

Strong ethics make for a firm's best asset

By **Angella Luyk**

(May 4, 2008) The concept of ethics is attracting a lot of attention in today's business environment. Properly implemented, a strong ethical foundation is a company's greatest asset.

The Rochester Area Business in Ethics Foundation recognizes a growing belief among businesses that those that define, implement and maintain strong ethical practices will experience positive growth in nearly all aspects of their operations — employee fulfillment, retention, customer satisfaction, referrals, reputation, sales and profits.

That's all well and good, but how does a business initiate the process of establishing a strong business ethic? Think of it as a four-step process: describe, assess, implement and maintain.

- Describe how your company perceives its ethical vision. What does your company believe to be important and vital to its overall health? What role does your company fulfill within its business and civic community? Fundamental issues include employee satisfaction, community service, environmental commitment, customer respect, honesty and integrity.
- Assess how your company's behaviors support the company's ethical vision. For example, if you believe employees are satisfied within your organization then take a survey to see if your company's perception matches that of your employees. Examine diversity within your workforce. Consider how your business handles conflict and the resulting outcomes. Research your procurement policy for environmental impact. Ask your customers how they feel about your services and/or products.
- Implement change where it's needed. Start with communications. Make sure your company's Code of Ethics is emphasized and accessible to every employee. If you don't have a Code of Ethics, then revisit the first step (Describe) and articulate one. If there is a discrepancy between how your employees feel and what your company thought they felt, then pinpoint the gaps and change your code. Can you increase opportunities for employee growth and professional development? What can you do to demonstrate that your product and/or services are supported with honesty and integrity?
- Maintain your business ethic by establishing consistency in your operations. You need the communications and systems in place to pass your company's belief system on to new employees. If your business expands its products or services, make sure the support system is consistent with your ethical commitment.

This process requires honest commitment. But does it work? Karen Marley, a freelance business writer with Kmwordsmith in Irondequoit, has worked with numerous businesses identifying the specific practices that set them apart from their competition. "I often see a strong correlation between a well-defined work ethic and those businesses enjoying a robust customer base grown from referrals. A commitment to business ethics and the willingness to invest in communicating it, internally and externally, is a good indicator of how well a business knows itself, its staff and its customers."

Or, ask any one of the Rochester Business Ethics Award finalists. Each year nine finalists from three categories (small, medium and large business) are selected from 80 or more applicants. Midnight Janitorial, one of the 2007 finalists, has watched its profits soar by 150 percent in the last three years.

So think of an established business ethic as a long-term investment.

If done correctly, your business will be healthier.

Angella Luyk is CEO of Midnight Janitorial Inc. You can reach her at angella@midnightjanitorial.com.