

## Facilities Management from A to Z



Based on The FM Lexicon by Martin Pickard  
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# E

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Business Ethics exist in the written and unwritten codes of principles and values that govern decisions and actions within an organisation. In the business world, the organisation's culture sets standards for determining the difference between good and bad decision making and behaviour. In the most basic terms, business ethics is about knowing the difference between right and wrong and choosing to do what is right. The phrase 'business ethics' can be used to describe the actions of individuals within an organisation, as well as the organisation as a whole.

Because of the number of stakeholders for the facilities function and the scope and reach of the FM supply chain, the ethical code applied can have a significant impact. Many organisations often have a formal set of ethical as well as operational or business values which they aspire to observe in carrying out their business. These values guide ideas of acceptable, desirable and responsible behaviour, above and beyond compliance with laws and regulations.

Historically the property and facilities arena has experienced a number of serious scandals involving the unethical behaviour of individuals and businesses. Instances of price fixing, bribery and corruption have damaged the reputation and standing of the profession and the facilities industry.

The Royal Institute of Chartered Surveyors (RICS) has a published set of "Professional and Ethical Standards" while the British Institute of Facilities Management (BIFM) has its own "Code of Professional Conduct" which includes references to ethical behaviour.

The RICS code includes a 12 point ethical plan covering 'Honourable action', 'Acting with integrity', 'Openness and Transparency', 'Personal accountability', 'Knowing your limitations', 'Objectivity', 'Respect', 'Setting a good example', 'Courage', 'Legal compliance', 'Conflicts of interest' and 'Confidentiality'.

Most large businesses have a code of ethics (c.85% of the FTSE100), yet reports of ethical lapses continue. To realise their ethical aspirations it is not sufficient to draw up an ethics policy and post it on the intranet. An effective ethics code and programme are required. Many organisations develop their own Ethics programme of activities and resources to support, implement and embed the ethics policy, and so ensure that business practices and decisions are in line with ethical values and standards. The facilities team must support such a programme and ensure that team members and supply chain partners are aware of the standards of behaviour expected of them.

*The RICS Help sheet on "Maintaining Professional and Ethical Standards" can be downloaded from [www.rics.org](http://www.rics.org)*