

## 3.7.4 Ethics Facts

**Ethics is the concept and practice of behavior that builds and maintains responsibility and trust.** Examples of the practice of ethics include conducting oneself in accordance with the highest standards of moral and legal behavior, refraining from committing or being a party to any unlawful or unethical act, appropriately reporting activity that is unlawful, and cooperating with investigations.

**A code of ethics is a set of rules or standards that help you to act ethically in various situations.** Because issues involved in various situations can be complex, the code of ethics does not prescribe actions for every situation. Rather, it identifies general principles of ethical behavior that can be applied to various situations.

An organization's code of ethics may include the following:

Component	Description
Values	Business values identify the beliefs and ideals of an organization that guide actions and performance in its day-to-day interactions with suppliers, employees and customers. A commonly defined value is respect in interactions with others.
Principles	Principles are fundamental truths or rules that support the business values. Organization principles are commonly focused on customer satisfaction, quality products, innovation, and efficient use of resources.
Management Support	Manager support of the values and principles may be included in the code of ethics. Policies for supporting adherence to ethics and reporting violations can be included in the code of ethics. Some businesses display the code of ethics in prominent areas.
Personal Responsibility	Each employee's personal responsibility to uphold the code of ethics is commonly a part of the code of ethics. This is meant to reinforce adherence to the values and principles by ensuring that every employee supports the code of ethics.
Compliance	A code of ethics may refer to laws or regulations that are part of daily business interactions. Compliance with requirements can be documented in the code of ethics.

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