

Ethical Due Diligence in Recruitment

This Briefing explores ethical due diligence during recruitment, why it is important, and provides guidance on good practice.

What is ethical due diligence in recruitment?

Ethical due diligence in recruitment involves assessing potential employees in terms of their fit with the ethical culture and values of the organisation.

Why is it important?

A starting point for any organisation seeking to establish an ethical culture, where the aim is to have a shared understanding of the types of behaviours that are expected and acceptable, is having the 'right' people engaged in the organisation, particularly at and near the top.

Conducting ethical due diligence during the recruitment process can help ensure that individuals are selected who are more likely to reinforce and maintain the organisation's values and set an example. Such individuals are less likely to conduct business or make decisions in a way that might undermine the organisation's ethics programme or reputation. In addition, it makes the interviewee aware that ethical values are taken seriously in the organisation and ultimately, should contribute to the reduction of integrity risk.

Furthermore, exercising ethical due diligence in the recruitment process could be considered an example of an "adequate procedure" for reducing the risk of bribery as required by the 2010 UK Bribery Act.

How is it done?

There are four stages to conducting ethical due diligence in the recruitment process:

(i) Identifying values/ethics profile

The characteristics that would define an ethical employee in your organisation need to be identified. Consider:

- what knowledge is expected regarding the ethical challenges in your sector;
- what values you are looking for and how they manifest themselves in behaviours connected to the particular vacancy (e.g. trustworthiness, honesty, openness, integrity, etc.);
- what experiences, skills, or sensitivity to ethical issues the candidate needs to be able to demonstrate.

(ii) Involvement of HR

The ethics function needs to work with the human resources department to identify how the above characteristics might be incorporated into the recruitment process, whether implicitly or explicitly, and for which positions. For example, including ethical behaviours in the job description or ethics knowledge in the person specification might act as evaluation tools to be used by the recruiters in the short-listing process and final interview stage.

Box 1: How Norton Rose embeds ethics in the recruitment process

Sam Eastwood, a partner at the international law firm Norton Rose and head of Graduate Recruitment, says:

"At Norton Rose, we focus on three core values; quality, integrity, and unity. These core values provide the structure for operations throughout the company. During the graduate recruitment process we seek to raise issues with applicants which encompass these values."

The purpose of incorporating our core values into the recruitment process is two-fold. Firstly, this 'sends a message' to potential recruits about the culture at Norton Rose and how we do business. Secondly, we can establish whether the candidate is right for Norton Rose, by for example evaluating their response to questions which raise ethical issues we face, and how they would deal with these. It is essential that recruits understand and practice our core values."

(iii) Pre-screening

A thorough examination of applicants' CVs could be a critical start in selection. Up to 60% of CVs have been found to contain 'meaningful errors' such as embellishment of education, experience or employment histories (See *Further Resources* no.2). If a company hires an outside organisation for the short listing or selection stage of recruitment, it will need to be briefed to ensure that the ethical aspects within the job description and person specification are fully understood. See *Further Resources* no.4 for an example.

(iv) During the interview

Various tools can be used directly to integrate an ethical assessment into the recruitment process to help to check for awareness, understanding, experience, skills, sensitivity, etc. Tools may include:

- a discussion of scenarios and ethical dilemmas to provide insight into the individual's ethical approach and thinking process/reasoning;
- exploring the interviewee's knowledge of ethical issues within the sector;
- enquiring about any previous experiences of ethical issues/dilemmas in the workplace and how the interviewee dealt with them;
- exploring the individual's knowledge of/familiarity with your organisation's core values, and their understanding of these.

Box 2: Example questions recruiters can use to establish the ethical credentials of an interviewee

- ◆ What does 'business ethics' mean to you?
- ◆ Have you ever taken a course/received training in business ethics?
- ◆ Have you ever had to deal with a specific ethical issue at work? (please elaborate)
- ◆ Whom would you consult (first) if you were faced with an ethical issue in the workplace?
- ◆ If you were asked by your supervisor or co-worker to undertake an action you thought was unethical, how would or did you respond?
- ◆ What are this organisation's values?
- ◆ Are you aware of any ethical issues in this sector?

Source: see *Further Resources* No.1.

Further Resources

1. *Ethical Business Practice: Importance for the Recruiting Process*, the Institute for Ethical Business Worldwide at the University of Notre Dame, with the Ethics Resource Centre and Business Roundtable Institute for Corporate Ethics. Available at: http://www.darden.virginia.edu/corporate-ethics/pdf/Ethics_Guide_for_Job_Search_and_Recruiting.pdf.
2. *Recruitment, Retention and Ethics: Can You Interview for Integrity?*, William C. Byham (2004), The Conference Board, New York.
3. *Performance Management: Mitigate Employee Deviance*, John W. Jones, Ph.D., (2009). Available at: <http://www.talentmgt.com/includes/printcontent.php?aid=1065>.
4. *Result Resources* (offer pre-screening for integrity and ethics). See: <http://www.employee-assessment.info/>.

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