

---

# Business Ethics

Josef Wieland

---

## Make Ethics and Values Tangible

When communicating about business ethics and company values, be as concrete as possible. General statements and philosophical terms will not help real-life implementation of ethics and values in a company. Concrete examples with a clear positioning of the company (“No, we will never accept discrimination between groups of people” and “Yes, we have policies on equal work—equal pay” and “Yes we encourage whistle-blowing and also protect the whistleblowers”) make it much more tangible.

---

## Demonstrate Ethical Behavior Top–down

The “tone from the top” as well as corresponding behavior of top management is essential for a sustainable application of values and ethical behavior in the whole organization. People have to feel that it is not “just said” but “really meant.”

---

J. Wieland (✉)  
Friedrichshafen, Germany  
e-mail: [DosDontsHR@yahoo.com](mailto:DosDontsHR@yahoo.com)

© Springer-Verlag Berlin Heidelberg 2015  
M. Zeuch (ed.), *Dos and Don'ts in Human Resources Management*,  
DOI 10.1007/978-3-662-43553-3\_48

---

## **Train the Decision Makers**

Ethical behavior is understood differently by each person and hence an organization must sensitize and train its decision makers, to achieve coherence in its value systems. This translates into implementing Integrity management programs to sensitize and update the managers around the world on the latest standards on corporate responsibility and corporate governance.

---

## **Adapt the Incentive Structures to Your Values**

The corporate values would never get implemented in everyday business life if the recruitment and incentive structures do not match it. The employees' motivation to adhere to the firm's values must be in resonance with the personal financial implications of their decision making.

---

## **Communicate Regularly and Openly to the Stakeholders**

The stakeholders should know the efforts made by the company to meet the standards of corporate responsibility and governance. It should go beyond glossy brochures with smiling faces and talk about the goals set for corporate responsibility, the results achieved and an explanation for non-achievement. In addition to winning their trust, such communication helps in fostering cooperation and support from the key stakeholders, especially in times of crisis.

---

## **Do Not Reduce It Just to "Compliance"**

Do not suggest in your communication that formal compliance is the only important aspect of ethical behavior. As long as ethical conduct means following laws, rules and regulations, it is merely "compliant behavior." Integrity Management should be aimed at, at all levels of management to inculcate a sense of integrity from top management to the lowest level of decision making. The real-life proof of ethical intentions and ethical behavior, however, is if:

- there are no laws, rules or regulations governing the decision and/or,
- ethical aspects are in conflict with applicable laws, rules or regulations and/or,
- the decision is in conflict with other targets, e.g. financial targets.

---

## **Don't Forget Cultural Differences When Communicating**

While the core values of your company should be universal, do not copy and paste respective communication tools from your home/HQ country to the rest of the world. Some examples are just not understood in other cultures.

---

## **Don't Overpromise**

The more one communicates as “the most responsible firm caring for the environment and the society” ,the more the stakeholders’ and the general public’s expectation would be. This could seriously damage credibility for the slightest intransigence.