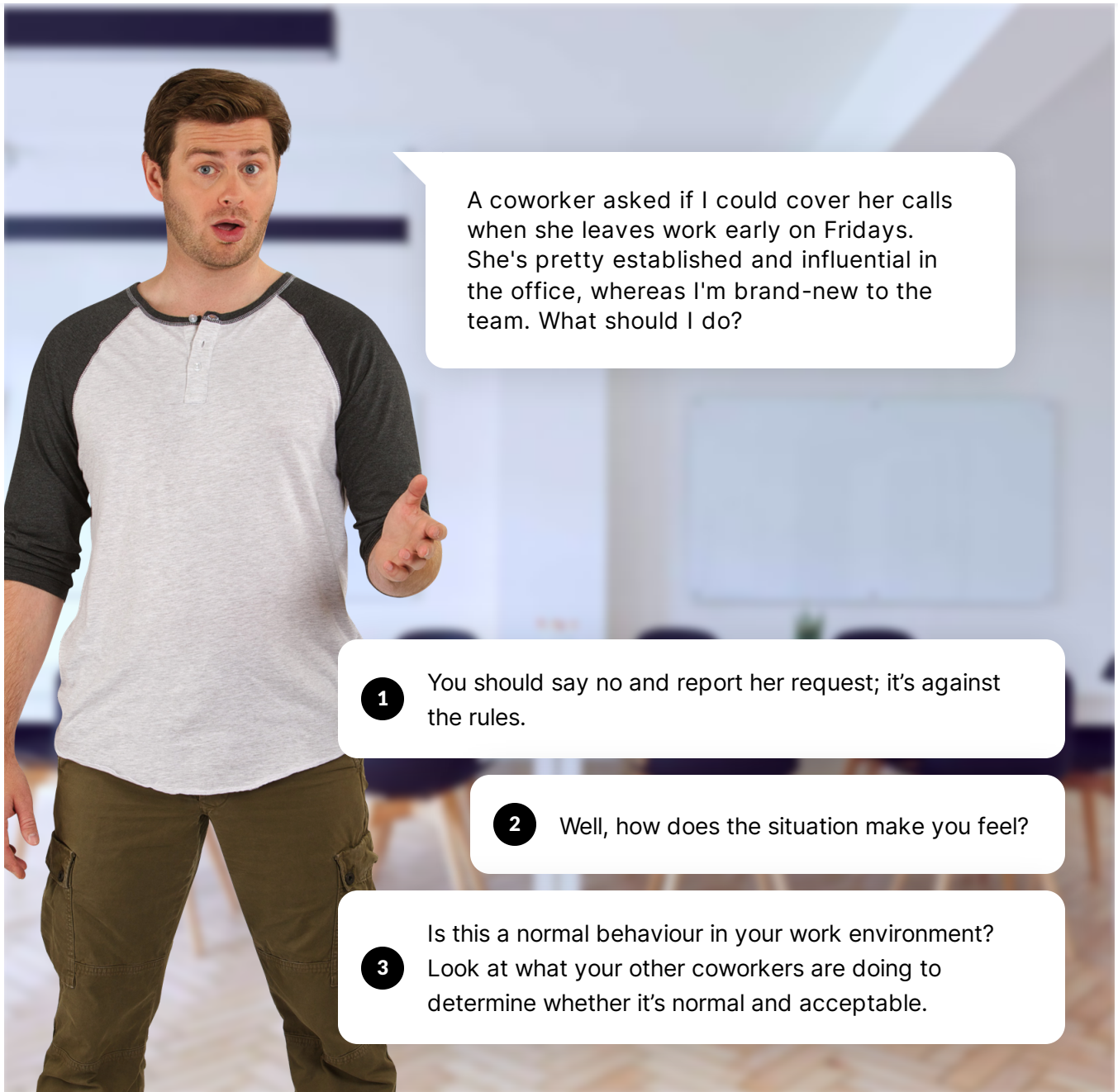
What Do I Do?

This is your close friend, Robert. Robert recently started a new job, and he's not sure how he feels about an interaction he had with a coworker. He's come to you for advice.

CONTINUE

Scene 1 Slide 1

Continue → Next Slide



A coworker asked if I could cover her calls when she leaves work early on Fridays. She's pretty established and influential in the office, whereas I'm brand-new to the team. What should I do?

1

You should say no and report her request; it's against the rules.

2

Well, how does the situation make you feel?

3

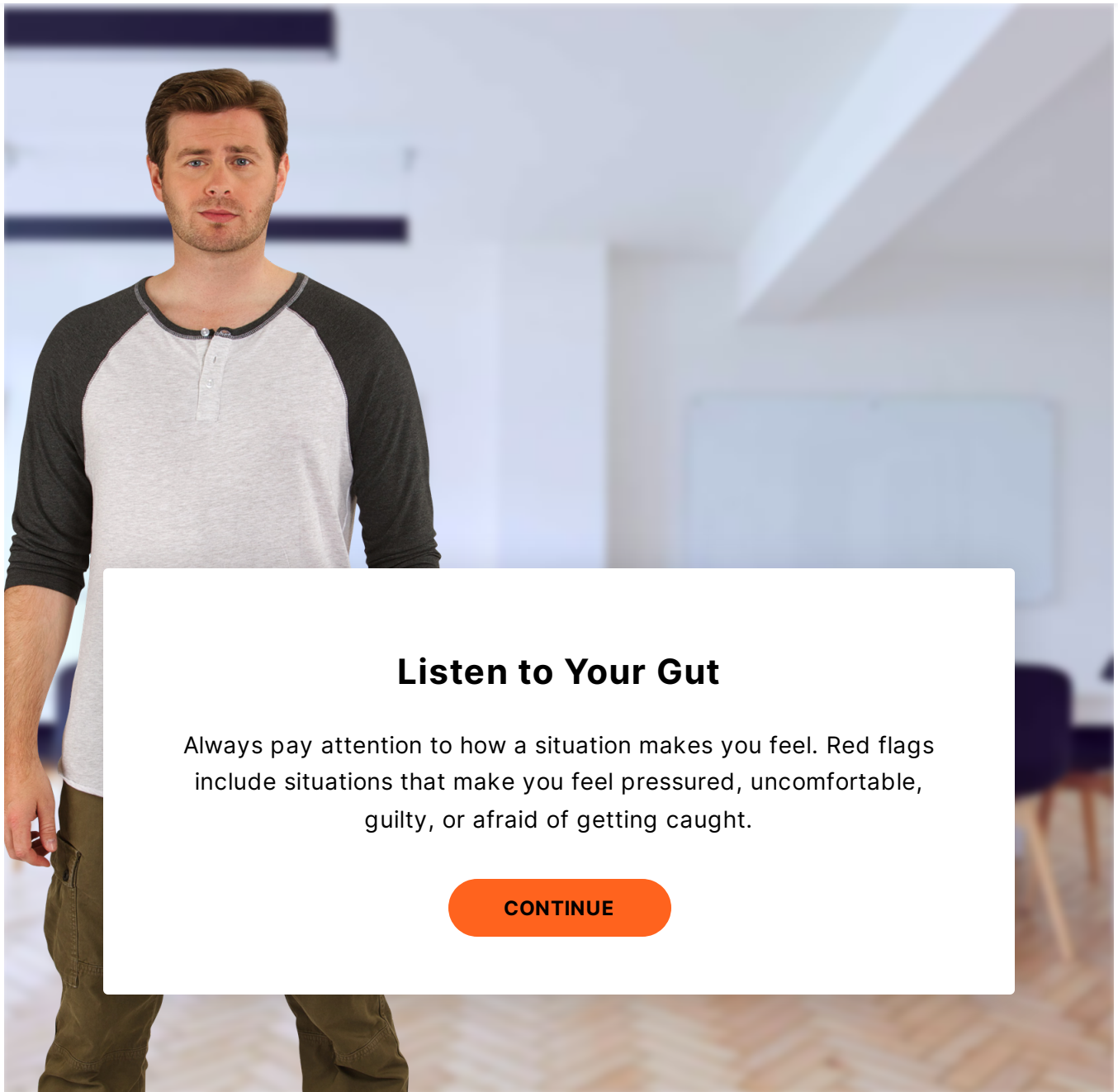
Is this a normal behaviour in your work environment?
Look at what your other coworkers are doing to determine whether it's normal and acceptable.

Scene 1 Slide 2

0 → Next Slide

1 → Next Slide

2 → Next Slide



Listen to Your Gut

Always pay attention to how a situation makes you feel. Red flags include situations that make you feel pressured, uncomfortable, guilty, or afraid of getting caught.

[CONTINUE](#)

Scene 1 Slide 3

[Continue](#) → [Next Slide](#)

Great Advice!

Robert decides to tell his coworker that he's not comfortable covering her phone calls. Robert explains that he's still learning, so he needs to focus on his own responsibilities.

START OVER



Scene 1 Slide 4

Continue → End of Scenario

Summary

One of the best ways to prevent ethical scandals at work is to recognize the warning signs. Speak up when you notice obvious red flags, such as breaking the law, violating your company's code of conduct, or disregarding workplace rules and regulations. Listen to what your conscience is telling you, and pay attention when a situation makes you feel uneasy, uncomfortable, guilty, or afraid. Finally, stay aware of your surroundings. For example, be alert if your workplace culture is based on fear or places excessive pressure on employees to perform. Also, take note of employees or coworkers who blame others, lie, hoard power, bully or intimidate others, or rationalize misconduct. Awareness is the first step towards action. Learning how to spot these ethical red flags will empower you to intervene as necessary.



Just like it's a red flag when you hide your activities from others, it's also a red flag when others hide their activities from you. Take notice if team members or employees are acting secretive or hiding situations or information from you.



Complete the content above before moving on.

Guide to Reporting Unethical Behaviour at Work



To Report—or Not to Report?

Perhaps you overhear a coworker provide misleading information to a customer. Maybe you witness a manager accepting a bribe. Or, a team member skips a time-consuming safety protocol.

What do you do in these situations? How do you respond when you witness unethical conduct at work? Do you report it—or let it slide?

In this lesson, you'll learn about the importance of reporting unethical conduct at work. First, we'll address five reasons people fail to report unethical behaviour. Then, you'll learn five steps for reporting unethical behaviours promptly and effectively.

Watch this video clip...





What can companies do to encourage people to speak up?

In order to prevent ethical lapses, companies must offer a means for employees to raise concerns. In his latest Pearl of Wisdom for the Institute of Business Ethics, Simon Webley talks about what companies can do to create an open culture, where people are not afraid to speak up.

VIEW ON YOUTUBE >

Why Should You Speak Up? Three Examples

Failing to report unethical behaviour puts you, your coworkers, and your company at risk. Expand the rows below to explore what can happen when you choose to keep quiet:

A Workplace “Crush” —

The situation: Your manager, Robert, has a crush on your coworker, Angela. Robert often compliments Angela on her hair, body, and clothing. He calls her “Hon,” and he repeatedly asks Angela out on dates despite previous rejections. It’s obvious that Angela is uncomfortable, but she hasn’t spoken to you about the situation, personally. Robert asks Angela to accompany him

on a work trip to meet with prospective clients in Singapore. You think about talking to Angela about it. You also consider reporting Robert's conduct to human resources (HR). But you decide to stay quiet.

The outcome: Angela is fired shortly after returning from Singapore. A few months later, she files a wrongful termination lawsuit, and more details about the work trip emerge. You learn that Robert booked a single hotel room for the two of them, and he fired Angela after she refused his advances. Not only did Angela wrongfully lose her job because of Robert's conduct, but she also developed clinical anxiety and depression from the situation.

An Optimistic Financial Report —

The situation: Your manager asks you to exaggerate the numbers on a quarterly financial report. *"My job is on the line,"* she tells you. *"I need to show the board that I'm hitting my goals. Besides, I have a deal coming through the first week of the new quarter. So, I can make up the difference then."* The request makes you uncomfortable, but you have a good relationship with your manager. You feel bad for her, so you do what she asks and keep the situation to yourself.

The outcome: The board discovers that you and your manager falsified financial information. Your manager is fired—as are you. You try to explain that it wasn't your idea, but the board doesn't care. You went along with it, and you didn't speak up when you knew it was dishonest.

A Project Management Dilemma —

The situation: It's the last month before a new product launch, and everyone is stretched thin. Your coworkers take a few shortcuts to make their deadlines. You don't think it's the right call, but it's not like they're breaking the law, either. *"Stay in your lane,"* you tell yourself. *"It's none of your business."*

The outcome: Your team meets its deadline—but with a cost. The product has a critical defect. Hundreds of customers are asking for refunds. It's a public relations nightmare as customers blast the company with negative online reviews and social media posts.

Unethical Behaviour Is Bad for Everyone

In summary, unethical behaviour anywhere threatens employees everywhere. Behaviours like harassment, discrimination, and bullying create a toxic work environment that threatens everyone's safety and well-being. These and other forms of misconduct—such as bribery and fraud—can also grow into public scandals that hurt business and damage your company's reputation. They may even lead to legal action. The best way to protect yourself, your coworkers, and your company is to **report unethical conduct** as soon as you become aware of it.



"Injustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality, tied in a single garment of destiny. Whatever affects one directly, affects all indirectly."

Martin Luther King, Jr.





Reasons People Don't Speak Up and How to Overcome Them

Despite these repercussions, many employees still struggle to report unethical behaviour at work. *"It's not my place,"* they may think. *"Speaking up isn't going to change anything."* Or *"What if I lose my job?"*

Understanding the reasons people don't speak up is the first step to overcoming these obstacles to doing the right thing. Tap the flashcards below to explore these top reasons—along with a counterargument to overcome each.

"I don't like confrontation."

First, people may avoid speaking up to avoid confrontation. They think confrontation is unpleasant or uncomfortable. They'd rather "keep the peace" than have a direct conversation with someone about their

"I need to start a conversation."

It's possible to have a direct, mature, and respectful conversation with someone about their behavior at work. Stop thinking of intervention as an aggressive "confrontation" and start

“It’s not my place or problem.”

Second, employees may fear overstepping their position and authority—or they see the situation as someone else’s problem. They may believe it’s better to “stay in their lane” and avoid

“It’s everybody’s problem.”

Remember that unethical conduct puts everybody at risk—including you. Not only can unethical conduct threaten your and fellow employees’ safety and well-being, but it also threatens the success of your

2 of 5

“It’s all in my head.”

Some employees might rationalize a situation or doubt themselves. They may tell themselves that they must not have the whole story, they’re jumping to conclusions, they’re imagining things, or they’re

“Something feels wrong for a reason.”

Trust your gut. If something looks or feels wrong, then it’s worth further investigation. You might talk to the other person directly to get more information. Or, discuss your suspicions with your

3 of 5

“Nothing will change.”

“Nothing will change if I don’t report it.”

Fourth, employees are unlikely to report unethical

“I don’t want to get in trouble.”

Finally, employees may avoid reporting people who they’re afraid will retaliate against them. For example, they may fear getting fired, demoted, or otherwise face professional consequences

4 of 5

While you can’t always control the outcome of a

“I am protected from retaliation.”

The law protects you from certain forms of retaliation and whistleblowing. For example, it’s illegal for an employer to punish you for exercising your workplace rights or reporting a violation

5 of 5

Speaking Up

We often blame ethical lapses entirely on the perpetrator who committed the crime or violated the code of conduct. But what about the people who knew what was happening and didn’t say anything? What about the leaders, managers, and coworkers who looked the other way?

Imagine how the outcome of an ethical dilemma would change if someone had reported their suspicions as soon as they detected them.

5 Steps for Reporting Unethical Behaviour at Work

Employees may also hesitate to report unethical behaviour at work if they don't know how. Anxieties over what's involved, what you should say or do, and how the process works can prevent you from speaking up. Click through the following interaction to learn five steps for reporting unethical behaviour effectively.

Step 1

Recognize the Warning Signs

The first step is to **recognize the warning signs**. In other words, notice when something is “off” or a situation feels wrong. Here are some examples of red flags to watch for:

- Breaking the law
- Violating the company’s code of conduct
- Violating others’ rights
- Lying, concealing the truth, exaggerating, or falsifying information
- Cheating, manipulating, or stealing
- Accepting bribes or gifts in exchange for something
- Misusing confidential information
- Acting in one’s self-interest at the detriment of team members, customers, or the company
- Any situation that makes you feel uncomfortable, pressured, guilty, or fearful of getting caught

What not to report: In contrast, don’t confuse personal differences, conflicts, or biases as warning signs for unethical behaviour. It’s OK if a coworker has a different belief or values system than you. It’s not OK if they break the law, engage in toxic or abusive behaviours, or violate the company’s code of conduct.

Step 2

Investigate and Understand

The second step is to **investigate and understand** the situation further. Try to understand why a situation feels troubling to you. What values are being violated? What behaviour is the source of your concerns? Does the behaviour violate a personal value, or does it threaten the interests, safety, and well-being of the team, customers, or larger company?

- **Do:** Talk to the perpetrator directly. Ask questions and describe observed behaviours. Give them a chance to explain themselves or correct their behaviour before you escalate the issue. Look at the evidence and facts.
- **Don't:** Jump to conclusions, make accusations, or assume the worst. Don't escalate the issue to management or HR without confronting the perpetrator first (so long as it's safe to do so). Also, don't let personal conflicts or biases cloud your judgment.

Step 3

Compile Evidence

If you've confronted the perpetrator and they continue to engage in illegal or unethical behaviour, then it's time to prepare a report. This leads to our third step, which is to **compile evidence**.

Take detailed notes of your observations—including names of people, descriptions of events, dates, and times. Gather any relevant paperwork, documents, or other proof of your claims. Create a copy for yourself and a copy to share with management or HR.

Step 4

Submit Your Report

Fourth is to **submit your report**. Bring all the notes or evidence you've gathered and talk to either:

- **Your direct manager.** In most cases, you should speak with your direct manager first. However, if the complaint involves your direct manager, then escalate the issue straight to your HR department.
- **Your HR department.** Your direct manager will likely enlist the help of your HR department once you've brought an issue to their attention. But you might need to escalate the issue to HR if the complaint involves your direct manager.

Tip: Only report the facts. Focus on observable behaviors, and avoid insulting the perpetrator or talking about their personality.

Step 5

Stay Professional

Once you've submitted the report, then your work is done. You've passed the baton. Your manager or HR department will conduct a formal investigation into the issue. Now, your only role is to **stay professional**.

Keep the details of the situation to yourself. Never gossip or divulge sensitive information to your coworkers or customers. Continue to treat the perpetrator with respect and dignity—even if you don't condone their behaviour.

Summary

There are five steps for reporting unethical behaviour at work. First, recognize the warning signs. Notice when something's off or feels wrong. Second, investigate the situation and try to understand why it's troubling to you. Talk to the perpetrator directly and allow them to correct their behaviour or explain their point of view. If that doesn't work, then compile evidence and submit a report to your direct manager or HR department. Finally, stay professional. Don't talk about the situation to others. And continue to treat the perpetrator respectfully.

Watch Your Tone

When reporting a potential ethical breach or violation, it's important to watch your tone and communicate tactfully. Be factual, calm, and speak dispassionately. Avoid emotionally charged language or an accusatory tone. Be open to hearing other explanations or answering questions about your evidence and observations. Following these guidelines will produce a more constructive conversation with the perpetrator, or they'll help your manager or HR department listen and take your complaints more seriously.



To check your understanding of the lesson content, work through the scenarios below...

Question 1 of 2

You've noticed that a coworker has been arriving 30 minutes late to work every day this week. What do you do?

- Talk to your direct manager about it.
- Compile evidence.
- Report it to your HR department.



Investigate why it's bothering you or talk to your coworker directly.

SUBMIT

Question 2 of 2

The numbers on your financial reports aren't adding up, and you suspect that someone may be stealing from the company. You don't know who it is—or if your suspicions are correct. Should you say something?



Yes, gather what evidence you have and discuss your concerns with your manager for further investigation



No, wait until you know exactly what's going on.

SUBMIT

Summary

Everyone is responsible for reporting illegal or unethical behaviour at work. Not only does unethical conduct threaten the business, but it also threatens the safety and well-being of every person on your team. Follow these five steps to report suspicious or unethical behaviour effectively:

1

Recognize the warning signs. Pay attention when something feels wrong. Flag illegal activities, abusive behaviours, or code of conduct violations.

2

Investigate and understand. Identify why a situation is troubling you, and talk to the perpetrator directly. Allow them to explain themselves and/or correct their behaviour before escalating the issue further.

3

Compile evidence. If the situation continues, then it's time to prepare a report. Take detailed notes of your observations and compile any documentation or other evidence to prove your claim.

4

Submit your report. Submit your report to your direct manager or HR department. Focus your report on facts and behaviors—not assumptions or personalities.

5

Stay professional. Let your manager or HR department investigate the issue from there. It's not your responsibility to punish the perpetrator. Instead, stay professional. Treat them with respect and dignity. Don't gossip or talk about the situation to coworkers.



Follow company protocols. Most companies have a code of conduct as well as an issue escalation policy. Check and follow these company protocols.



Complete the content above before moving on.

Lesson 6 of 7

Knowledge Check



Module 10: Review Questions

Question

01/10

Many government agencies demand that _____ are in place before they do business with private companies?

- Ethical safeguards
- Profit safeguards
- Liability safeguards
- Employee retentions

Question

02/10

A Code of Ethics is the foundation of an ethics program. The Code of Ethics needs to address what issues?

- Laws and regulations
- Company needs
- Ethical values
- All of the above

Question

03/10

Who is exempt from the Code of Ethics?

- CEO
- Shareholders
- No one
- Board of directors

Question

04/10

Why is it important to perform an internal ethics audit?

- Evaluate the design of the ethics program
- Evaluate the effectiveness of the ethics program
- Evaluate the execution of the ethics program
- All of the above

Question

05/10

In order to get the most from a program, it is necessary to: Select ALL that apply.

- Evaluate the content
- Make adjustments from time to time
- See input from superiors

Question

06/10

Ethical safeguards need to be in place to ensure:

- Employees' comprehension
- Employers' expectations
- Ethical behaviour
- None of the above

Question

07/10

An internal ethics audit utilizes which sources?

- Surveys
- Interviews
- Documents
- All of the above

Question

08/10

There needs to be a _____ for an ethics program to be successful.

- Managerial buy-in
- New hire buy-in
- Complete buy-in
- Government approval

Question

09/10

A(n) _____ usually goes over the information in the internal ethics audit to determine if any adjustments need to be made.

- Manager
- Customer
- Auditor
- Supervisor

Question

10/10

How many examples should be included for each ethical value?

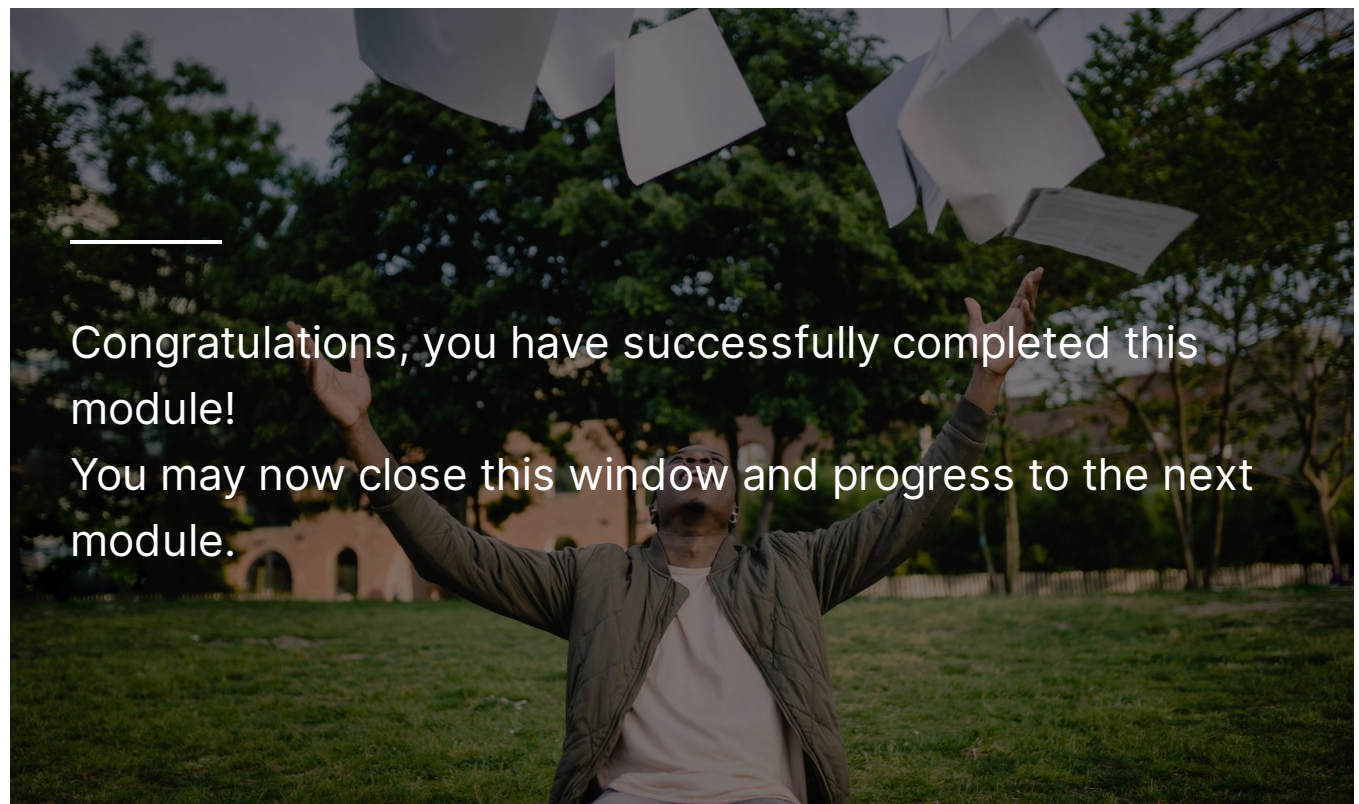
1

2

3

4

Module 10: Completed



Congratulations, you have successfully completed this module!
You may now close this window and progress to the next module.