Don't forget that 'ethics thing,' too

By Adam Turteltaub

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There are two relevant definitions of "ethics" from the *Merriam-Webster* dictionary:

1. A set of moral principles: a theory or system of moral values

2. The principles of conduct governing an individual or a group

Both of these speak directly to what compliance professionals focus on day in and day out, whether it is reminding people of the organization's values or helping define how we will conduct business and work together.

Indeed, the U.S. Federal Sentencing Guidelines since 2004 have specifically addressed the importance of ethics and, with it, culture.[1] Note the guidelines call for "an effective compliance *and ethics* program" (emphasis mine), not just an effective compliance program. They also state that to have an effective program, an organization shall "otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law."

The Department of Justice takes a very similar approach. The 2020 U.S. Department of Justice's Criminal Division *Evaluation of Corporate Compliance Programs* includes the words "ethics" and "ethical" a combined 17 times and "culture" eight times; the sum of these mentions makes a powerful statement.[2]

In the world of compliance, we often speak more about compliance than ethics, and while it's certainly okay to use the term "compliance" as a shorthand for "compliance and ethics," it's important that compliance professionals don't forget the second half of the equation. While the name may be "The Compliance & Ethics Department," too often compliance gets the attention, because it is the part that more often leads to larger fines. Ethics, however, needs to be embraced if you want to be compliant.