

Value

Ethics

Ethics. It's a subject that has been spoken about by almost everyone. You are probably thinking "Oh no! Not another ethics conversation." Well, maybe. The goal of this article is to go through a few of the basics of business ethics and how it ties into our last article, credibility.

When dealing in the SME and SMB circles, there are a number of "views" about your business that are paramount to success and building your business. The one that immediately comes to mind is ethics. Tied hand in hand, a combination of ethics and integrity make up the foundations of credibility and in essence, good business.

Business Ethics - what are they?

In essence, Business ethics set the standard for how your business is conducted. They define the value system of how you operate in the marketplace and within your business. Let's take a look at some of the principles of admirable business ethics.

Principles of Admirable Business Ethics

Be Trustful: Recognise customers want to do business with a company they can trust; when trust is at the core of a company, it's easy to recognise. Trust defined, is assured reliance on the character, ability, strength, and truth of a business.

Have Clear Documents: Re-evaluate all print materials including small business advertising, brochures, and other business documents making sure they are clear, precise and professional. Most important, make sure they do not misrepresent or misinterpret.

Be Respectful: Treat others with the utmost of respect. Regardless of differences, positions, titles, ages, or other types of distinctions, always treat others with professional respect and courtesy.

KEEP

control of your
finances and meet your

Obligations

Take a hands-on approach to accounting and record keeping, not only as a means of gaining a better feel for the progress of your company, but as a resource for any “questionable ” activities. Gaining control of accounting and record keeping allows you to end any dubious activities promptly.

Meet Your Obligations: Regardless of the circumstances, do everything in your power to gain the trust of past customer’s and clients, particularly if something has gone awry. Reclaim any lost business by honouring all commitments and obligations.

Focus

on business
practices and
specific

Issues

What actually ends up in a company's code of ethics will differ from one firm to the next. However, these are things to consider including: conflicts of interest to avoid, accuracy of financial statements, sexual harassment, workplace safety, environmental standards, and rules and regulations specific to your industry and company.

For not only your clients, but also your partners, suppliers, vendors, staff and other people involved within the day to day running of your business, ethics are a true reflection of your conduct. Having a good “code of conduct” within your business is not a luxury, it’s a requirement. But drawing up a useful code of ethics means more than scribbling down thoughts at random. Here are a few guidelines to help you.

Code of Ethics

Train your people to be ethical

Even the most thoughtful code of ethics is of little use if a company doesn't know what it really means. That makes employee training particularly important. Arrange for classes, seminars or meetings to lay out the specifics of your code of ethics and what it means to everyone's daily activities.

Follow up on any ethics violations you uncover.

Just like failing to publicise and promote your code of ethics to your employees and others renders it virtually meaningless, failing to act on ethics violations will disable even the best intentioned of company efforts. When drawing up your code, specify what range of penalties go with certain missteps and violations. Lay out an appeals process. Make sure everyone in your company knows the ramifications of violating the code.

Live it from the top down. Promote it from the ground up

It's critical that no one person in a company ever appears to be above a code of ethics. That means it's particularly important that executives and top managers also adhere to the guidelines of an ethics code. If managers say one thing but do something else, that's nothing more than a license for the rest of the company to follow suit.

As an employee, you also need to "practice and live" the ethics of good business within the company hours and reinforce the principles of "right and wrong" as set out by the code of ethics.

The Outcome of good Ethics

It goes without saying that good ethics lead into better business dealings and a more trustful relationships with your clients, suppliers, vendors and staff. There are multiple outcomes of dealing ethically including:

- * a longer client lifetime
- * better business relationship
- * the building of trust with your clientele
- * integrity and
- * credibility

Building relationships with your clientele ultimately ends up in a more rewarding foundation for your business.

To build better relationships, you need to focus on integrity, ethical behaviour, building credibility and being able to contribute.

Rewarding Foundations

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Document: Ethics & your Online Business.
Published 16th July 2007
Version 1.2



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