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Considering diversity in compliance and ethics programs

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Diversity is a hot topic in today's society as well as in the corporate context as companies strive to make their workplaces more diverse and inclusive. However, according to *Forbes*, "despite a genuine will on the part of most major organizations to implement productive diversity strategies, few, if any, have to date come up with something that really works."[1]

How can the compliance and ethics function help companies address this challenge and be role models for how diversity can be incorporated throughout an organization?

Traditionally people think of racial or gender diversity, but the concept is much broader. In fact, BuiltIn describes 34(!) types of workplace diversity, including characteristics such as age, educational status, income, geographic location, and physical abilities, to name a few.[2] While it's not practical to consider each of these types in every decision, it is worth reviewing the list to understand how different backgrounds can influence perspectives.

Where diversity and ethics intersect

Compliance and ethics programs are essential because they help protect the company from legal, financial, and reputational risks, which are many times straightforward: doing (or not doing) what laws, regulations, rules, or policies require. However, in some situations, it may not be clear what one should or should not do. It may be necessary to look beyond external (e.g., legal, regulatory) and internal (e.g., company policies) directives to determine the best course of action. This is where ethics and integrity come into play.

The Ethics & Compliance Initiative describes "ethics" as "beliefs about what is right and wrong conduct."[3] Further, "integrity" is defined as a "strict adherence to moral values and principles." Collective beliefs and social mores inform these principles, and in the workplace context, the company's corporate culture and code of conduct can guide its ethics. Whereas ethics help individuals figure out what the right thing to do is, their personal integrity compels the individual to do the right thing.

A person's ethics are also informed by their community, religion, culture, and other factors and characteristics. In the absence of a straightforward course of action (required by a regulation or a policy, for example), employees may have to make ethical judgments in some situations. However, the ethical perspectives in a company can be as diverse as its workforce. For example, depending on their varied backgrounds, some employees may value individualism, whereas others may take a more communal approach. A company, especially at the leadership level, must first be aware of these differences to address them and account for them if necessary.

Beyond policies, diversity should also be considered in other compliance program elements such as training and communications; like a bad sales pitch, if you don't speak to your customer, you will not get the desired results. For compliance programs, the employees are the customers. If training and other program elements are not designed to address your diverse employee base, they will be ineffective.

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Among some cultures, for example, it may be considered disrespectful or insubordinate to speak up against authority. However, a good compliance program relies on speak-up culture and reporting, so employees need to feel comfortable speaking up when necessary without fear of retaliation. Compliance training should consider diverse perspectives about speaking up to make sure all employees understand and feel comfortable taking this action.

Another example of cultural differences exists in the context of gifts. In some cultures, gifts are an expected gesture in business dealings, whether given or offered. On the other hand, this could quickly lend itself to active and passive bribery opportunities, so compliance should address this in training *before* employees find themselves in uncomfortable situations.

What about unintentional discrimination in the workplace? Are employees, especially managers, trained on how stereotypes and unconscious bias can creep into decision-making? Assigning projects based on assumed gender roles can be discriminatory, even if the manager's intention may have been pure (e.g., "Mary has a toddler at home. I'm sure she wants to spend more time with her family because my wife wishes she could, so I'll assign someone else to work on this high-profile project that could take extra time.")

In each of these examples, sensitivity to workplace diversity could prevent policy and even legal violations.

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