Alternate Format.  *Global Ethics and Integrity Benchmarks* is available in a Microsoft® Word version without graphics. Please contact us if you would like this version emailed to you.

Continuous Improvement. Your feedback, suggestions, and stories of how you are using *Global Ethics and Integrity Benchmarks* are welcome. Please feel free to contact us.

Future Versions. Please send us your contact information if you wish to receive future versions of *Global Ethics and Integrity Benchmarks*.

Graphics by Marcus Longmuir.

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INTRODUCTION

*Global Ethics and Integrity Benchmarks* is a tool for helping organizations assess and measure their progress in making a formal and transparent commitment to ethics and integrity in the workplace. Although conditions and attitudes vary greatly worldwide, we have identified these benchmarks as global because of their worldwide and incremental applicability. While making these benchmarks global has certainly been a challenge, we believe they address the need for a universal approach to workplace ethics and integrity.

Why consider global benchmarks for ethics and integrity? We believe that organizations around the world operate in similar fashion when it comes to selecting ethical courses of action. Though legal standards and expectations for businesses differ (though only within a predictable range), the fundamentals of workplace ethics transcend national boundaries and legal systems. These Global Ethics & Integrity Benchmarks focus on how individuals treat each other in the workplace, and how their organizations treat them as individuals.

Global values are at the foundation of the *Global Ethics and Integrity Benchmarks*. Global values, including integrity, can be found in all religions, texts on moral philosophy down through the ages, and in the United Nations Universal Declaration of Human Rights and all resulting rights-related conventions and principles. Though there is significant “play” in how global values (such as integrity) can be defined and their scope of application, there is little doubt that what unites us as human beings is this ethical dimension. Different cultures, nations, and societies may differ about how to prioritize specific moral values. Nevertheless, all human societies seem to accept that a set of global values exists and that these values tend to unite—rather than divide—us.

Who can use this tool? We have written *Global Ethics and Integrity Benchmarks* to apply to all types of organizations in all sectors. The benchmarks will be most relevant to large and medium-sized organizations. However, we believe small organizations will also benefit from working with this tool. The Benchmarks can be used with for-profit, not-for-profit, government and civil society organizations—wherever individuals care that their workplaces are known for a commitment to ethical action.

About the categories. We have researched and compiled twelve categories that make up the benchmarks, and that are derived from expert input worldwide. The twelve categories cover a wide range of topics. In using the benchmarks as part of an organizational assessment, one can select from the categories offered – not all need apply, nor need they be weighted equally.

Using the benchmarks. These benchmarks reflect emerging successful organizational practices. They can and will change over time, evolving as all workplace practices grow and improve. Organizations that do benchmarking may look upon these benchmarks as prescriptive of effectiveness or simply as descriptive of current best practices. We believe the descriptive approach is safest, as context is usually critical in assessing the importance and relevance of the benchmarks. In one context, one might ignore a best practice while in another context it may be a critically desired factor. From a global perspective, therefore, it is imperative not to blindly
follow these benchmarks, but to first evaluate the relevance and importance of each of them to your organization.

The best practices in each category are shown as 100%. For each category, the benchmarks are divided into five levels that indicate progress toward the best practices in that category – from 0% (where no work has begun) to 25% to 50% to 75% and then on to best practices at 100%. For example, if your organization’s practices generally match the 50% level in a category, you can consider your organization to be at the 50% level of the best practice in that category.

Defining terms. We define ethics and integrity broadly. Ethics and integrity refer to a commitment to moral thought and action in all aspects of how an organization is governed and run. Ethics and integrity describe the “oughts” and “shoulds” of how organizations relate to their stakeholders rather than the “musts.” We like to draw distinctions between legal compliance and ethics and integrity. Legal compliance describes the necessary and minimum conditions for following the law and avoiding punishment. Legal compliance focuses on what one has the right to do. By way of contrast, ethics and integrity describe the moral choices that individuals and organizations alike may make. A focus on ethics and integrity supports an organization and its employees when operating in an area where the law is not clear.

We believe that healthy, high-performing, and successful organizations must pay close attention to ethics and integrity, above and beyond legal compliance. Sovereign governments set legal standards. Legal standards and compliance expectations may be similar but are rarely identical across national borders. Ethics and integrity expectations for organizations should be universal.

By “global,” we simply mean that these benchmarks are universally applicable, not specific to a country or culture. However, cultural and country differences will deeply impact which categories you select and how these benchmarks are prioritized.

Conceptual frameworks. There are competing conceptual frameworks for understanding and categorizing global ethics and integrity work. Some of the prominent schools of thought include: 1) stakeholder rights, duties, and obligations; 2) substantive and procedural due process; 3) corporate social responsibility and the purpose of the firm; and 4) social contract theory. Our benchmarks include aspects of all of these sometimes competing frameworks.

Background on the source and development. We are indebted originally to the diversity field. Bench Marks for Diversity was first published by the Tennessee Valley Authority (TVA) in the early 1990s based on groundbreaking research. Julie O’Mara and Alan Richter then updated, reconfigured and made universal the original tool to create the Global Diversity and
Inclusion Benchmarks (2007). The idea behind this current tool was to use the structure of the tool for Global Diversity and Inclusion and rework it for Global Ethics and Integrity.

Permission to use. The Global Ethics and Integrity Benchmarks tool is provided free of charge with the provision that it’s copyright is always respected and acknowledged.

The authors. Both of us reside in the United States and are aware of the cultural consequences of our location and background in compiling these global benchmarks. Alan grew up in South Africa, lived in the U.K., and does ethics and diversity work around the world. Joan grew up in the Midwest of the United States, has lived in several U.S. cities, has traveled and consulted in several countries, serves as the Ethics Officer for the International Monetary Fund, and is one of the leading business ethics practitioners in the U.S.

The panel of experts. To augment and validate our global view, we have called on a panel of experts who reside and/or work globally. They are listed and acknowledged for their invaluable contributions on page 13.

We hope that this Global Ethics and Integrity Benchmarks tool will be a useful one in helping organizations assess themselves objectively. We encourage organizations to aspire to be the best place to work from a perspective of ethics and integrity. Ethical organizations recruit and retain ethical staff members. We believe that a fundamental commitment to ethics and integrity in organizational practices is key to making this a better world in which to live and work, one organization at a time.

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January 2009
HOW TO USE THIS GLOBAL ETHICS AND INTEGRITY BENCHMARKS TOOL

Here are some ways to use these benchmarks:

• To set and stretch organizational standards. Standards are helpful for employees, managers, executives, and board members because they help define excellence. Use the benchmarks to set standards for achieving ethics and integrity in your organization as part of a strategy and planning process. Likewise, use them to help stretch existing standards.

• To engage employees and promote accountability for progress. Have groups discuss selected categories and try to reach consensus on the level at which their departments or organizations currently compare to the benchmarks. If no consensus can be reached, then discover what is the narrowest agreed-upon range. Doing this repeatedly with different groups in an organization provides some objective measure of agreement. Tracked over time, this iterative process can chronicle your organization’s progress in the chosen categories.

• To determine and evaluate organizational progress towards short-term and long-term program goals. Use your organization’s benchmark scores to determine which of the categories are most important or strategic, and then set goals for achieving some of the benchmarks and work toward increasing the percentage/score.

• To engage in continuous improvement of your organization’s ethics and integrity systems and processes. This set of global benchmarks is one tool—but not the only one of its kind—that can be used to conduct rigorous self-assessments resulting in concrete goals for program improvement.

• To educate senior leaders and governance authorities on expectations, goals, and structures for effective ethics and integrity programs within an organization.

• To compare your organization to others in your industry, sector, or geographical area. These standards provide a common framework and vocabulary for organizations to describe their efforts in promoting an ethical workplace.

• To assess ethical risk. These standards provide a tool to help organization’s identify, describe and assess enterprise-wide reputational risks.
How NOT to Use These Benchmarks

These benchmarks have been created based on our experiences and the experiences of the expert panel. While we are confident that the benchmarks represent realistic and successful practices, they are not based on a systematic empirical study. Therefore, please use these benchmarks as guidelines, not as requirements. They should not be used to determine whether an organization has met specific legal standards set by any one jurisdiction. Do not use them to make compensation decisions or to judge the effectiveness of individuals who have organizational responsibility for implementing ethics and integrity programs. The benchmarks are not the same as legal advice, and do not replace consultation with your organization’s legal counsel. We are not legally responsible for any misuse of these benchmarks.

If you have questions about the use of this tool, please do not hesitate to contact us. We would be pleased to work with you in developing an appropriate approach for using this assessment tool.
1. **Vision and Goals.** Covers the organization’s overall concept of and approach to ethics and integrity, including its formal articulation of the organization’s underlying philosophy about ethical and moral conduct, and how these expectations are embedded in the fabric of the organization. This benchmark includes how organizations identify and define their core ethical values or principles, as well as how organizations integrate those values into everyday business conduct.

2. **Leadership.** Covers the responsibilities of the organization’s leadership in shaping, guiding, and supporting the organization’s ethics and integrity initiatives. It examines how leaders and managers are held accountable for promoting ethics and integrity. This category includes an assessment of the organization’s “Tone from the Top” at both the senior executive and governance levels.

3. **Infrastructure.** Explores the way the organization structures or organizes its ethics and integrity function so that it can carry out its goals effectively. This category covers how the ethics function is structured, staffed, and resourced, as well as its formal and informal reporting relationships. This category also includes the roles and responsibilities of those individuals who are assigned to implement the ethics and integrity function.

4. **Legal Compliance, Policies, and Rules.** Includes the core laws, policies, rules, and guidance that comprise the legal framework for the organization’s ethics and integrity systems. This category assesses the internal framework that provides the floor for ethical behavior. It also includes compliance with the external legal framework, established by the multiple jurisdictions and legal frameworks within which the organization operates. This category includes the systems and controls used to ensure and demonstrate that employees and the organization are legally compliant. What is essential is that the organization has translated its legal commitments into concrete actionable guidance that is enforceable.

5. **Organizational Culture.** Addresses the overall organizational culture and how it promotes ethical conduct in the context of the organization’s mission, vision, structure, and strategy. This category explores the degree to which an organization focuses on shaping its organizational culture (both the written and unwritten rules that dictate how work is performed and goals reached) and whether that culture actively promotes ethical conduct. This category addresses how culture is defined (the history and traditions of the organization), who “owns” and shapes culture, how culture is measured, and the degree to which employees find the culture supportive of ethics and integrity.
6. **Disciplinary and Reward Measures.** Describes how the organization sets and enforces its standards for ethical conduct and behaving with integrity. This category addresses rewards and punishments, incentives that promote ethical behavior, and disciplinary action taken to limit or punish unethical work conduct. This category includes how the organization promotes ethical conduct through its performance appraisal process, and whether ethical conduct is linked to compensation and/or other types of non-monetary benefits.

7. **Whistleblowing.** Explores how the organization encourages individuals (both internal and external to the entity) to speak up and make reports of questionable conduct. This category explores the methods and protections offered to individuals who wish to make the organization aware of possible unethical behavior, misconduct, or illegal actions. It includes the making of both confidential and anonymous reports, and the systems used by the organization to protect whistleblowers from retaliation or retribution.

8. **Measurement, Research, and Assessment.** Evaluates how ethics and integrity are measured, whether the organization undertakes research to support ethics strategies that create a culture of ethics and integrity, and the organization’s assessment processes around ethics, integrity and organizational culture. This category includes the organization’s commitment to continuous improvement, based on benchmarking and other evaluation methodologies.

9. **Confidential Advice and Support.** Describes how the organization provides confidential, neutral, professional, and independent ethics advice to employees, supervisors, managers, executives, members of governing bodies, and other stakeholders.

10. **Ethics Training and Education.** Explores ethics and integrity awareness, skill-building training and education, and the integration of such training into the overall development of all employees. This category includes the provision of ethics-related training and skill building throughout the life cycle of staff members, and the degree to which these initiatives are integrated into other organization-wide training commitments.

11. **Ethics Communications.** Describes how the ethics and integrity initiative is articulated and promoted, both internally and externally. This category covers how the organization defines its stakeholders and how it gears its key messages to distinct audiences.

12. **Corporate Social Responsibility.** Covers the organization’s efforts to establish links with and invest in the communities and stakeholders with which it interacts. This category also covers government relations, environmental consciousness, sustainability, and community impact.
GUIDELINES FOR READING

Each category follows the same format. Each level is described as 0%, 25%, 50%, 75%, or 100%. The 100% level indicates current best practices for each ethics and integrity category as perceived by the authors and in concurrence with the panel of experts. Going beyond the 100% would make your organization a pioneer and probably a model for the next update.

The 0% level typically identifies an organization that has not yet begun to focus on this specific ethics consideration. The 25% through 100% levels then progressively show where an organization might be situated as it improves in that category, finally reaching the 100%, or best-practice, level. The 100% level describes current best practices as of January 2009.

The descriptors combine both processes and outcomes; however, the outcomes become more numerous and important the higher the level descriptor. The positive outcomes are to be read cumulatively, so that 100% descriptions incorporate the positive outcomes of 25%, 50% and 75%. For example, if at 25% or 50% the descriptor says “some managers,” assuming this is a positive outcome, then at 75% and 100% one can assume that “some managers” become “most (if not all) managers.” The cumulative effect is strongest in the 75% to 100% gap, but less so in the 50% to 75% range or below.

Terminology

To clarify definitions and avoid repeating lengthy terminology, please note the following:

- We refer simply to “ethics,” which in many places is shorthand for “global ethics and integrity.”
- We use “chief ethics officer” to designate the most senior person responsible for leading all ethics initiatives in an organization. This person has expertise in organizational ethics but may or may not be a full-time ethics professional. We want to distinguish the top executive or leader of the entire organization from the highest-ranking person in the organization with specific responsibility for ethics. While we believe that the top executive should also have ethics responsibility, we also believe that it is important to have a senior person in the organization with specific knowledge of ethics and integrity as a practical discipline. The titles used for this role will vary around the globe.
- We use the term “leaders” to describe everyone in the organization who has responsibility for accomplishing some or all of the organization’s ethics and integrity vision and goals. In some cases these leaders will be board members and senior executives. In other cases, “leaders” will include managers and supervisors and/or individual contributors.
Category 1: VISION AND GOALS

100%

___ All employees behave in a way that shows their commitment to achieving the organization’s vision for ethical action.

___ Each of the organization’s ethics goals are reasonable, clear, measurable and achievable.

___ Ethical thought and action have become part of the fabric of the organization. It is ingrained in the organization. Ethics is not seen as an isolated program, but rather as key to growth and success.

___ Over 90% of a diverse sampling of employees rate the workplace as respectful of individuals, fair, open, and flexible.

___ The organization is frequently benchmarked for its ethics and integrity.

75%

___ The organization has articulated its “social contract”, specifying its expectations of employees in terms of their ethical conduct and the reciprocal expectations that employees should have of the organization.

___ In a contest between upholding principles or seeking profit, leaders are clear that principles and upholding core ethical values come before closing a deal, making a sale, or unbridled profitability.

___ Individuals have standards of performance based upon the organization’s core ethical values and their work is measured against these standards.

___ Ethical action and ethical leadership are perceived as critical for the organization’s continuing success.

50%

___ Ethical conduct is seen as a requirement for organizational and individual performance.

___ The organization has identified and defined its core ethical values, and communicates about values on a regular basis.

___ The organization and its executives understand and reinforce the connection between ethical values, performance, and success.

___ The organization and its leaders recognize that legal conduct and ethical behavior are not necessarily identical.

25%

___ “Ethics” is narrowly defined, referring primarily to legal compliance and/or the organization’s formal internal rules structure.

___ A legalistic code of conduct and/or compliance-related policy exists.

___ Ethics is viewed as a “necessary evil,” that is tolerated only because it would be politically incorrect to fail to mention it.

___ There may be reference to ethics in the organization’s values statement, but little is done intentionally to embed ethical action in the organization.

0%

___ There is no explicit ethics and integrity vision, goals, policies, statement, or program.

___ Ethics and integrity are neither recognized nor discussed in any business-related fashion.

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Category 2: LEADERSHIP

100%

- Management pay, bonuses, and promotions are tied to a variety of ethical indicators. Leaders are held accountable for supporting ethical conduct at an individual and organizational level.
- Managing ethically is considered an essential leadership competency.
- Senior managers are seen as role models. They emphasize the importance of ethical conduct as a core organizational value and strategy, and they provide consistent, visible leadership.
- Leaders and board members publicly support ethics and integrity initiatives, even when these initiatives are perceived to be controversial.
- Leaders and board members share a deep-seated commitment to ethical conduct as a foundation for the organization’s culture.

75%

- Leaders and managers demonstrate ethical awareness. They are conversant with the vocabulary of ethical analysis, and consistently act in ways that are consistent with the organization’s values.
- Leaders often make internal and external scripted and extemporaneous speeches or statements relating to ethics and integrity to a variety of groups.
- The board of directors shares responsibility for integrating ethical conduct into the organization’s culture.
- Most managers receive training and coaching in ethics, and provide coaching about ethics to others.
- Ethical awareness, analysis, and action are routinely incorporated into selection, performance evaluation, and promotion decisions.

50%

- Managers and supervisors view promoting ethical conduct as part of their responsibilities and are held accountable for their own ethical behavior.
- Some leaders in the organization are active champions of ethical action and the ethics function.
- Leadership views ethics and integrity as a management level function, with direct impact on the organization’s bottom line.
- Leaders understand that there is a direct connection between “tone from the top” and whether their organization enjoys a positive reputation for ethics.

25%

- There is little or no active leadership, involvement, or accountability regarding ethics and integrity.
- Leaders assume that their private moral codes are adequate to lead the organization.
- Leaders talk down to employees, treating them like children.
- Leaders view ethics and integrity as mainly an HR or legal function.
- Managers and supervisors accept some responsibility for ethics, especially as it relates to standard Employee Relations and Human Resources practices—such as addressing sexual harassment.
- Leaders need scripts to discuss ethics and integrity.
- Reactive measures are taken to deal with difficult ethical situations, often on a case-by-case basis without consideration of establishing internal precedents.

0%

- Leaders assume that their private moral codes are adequate to lead the organization.
- Leaders talk down to employees, treating them like children.
Category 3: INFRASTRUCTURE

100%

- The chief ethics officer is a recognized and respected member of the senior management team
- A senior executive leads the ethics function, supported by a knowledgeable staff of ethics professionals, adequate for the size and goals of the organization.
- There is a senior-level manager and supporting ethics staff with organization-wide responsibility for ethics and integrity activities.
- There is a senior-level ethics manager reporting to the top executive, or another member of the executive management team.
- Ethics functions are performed as additional, secondary duties of mid-level staff.
- Organizational ethics is not recognized as a unique discipline requiring specialized skills, knowledge, and experience.

75%

- The chief ethics officer has a dual reporting relationship to executive management and governance.
- Adequate financial and other tangible resources are allocated annually to the ethics function, as part of the organization’s budget cycle.
- The chief ethics officer reports regularly to senior management on activities and results of the function.
- The chief ethics officer supports the board of directors by the chief executive or a ranking vice president.
- The ethics infrastructure encompasses all locations, i.e., it is global for any multinational organization.
- The chief ethics officer has a dual reporting relationship to executive management and governance.
- The chief ethics officer serves as an independent and confidential ethics advisor to senior leaders and governance members.
- The chief ethics officer’s remarks are not subject to pre-clearance by any member of management.
- The ethics function is subject to regular audit oversight.
- The ethics infrastructure encompasses all locations, i.e., it is global for any multinational organization.

50%

- The chief ethics officer serves as an independent and confidential ethics advisor to senior leaders and governance members.
- The chief ethics officer’s remarks are not subject to pre-clearance by any member of management.
- The ethics function is subject to regular audit oversight.
- The ethics infrastructure encompasses all locations, i.e., it is global for any multinational organization.

25%

- There is no organizational infrastructure or individual responsible for ethics and integrity.
- Ethics functions are performed as additional, secondary duties of mid-level staff.
- Organizational ethics is not recognized as a unique discipline requiring specialized skills, knowledge, and experience.
Category 4: LEGAL COMPLIANCE, POLICIES, AND RULES

100%

___ The organization has articulated the ethical standards and principles expected of third parties (e.g., suppliers, vendors, consultants, agents, and contractual workers).

___ Leaders uphold the code, regularly referring to it in speeches and other communications, and refer to and use the code in everyday decision-making.

___ The organization demonstrates transparency and accountability by requiring key employees to make regular disclosures concerning, for example, personal finances and conflicts of interest.

___ The code and supporting rules and policies are seen as best practice documents in the organization’s industry.

75%

___ The organization is knowledgeable and in compliance with the laws of all jurisdictions where it operates, and has a system for resolving conflicts of law questions.

___ The code of conduct/code of ethics is a bilateral document, setting forth the mutual rights, duties, and obligations of both the organization and its employees.

___ The code covers all employees, whether full or part time, occasional or regular, and those employed for fixed term or on open-ended contract.

___ The code is global but addresses legal variations across countries.

___ The code provides concrete actionable guidance and examples of real situations and how to address them.

50%

___ Legal requirements for adopting written policies and rules about ethics, integrity, and compliance are met.

___ The organization has adopted a code of conduct (or code of ethics) which outlines basic guidance about legal compliance for employees.

___ The policies and rules upon which the code of conduct is based are written by lawyers in legalese, and are available only in the primary language spoken at the organization’s headquarters.

25%

___ No ethics, integrity, or compliance policies or rules have been adopted by the organization.

___ Policies and rules that describe what employees should or should not do on behalf of the organization are written in plain, easily understood language, and are available in translation for all major language groups working in the organization.

___ Policies and rules, and/or a code of ethics and business conduct, are available in written and electronic format, and are freely available to all workers.

___ Policies and rules are updated regularly, with revisions circulated upon adoption by the organization.

___ The code is based on the organization’s core ethical values and describes the type of business conduct expected of its workers in all their interactions.
Category 5: ORGANIZATIONAL CULTURE

100%

- Most employees are very proud to work at the organization and would describe it as a great place to work, where ethics, integrity, trust and fairness are highly valued.
- Employees can easily identify integrity role models among the leaders of the organization.
- There are positive ethical role models among the leaders of the organization.
- The culture of the organization is regarded as relatively open.
- The organization has committed itself to ethics and integrity, even if there are some shortcomings.
- The history and traditions of the organization are well known.
- Leaders and others articulate and describe the organization’s culture in terms of its values, mission, and ethical commitments to stakeholders.
- The organization describes its commitment to ethical conduct and accountability, and summarizes its accomplishments in this area in its annual report or through other publicly available communication channels.
- The organization is transparent about its commitment to ethics and integrity, and is willing to share both successes and failures with internal and external audiences.
- Employees feel safe to speak up (e.g., to blow the whistle) if they encounter fraud or other wrongdoing in the organization.
- The organization is proud of its accomplishments in the area of ethics and integrity.
- The organization values cultural diversity but ethics and integrity are never compromised in the name of cultural relativity.
- The organization takes the long-term view, never sacrificing principles for short-term gain.
- The organization describes its commitment to ethical conduct and accountability, and summarizes its accomplishments in this area in its annual report or through other publicly available communication channels.
- The organization is transparent about its commitment to ethics and integrity, and is willing to share both successes and failures with internal and external audiences.
- Most employees are very proud to work at the organization and would describe it as a great place to work, where ethics, integrity, trust and fairness are highly valued.
- Employees can easily identify integrity role models among the leaders of the organization.
- There are positive ethical role models among the leaders of the organization.
- The culture of the organization is regarded as relatively open.
- The organization has committed itself to ethics and integrity, even if there are some shortcomings.
- The history and traditions of the organization are well known.
- Leaders and others articulate and describe the organization’s culture in terms of its values, mission, and ethical commitments to stakeholders.
- The organization describes its commitment to ethical conduct and accountability, and summarizes its accomplishments in this area in its annual report or through other publicly available communication channels.
- The organization is transparent about its commitment to ethics and integrity, and is willing to share both successes and failures with internal and external audiences.

75%

- Violations of rules and standards are justified by referring to national culture or practice.
- The prevailing attitude about the organization is that it has a mistrusting culture, and falls short on ethics and integrity.
- No attention is paid to articulating, assessing, or even describing the organization’s culture in relationship to ethics and integrity.
- Employees tend to keep low profiles at the organization.
- It is not considered safe to speak out about wrongdoing at the organization.
- Regarding ethics, the culture remains one of compliance and obedience to rules or laws, not values or principles.
- Employees perceive a significant gap between the organization’s ethical communications and its actions.
Category 6: DISCIPLINARY AND REWARD MEASURES

100%

___ The organization is regarded as being fair in the internal administration of justice (e.g., grievance procedures or dispute resolution systems).

___ The organization’s policies and guidelines for discipline and reward are regarded as “best practice”.

___ Ethical conduct is seen as one of the critical elements for promotion and advancement at all levels.

___ Managers understand what motivates employees to act ethically or to act unethically, and have the training and tools necessary to motivate ethical behavior.

75%

___ The organization recognizes and rewards ethical behavior and supports appropriate discipline when necessary.

___ Leaders and managers are experienced in taking disciplinary measures when necessary, and are swift to reward good conduct.

___ The performance management system incorporates the organization’s values and ethical principles, and records employee behavior that meets or fails to meet these expectations.

___ The organization does not shy away from taking disciplinary action against high-performing, senior leaders who have acted unethically.

50%

___ The organization has explicit policies for breaches of ethics.

___ The organization has in place formal investigative procedures that result in prompt, thorough, fair, and effective fact-finding.

___ The organization usually imposes disciplinary measures when appropriate.

___ The organization has adopted a formal performance appraisal system, but the system does not specifically include ethics and integrity among its measures.

25%

___ Consequences for unethical behavior are only addressed if these failures adversely impact business results.

___ Unfair treatment especially by management is not directly addressed.

___ There is no explicit disciplinary action for wrongdoing or misconduct.

___ There is no explicit system to reward ethical action.

__ There is no policy addressing breaches of ethics or lapses in integrity.
Category 7: WHISTLEBLOWING

100%

- Employees are encouraged to speak up and bring forward their concerns or complaints about unethical behavior or misconduct. The organization offers a number of confidential channels or resources to which employees may turn.
- Both callers and subjects of calls receive procedural due process protections, including (a) confidentiality; (b) opportunity to present witnesses and evidence; (c) opportunity to be heard and to respond; and (d) opportunity to be represented by an advocate.
- Supervisors and managers receive training on how to recognize and prevent retaliation.
- Victims of retaliation will be made whole.
- Protection against retaliation exists for all good-faith whistleblowers.
- Employees receive communications about how, when, and why to call the hotline or helpline.
- Summary data is reported to management, the board, and employees on a regular (no less than annual) basis describing the kinds of matters that have been reported to the hotline or helpline service and the outcome/disposition of those matters.
- There is a single standard or set of rules that controls how internal investigations and fact-finding will be conducted.
- The organization offers a service where employees can bring up concerns or complaints about unethical behavior or misconduct.
- The organization promises some measure of confidentiality in resolving workplace concerns about ethics and integrity.
- A “hotline” or “helpline” service provides channels for both anonymous as well as confidential complaints.
- Calls reported to the hotline or helpline are summarized and transmitted to a single, confidential, point of contact in the organization who is responsible for determining whether each call report requires follow-up, investigation, or resolution.
- Retaliation and retribution against those who speak up is specifically prohibited. The organization has adopted a “no tolerance” rule against retaliation.

75%

- Organizational policies are silent about protecting employees from retaliation or retribution.
- Employees are directed to speak to their manager or supervisor about unethical behavior or misconduct.
- The organization has a policy that encourages employees to follow the “chain of command” when seeking resolution of workplace issues.
- The organization either discourages the bringing forward of anonymous complaints or is silent about whether it accepts anonymous complaints about unethical behavior or misconduct.

50%

- Employees are not encouraged to speak up or bring concerns or complaints to the attention of management or supervision.
- Organizational policies are silent about protecting employees from retaliation or retribution.
- Employees are directed to speak to their manager or supervisor about unethical behavior or misconduct.

25%

- Employees are not encouraged to speak up or bring concerns or complaints to the attention of management or supervision.
- Organizational policies are silent about protecting employees from retaliation or retribution.
- Employees are directed to speak to their manager or supervisor about unethical behavior or misconduct.
Category 8: MEASUREMENT AND RESEARCH

100%

- Ethics and integrity are regularly incorporated into organizational culture surveys and assessments.
- The organization is fully transparent with its external stakeholders about the activities, results, and outcomes of its ethics measurement and research.
- The organization publishes annual reports about ethics and integrity.
- Enterprise-wide risk assessments that focus on ethical conduct, legal compliance, leadership commitment to ethical action, and reputational risk exposure are performed regularly.
- The organization communicates the impact and return on investment of all components of its ethics initiatives.

- Some feedback on ethics and integrity are solicited in general employee and customer surveys, market research, internal reviews, and climate studies.
- External best practices are studied.
- The organization belongs to one or more professional associations for ethics and compliance, and ethics professionals are expected to stay current with industry-wide developments in the field.

75%

- Specific instruments and techniques are used to assess progress in addressing specific ethical concerns, as well as the impact of ethics initiatives on other organizational programs and goals.
- The organization disseminates its evaluation results on an annual basis.
- Input from employees, former employees, customers, and other stakeholders shapes initiatives, monitoring, and evaluation.
- Internal and external best practices are studied and benchmarking with similar organizations is undertaken.

50%

- The organization participates in third-party evaluations, surveys and studies, focused on ethical awareness, ethical action, and ethical leadership.
- Organizational culture is monitored with specific attention paid to how employees view the internal environment for ethical action.
- The organization regularly reviews ethics benchmarks, both within its industry/sector and across industries/sectors.
- The organization fully appreciates the cost of non-compliance.

0%

- There are no systems or practices to gather information about employee or stakeholder perceptions of the organization’s reputation.

25%

- Special thanks to the groups who reviewed and commented on this work:

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Category 9: CONFIDENTIAL ADVICE AND SUPPORT

100%

___ All employees including senior executives and members of the board of directors are comfortable seeking independent, confidential, neutral ethics advice.

___ Leaders actively encourage staff to obtain ethics advice whenever anyone perceives or believes that an ethical issue has arisen.

___ The confidentiality of the ethics advisory process is respected at all levels of the organization.

___ The chief ethics officer is authorized to issue “safe harbor” letters so that employees seeking advice are reassured that they cannot be disciplined because they relied upon that advice.

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75%

___ A confidential office exists to provide ethics advice and counseling.

___ This resource is outside of the operational chain of command.

___ All calls or inquiries seeking ethics advice, including questions about workplace behavior and the application of the rules to a set of circumstances or facts, are handled in confidence.

___ The chief ethics officer is encouraged to cross check his/her advice with the chief legal officer.

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50%

___ The organization makes no overt commitments about the confidential nature of ethics advice.

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25%

___ The organization draws minimal distinctions between seeking ethical advice versus seeking legal advice.

___ The organization’s chief legal officer is viewed as the ultimate source for definitive ethical advice.

___ Employees are encouraged to speak directly to their managers or supervisors if they have questions about ethics, integrity, or compliance.

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0%

___ There is no special resource available for those who seek confidential ethics advice.

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Category 10: ETHICS TRAINING AND EDUCATION

100%

- The organization provides state-of-the-art ethics training to all board members, executives, managers, supervisors, employees, and agents, and establishes a minimum number of ethics training hours to be completed annually for each category of learner.

- Ethics training, focused on enhancing ethical awareness, ethical decision-making, ethical leadership, and personal accountability, is integrated into the organization’s general educational curriculum.

- Ethics training is formally evaluated for effectiveness, and constantly updated and improved.

- The organization teams with others in its industry, communities, and/or academia to sponsor research into ethics training effectiveness and evaluation methodologies.

75%

- The organization exposes employees at all levels with challenging ethical dilemmas drawn from real life that prepare them to recognize, appreciate, and resolve ethical issues that they will encounter in everyday business.

- The organization has adopted a specific ethical decision-making methodology, tied to its core ethical values, that enables employees to resolve ethical dilemmas.

- Employees in organizational functions critical to establishing an ethical culture (such as Human Resources, legal, security, and audit) receive additional ethics training.

- Ethics is included in other organizational training, such as supervisory training; diverse techniques and examples are used to deliver training on all topics.

- Senior managers endorse and voluntarily attend ethics training.

- Ethics professionals, managers, and employees help design, develop, deliver, and reinforce the learning from training.

- Ethics training is provided, but it is offered as a stand-alone course rather than being integrated with the overall training curriculum.

- Training focuses more on rules and the organization’s expectations than on ethical analysis.

- More ethics training is delivered through self-study (e.g., on-line, web based, CD-ROM) than is delivered in instructor-led, highly interactive settings.

- Ethics training occurs at new hire and upon promotion to management.

- Instructor guides or tool kits are provided to supervisors and managers with the expectation that they conduct training as part of team meetings.

50%

- There is no formal ethics education provided to employees or other stakeholders.

25%

- Training programs on ethics are brief and focus on informing employees about policies and meeting legal requirements.

- Persons designing and delivering training do not have specific expertise in ethics.
Category 11: ETHICS COMMUNICATION

100%

- The organization connects ethics awareness and ethical conduct with its reputation, and sensitizes executives, senior leaders, and board members to the importance of communicating about ethical conduct and integrity.
- The organization sponsors community, academic, and business-community events that promote ethical business conduct and increase awareness.
- The organization’s communication functions—community affairs, employee communications, public relations, and marketing communications—consistently highlight ethics and values and share successes in both internal and external communications.
- Leaders regularly speak about ethical commitments, challenges, and successes.
- Organizational leaders are candid in their internal and external communications about ethics and are willing to engage in conversations that explore ethical dilemmas they have faced.
- The organization promotes transparency in connection with all of its activities.

75%

- An accessible ethics website, available to all employees, provides links to ethics, integrity and compliance websites. The organization’s external website includes information about its ethics vision, goals, programs, and results.
- The organization conducts outreach to its stakeholders in an effort to promote transparency about ethics and values.
- The organization publishes an annual report about its ethics function, focusing on its goals, activities, and results, and distributes this report both inside and outside of the organization.
- Leaders and managers promote the organization’s vision and emphasize ethics in internal and external speeches.
- All communications professionals and speechwriters routinely incorporate key ethics messages into general organizational communication.

50%

- The organization sponsors a forum for employees to discuss ethics issues and to provide input to the organization.
- Examples of best practices are valued and shared. Through a variety of ways—a website, newsletter, e-mails, events, and so forth—employees learn about the organization’s ethical values.
- The organization’s communication functions—community affairs, employee communications, public relations, and marketing communications—are supportive of ethics initiatives and weave ethics considerations into other aspects of organizational communications.

25%

- Some managers talk about ethics informally or on an ad hoc basis.
- Someone in Human Resources or management occasionally reminds employees about policies and compliance requirements.
- Web site information (or static printed literature) is available about ethics and integrity.

- There are no formal communications or discussions about ethics and integrity.

0%
Category 12: CORPORATE SOCIAL RESPONSIBILITY

100%

- The organization supports the contribution of employee time, energy, and ideas to social and environmental concerns.
- The organization provides financial resources as well as employee time and labor in a variety of community projects; employees may be compensated for time spent working in the community.
- Facilities are located to serve and promote economic growth of the whole community, and particularly communities or groups that have been historically ignored, or that are in the greatest need.
- The organization is generous in supporting and assisting other organizations in their ethics and integrity initiatives.
- The organization considers corporate social responsibility more than just philanthropy and mainstreams it into everyday business practice.
- The organization vigorously supports human rights and environmental sustainability in all its actions.

75%

- The organization thinks systemically, analyzing its social responsibility and investment policies (if for-profit) in order to consolidate initiatives.
- The organization’s involvement in the community and environment reflects long-range planning.
- The organization sponsors scholarship and internship programs that positively impact the community.

50%

- The organization makes charitable contributions and uses these to demonstrate its civic-mindedness.
- The organization addresses social and environmental issues related to its mission and publicizes its social responsibility policy.
- Long-range development plans are formulated with various social institutions, including local government and the community.

25%

- Motivated by public relations, marketing, tax reduction, and other benefits, the organization involves itself in mainstream causes, local government-related projects, the community or the environment.
- The organization makes an effort to involve itself with social and environmental concerns.

0%

- There is no or very limited involvement, engagement, or support for the communities with which the organization is associated.
- There is no outreach made to any level of government. The organization simply reacts or responds to government inquiries or requests for information through formal (typically legal) channels.

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