



## Ethics Ambassadors: promoting ethics on the front line

How can an organisation support large numbers of employees in multiple locations in doing the right thing when faced with an ethical dilemma? One approach is to spread a network of ethics ambassadors throughout the business.<sup>1</sup> This Briefing builds on the results of the triennial IBE Survey (2017) *Corporate Ethics Policies and Programmes*<sup>2</sup> and provides a comparative picture of how ethics is embedded with and without a network of ethics ambassadors.

### The role and diffusion of ethics ambassadors

Ethics ambassadors can be defined as employees that assist senior management in promoting an ethical culture based on shared core values within the organisation. Although they liaise with full-time ethics practitioners, they are not part of the ethics function – they are employees who work at different levels within a company and often take up this role in addition to their day-to-day job. Their backgrounds can be diverse but their responsibilities as ethics ambassadors tend to be similar: to facilitate conversations on ethics and identify ways in which various parts of the business can work together to solve ethical issues when they arise.<sup>3</sup>

The focus of an ethics ambassador will be influenced by a number of internal and external factors, such as the sector in which the organisation operates or whether it has experienced major ethics lapses in the recent past.

Care needs to be taken to ensure that the responsibility allocated to an ethics ambassador is commensurate with

his/her skills, experience and motivation. This may include:

- localising global ethics material and initiatives
- acting as a point of contact for employees
- acting as an advocate for the ethics programme, the values of the organisation and communicating and disseminating information from the ethics office
- delivering training
- recording, reporting and investigating suspected unethical conduct
- investigating reports of misconduct
- keeping the ethics programme top of mind with leaders.<sup>4</sup>

Reflecting that ethics programmes have become more sophisticated, the IBE Survey (2017) *Corporate Ethics Policies and Programmes* introduced the question of whether a network of ethics ambassadors is in place.<sup>5</sup> This allowed us to identify two subgroups of respondents: companies that have a network of ethics ambassadors in place and those that do not.

<sup>1</sup> IBE Good Practice Guide (2010) *Ethics Ambassadors*. This publication draws on the experience of companies which use ethics ambassadors and provides an understanding of how companies recruit their ambassadors, an overview of their role and how they can be trained and supported effectively to promote an ethical culture.

<sup>2</sup> IBE Survey (2017) *Corporate Ethics Policies and Programmes: 2016 UK and Continental Europe Survey*. Since 1995, the IBE has conducted a survey of large companies to understand the state and development of their ethics programme and policies. In 2016, as in 2010 and 2013, it surveyed companies quoted in the FTSE 350 and larger companies quoted in France, Germany, Italy and Spain. This year, the scope of the Survey was broadened by including other large companies with a significant presence in Europe.

<sup>3</sup> IBE Good Practice Guide (2010) *Ethics Ambassadors*

<sup>4</sup> Ibid fn. [4]

<sup>5</sup> Ibid fn. [3]: The results illustrated in this Briefing are based on the analysis of a sample of 41 companies that responded to the question: 'Does your approach to managing ethics include a network of ethics ambassadors (or equivalent)?'. Of these 41, 23 said yes and 18 answered no. Due to the size of the sample, results were not formally tested for statistical significance. However, the response rate is sufficient to draw general conclusions and evaluate trends.

Ethics ambassadors are normally located across business units, geographical locations and the hierarchy of a company. It emerged from the survey that companies use a variety of **job titles** for this function:

Ethics Ambassadors	Ethics Advisors
Ethics Correspondents	Ethics (or CSR) Coordinators
Ethics Officers	Ethics and Compliance Officers
Ethics Representatives	Local Policy / Staff Champions
Business Conduct Officers	Local Ethics Advisers (LEAs)

Such roles are becoming increasingly common in business – more than half of respondents (56%) say that their company appointed a network of employees to this role. The responses from such companies provide interesting data on the impact a network of ethics ambassadors can have, and the link between their presence and senior leadership engagement.

**Box 1** *Example of the role of ethics ambassadors in a company*

Borealis, a petrochemical company headquartered in Vienna, has established a network of ethics ambassadors across its business. They describe their role in their *Commitment to Ethics* as follows:

**“Ethics Ambassadors**

*To facilitate and support implementation and awareness of the Borealis Ethics Policy, a wide network of Ethics Ambassadors across all Borealis geographic locations, business functions and cultures throughout the company has been established. These Ethics Ambassadors assist in creating and maintaining a high awareness of ethics in the company through regular training, workshops and awareness campaigns targeting all employees, no matter which organisational role or hierarchical level. They also assist and support employees in making the right decision whenever they face ethical dilemmas.”<sup>6</sup>*

**Defining the sample: who uses ethics ambassadors?**

Ethics ambassadors seem to be particularly common in **larger organisations**: 96% of companies that have established such a network employ more than 10,000 employees, while 78% of organisations that do not have ethics ambassadors are of this size. The importance of having ambassadors in place is due to the fact that larger organisations may not have a homogenous culture throughout their subsidiaries, and their structure may vary across different locations.

They can act as points of contact between the organisation and local employees, and as source of advice for their colleagues who might not feel comfortable with raising their concerns or asking questions through the official speak up line. Whilst they do not need to be ethics experts, ethics ambassadors should have substantial knowledge of the company’s ethics programme and be able to point staff in the right direction for further guidance if necessary.

Ethics ambassadors can also play a role in adapting the way ethics messages are communicated in the local context and language. This may involve translating codes of ethics and other relevant policies, writing or translating training and guidance manuals, and adapting the ethics programme to meet the needs of the local operating environment. This encourages buy-in from employees in that it decreases the likelihood of misconceptions which arise from inadequate translations or a clumsy choice of wording.

**Ethics ambassadors: an important element of the ethics programme**

IBE research demonstrates that an effective ethics programme is paramount to support an ethical culture based on the company’s core values.<sup>7</sup> Ethics ambassadors can help to broaden the scope of a company’s programme, reaching out to employees from within the organisation and promoting core values at a local level. Figure 1 shows that companies which have established a network of ethics ambassadors tend to put in place a more comprehensive ethics programme than those that have not.

<sup>6</sup> [Borealis' Commitment to Ethics](#) (as available in February 2017)

<sup>7</sup> Ibid fn. [3]

In both groups, the code of ethics has become an essential element of a company’s ethics programme and the totality of respondents report that their organisation provides this sort of guidance to their staff. However, companies with a network of ethics ambassadors appear to adopt a more advanced approach to embedding an ethical culture.

In particular, companies with ethics ambassadors seem to place more importance on **reporting** on their ethical performance – especially internally. **Ethics training** is also more common in this group. Such results support the idea that ethics ambassadors have an important role to play in raising awareness and enhancing employee knowledge, acceptance and implementation of the ethics programme.<sup>8</sup> Similarly, it is important to note that for ethics ambassadors to fulfil their role effectively, they need to be supported by a number of tools and mechanisms.

**Priorities of the ethics programme**

The main priorities of the ethics programme are similar in both groups, as Figure 2 highlights. However, companies with ethics ambassadors seem to place a stronger focus on embedding ethical values to strengthen their **ethical culture** in general, rather than on specific issues such as anti-bribery and corruption or conflict of interests. Moreover, two respondents explicitly say that improving

their ethics ambassadors’ network is a priority for their company’s ethics programme.

The more prominent focus on the promotion of values and culture is reinforced by what respondents report as the main intended **purpose of the code of ethics**, as shown in Figure 3. Creating a shared and consistent corporate culture is mentioned more frequently by companies with ethics ambassadors, whilst the external elements of guarding reputation and making a public commitment to ethics are far less prominent.

**Engaging employees**

The survey confirms that ethics ambassadors fulfil an important role in raising awareness among employees, in their division or stage of each of the main building blocks of an ethics programme.<sup>9</sup> Respondents to the survey recognise the importance of training employees on ethics matters and a number of them in both subgroups mention training as one of the activities that take up most of their time.

However, companies with ethics ambassadors report that significant resources are invested in activities that involve the **direct engagement of employees**, particularly at the global level and across different

**Figure 1:** Main elements of the ethics programme in companies with and without ethics ambassadors

	<b>Companies WITH ethics ambassadors</b>	<b>Companies WITHOUT ethics ambassadors</b>
A global code of ethics (or equivalent document)	100%	100%
A speak up (whistleblowing) line	96%	94%
Internal reporting on ethics performance	96%	67%
External reporting on ethics performance	87%	72%
Employee training on ethics	96%	89%
An ethics monitoring programme	87%	72%
A board level ethics committee	83%	44%
A management level ethics committee	65%	44%
External stakeholder engagement	78%	61%

<sup>8</sup> IBE Good Practice Guide (2010) *Ethics Ambassadors*, p.5

<sup>9</sup> IBE Good Practice Guide (2010) *Ethics Ambassadors*, p.5

locations. One respondent said that among the main activities he carries out as part of his job, there is "travelling across EMEA to educate employees and increase awareness of the programme even at remote sites", while another mentions "managing the ethics ambassadors programme in Asia, Pacific and Europe".

In light of these findings, it is not surprising that companies that work with ethics ambassadors seem to dedicate more resources to their internal **communications strategy**. Whilst only 69% of companies without ethics ambassadors have an internal communications strategy on ethics and culture, this figure rises to 78% where a network of ethics ambassadors is in place.

In particular, the latter group seem to have a more comprehensive strategy to communicate the **existence**

of their code of ethics to employees, as Figure 4 shows.

### Setting the tone from the top

A consistent tone from the top and senior leadership engagement, especially in the boardroom, is crucial to ensuring that core values are embedded within business practice. The IBE Survey shows that boards of directors seem to be increasingly aware of their role in promoting and taking responsibility for the ethical culture in their organisation. Respondents from the FTSE 350 group, where it was possible to track changes over time, highlight how ethics, values and culture are discussed at board level more frequently than in the past.

**Figure 2:** Priorities of the ethics programme (IBE analysis of qualitative responses)

Companies WITH ethics ambassadors		Companies WITHOUT ethics ambassadors	
Promoting values and culture	1	Focus on a specific issue	1
Focus on a specific issue	2	Training	2
Training	3	Promoting values and culture	3
Monitoring effectiveness and risk assessment	4	Producing/reinforcing code of ethics and policies	4
Speak up	5	Monitoring effectiveness and risk assessment	5

**Figure 3:** Main purpose of the code of ethics

Companies WITH ethics ambassadors		Companies WITHOUT ethics ambassadors	
Providing guidance to staff	87%	Providing guidance to staff	94%
Creating a shared and consistent company culture	87%	Creating a shared and consistent company culture	75%
A public commitment to ethical standards	52%	A public commitment to ethical standards	75%
Guarding reputation	26%	Guarding reputation	25%

A similar focus on these topics at board level can be observed in both subgroups analysed in this Briefing, although companies with a network of ethics ambassadors tend to discuss such matters in the boardroom more often.

Companies with a network of ethics ambassadors are also more likely to have a board level committee dealing with ethics and culture.<sup>10</sup> Through these committees, the board takes responsibility for dealing with the broader questions of ethics and corporate responsibility, helping to address non-financial risks.

### Engaging senior leadership

These figures can be read in parallel with other indicators of the commitment to an ethical culture by senior leaders. An important result that emerges from the survey is that the board and the executive team are

required to undertake mandatory ethics training more frequently than in other companies, as Figure 5 illustrates.

In addition, more companies with ethics ambassadors report that they include ethical considerations in performance appraisals of the board (71% compared to 60% of companies without ethics ambassadors) and of the executive team (90% compared to 80% of companies without ethics ambassadors). This will help to improve the public perception of the company's commitment to ethical standards and, ultimately, trust in leadership.

Although the general picture in our sample is positive overall, the slightly higher engagement at board level registered among companies with ethics ambassadors seems to have an impact on corporate culture: 96% of respondents from such companies report a supportive

**Figure 4:** How companies communicate their code of ethics to employees

	Companies WITH ethics ambassadors	Companies WITHOUT ethics ambassadors
Included as part of the induction for new joiners	100%	75%
Produced as a standalone guide/booklet	91%	50%
Posted on the company intranet	83%	88%
Code specific training	78%	69%
Discussion in internal newsletters	57%	44%
Included as part of staff manual/handbook	52%	38%
Through internal social media	48%	19%
Manager led team discussions	48%	38%

**Figure 5:** Is ethics training mandatory?

	Companies WITH ethics ambassadors		Companies WITHOUT ethics ambassadors	
	Mandatory	Voluntary	Mandatory	Voluntary
The board	86%	14%	55%	45%
The executive team	100%	0%	87%	13%

10 IBE Survey (2016) *Culture by Committee: the pros and cons*

environment for ethics, compared to 88% in the group without.

Similar results emerge regarding engagement at the top: Senior leaders are described as very engaged in 70% of cases in companies with ethics ambassadors, while only 60% of respondents are equally engaged in the group without. There doesn't appear to be as significant an impact on the engagement of the general workforce, which is seen as *'very engaged'* in 40% of cases in both subgroups. This might signify that, whilst in some organisations there is a strong driver from the top to promote the ethics message, it might take time to produce a change in practice in all locations and at all levels.

## Conclusion

Although ethics ambassadors can be found in very diverse organisations, the IBE Survey highlights that ethics ambassadors tend to be more commonly in place:

- in organisations with a large number of staff, as they bring local knowledge to the design and functioning of the programme, as well as achieve greater consistency in its implementation
- in companies with a more mature ethics programme, where strengthening the ethical culture of the organisation is a priority
- where senior leaders seem to be more engaged with ethical standards and the board more involved in conversations on sustaining the organisation's values and ethical culture
- in companies that aim to engage with employees more closely and raise awareness of each of the main building blocks of the ethics programme.

### Are you thinking about establishing an ambassador network in your organisation? We can help!

The IBE Good Practice Guide [Ethics Ambassadors](#) provides a detailed description of what ethics ambassadors are, how they can be used effectively in promoting an ethical culture and gives guidance on creating and motivating a network. It also includes a set of practical tools for training and evaluating their efficacy. The Guide is available for purchase at the price of £15 on our [website](#).

The IBE has a wealth of practical experience in the field of business ethics. We can offer tailored advice and [training](#) on how companies can set up an ambassadors network effectively. Get in touch with us if you have any queries!

**This and other Business Ethics Briefings are available to download free of charge from the IBE website:**

<http://www.ibe.org.uk/list-of-publications/67/47/>

If there is a topic you would like to see covered please get in touch with us on +44 (0) 20 7798 6040 or email:

[g.donde@ibe.org.uk](mailto:g.donde@ibe.org.uk)

