



# How To Create An Effective Global Code Of Conduct

The First Step in Fostering Ethical Communication Throughout Your Organization

## HOW TO CREATE AN EFFECTIVE GLOBAL CODE OF CONDUCT

What does it mean to do the right thing? Everyone answers that question differently, so it becomes your organization's role to define "the right thing" for your employees through a comprehensive Global Code of Conduct that articulates who you are, what you believe, and how you conduct business.



### WHY IS THIS SO IMPORTANT?

Imagine that you are an account executive for a marketing agency. You work with several high-profile clients, but one, in particular, is verbally abusive to the team during your weekly meetings. Everyone leaves these meetings feeling uncomfortable, and you decide to share this feedback with your manager.

### WHAT IS THE "RIGHT THING" FOR YOUR MANAGER TO DO?

#### OPTION 1

Do nothing – the client doesn't work for your agency, so the behavior is outside of your manager's purview.

#### OPTION 2

Immediately report the client's bad behavior to your agency's leadership team to determine appropriate next steps.

#### OPTION 3

Show support and solidarity for the team by publicly addressing the client's bad behavior during the weekly meeting.

It's a tricky situation and there is technically no "wrong" answer.

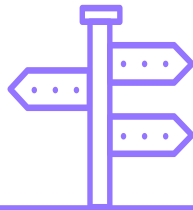
But depending on the expectations that your marketing agency has set for its employees, including how to work effectively with vendors, partners, and other stakeholders, you probably have a clear idea of how your manager should respond to the situation within the context of your organization.

## ENSURING EVERYONE IS ON THE SAME PAGE WITH A GLOBAL CODE OF CONDUCT

An organization's code of conduct is a definitive statement from leadership communicating its expectations of employees – including actions, reactions, and behaviors. It is foundational to every organization because it sets the tone for not only how to act at work, but how you can expect your co-workers, clients, vendors, partners, and other stakeholders to act. It is meant to deter wrongdoing and promote honest and ethical conduct.

### FOR EMPLOYEES, A GLOBAL CODE OF CONDUCT CAN HELP TO:

- Inform on-the-job decision-making when the “right thing” to do is not immediately clear
- Enhance morale and keep employees loyal to a shared company culture and vision
- Ensure that your organization conducts business in a consistently legal and ethical manner



### FOR EMPLOYERS, A GLOBAL CODE OF CONDUCT CAN HELP TO:

- Familiarize employees with the organization's mission, vision, and values so everyone remains on the same page
- Communicate expectations for behavior and encourage ongoing feedback
- Ensure that managers across the company demonstrate consistent leadership styles and expectations of employees

## UNDERSTANDING THE IMPORTANCE OF A GLOBAL CODE OF CONDUCT

### WHY SHOULD YOU CREATE A CODE OF CONDUCT?

#### *It may be a legal requirement.*

In many countries, public companies are required to have a code of conduct in place. But even if you work at a private company, establishing a global code of conduct will help you to mitigate risk by serving as an internal guide and an external indicator of what your company believes in.

#### *It can improve company culture.*

Serving as a central reference point for all employees and stakeholders, your organization's global code of conduct ensures that everyone is on the same page when it comes to making decisions in your workplace. It helps employees from diverse backgrounds work more effectively across geographic and cultural boundaries.

Look to Microsoft as a good example of how to present your [global code of conduct](#) clearly for a global audience. Centered on the idea of trust, Microsoft's code of conduct provides specific examples to teach employees how to apply Microsoft's values to interactions with customers, governments, investors, partners, representatives, and each other.





## WHAT SHOULD YOU INCLUDE IN YOUR CODE OF CONDUCT?

*It is important to know what your organization stands for so you can live out these values when you are at work.*

### ***Include your organization's mission, vision, and values.***

Outlining mission, vision, and values up-front can help job seekers and clients to determine if your principles align with theirs – ensuring a better cultural fit if you work together in the future. For current employees, it is important to know what your organization stands for so you can live out these values when you are at work.

### ***Include guidelines for employee behavior.***

Employees need to understand how they are expected to behave at work, as well as how they should approach ethical decision-making. Starbucks' [global code of conduct](#) is a great example of this, as it provides a clear framework to help guide employees through the process of making important ethical decisions. Even better, the chain of coffeehouses and roastery reserves introduces its code of conduct with a message from CEO Howard Schultz. In this way, it demonstrates the importance of the code from the top down.

### ***Include specific policies and procedures.***

Your organization's global code of conduct could include information about the following policies and procedures, to name just a few:

- Anti-bribery
- Data Privacy and Information Security
- Avoiding Conflicts of Interest
- Preventing Harassment and Promoting Respect
- Gifts, Gratuities, and Entertainment
- Avoiding Discrimination and Promoting Diversity





## HOW CAN YOU ENFORCE YOUR CODE OF CONDUCT?

*An organization's code of conduct is a definitive statement from leadership communicating its expectations of employees*

### ***Share your global code of conduct with all employees.***

It is important to ensure all employees are on the same page about your organization's expectations. This means that all incoming employees should see and provide attestation for your global code of conduct. It should be presented clearly, and in a way that everyone can understand.

PepsiCo, a global leader in convenient foods and beverages, provides a good example of an effective [global code of conduct](#). Not only are the expectations of the company presented clearly, including how they will be administered, but they are offered in multiple languages to ensure that everyone can read and understand them.

### ***Provide opportunities, including anonymous opportunities, for employees to report breaches.***

Encourage employees and others who have serious concerns about any aspect of your work to come forward and voice those concerns. Provide them with simple ways to raise those concerns and receive feedback on any action taken. Reassure employees that they will be protected from possible retaliation.

### ***Act on breaches to your code of conduct immediately.***

When an employee fails to follow your company's global code of conduct – or acts in an unethical manner – ensure that you take immediate action. This could be an investigation, disciplinary action, or even employee dismissal. Your team needs to know that you are committed to the principles you've established, and you will enforce them.

## CONCLUSION

Your global code of conduct is the first step in fostering ethical communication throughout your organization. It is an important way to signal your expectations to employees, customers, partners, vendors, and other stakeholders; to deter wrongdoing; and to promote honest and ethical conduct to ensure to the greatest extent possible that your organization's business is conducted in a consistently legal and ethical manner.

Reach out to Skillsoft's compliance team today for insight into our Global Code of Conduct solution, and how you can customize it to your organization's needs.

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