



Sometimes it's hard to know the right thing to do. Confronted with conflicting values may have you questioning how to make the right decision. A prime example is when someone tells you something 'in confidence.' You likely feel loyalty to the person and want to respect their privacy.

But the conversation prompted conflicts with your moral code, social norms, your company's corporate values and/or the Institute's Code of Ethics. What do you do?

We posed a series of similar scenarios to key industry professionals to determine what their years of expertise suggested.

pressure or demanding more special treatment in the future or to fellow employees; this would colour an entire organization's reputation along with all involved.

If your friend takes your advice, then the issue will be resolved as it must. If she does not take your advice and continues

needs to know about the issue as soon as possible so that they may address any issues as a result of no longer doing business with them—for example, prices may be reflecting an unreasonable profit margin or the supplier may have other questionable activities.

In Confidence

When a friend, colleague or client tells you something 'in confidence,' it can present a number of ethical dilemmas. The question is not only how to proceed but what standards or guidelines do you use to determine how to proceed?

Scenario—Gifts: What if a close friend in the industry tells you 'in confidence' that she has been secretly receiving gifts from a supplier and that he was now demanding special treatment and favours from her? And that out of a misguided sense of duty she began complying with this supplier's requests. What do you do?

Based on the *Insurance Institute's Code of Ethics*, the best ethical advice is to tell your friend that he or she has contravened the code of ethics and compromised her employment and employer. These actions cannot continue. Advise her that all gifts should be returned. And that she must admit her mistake in judgment to her boss.

For all you know, the supplier may start applying even more

to receive gifts and give special treatment, then you have a compounded dilemma. Remember, a person usually tells you this information because they are looking for help out of the situation.

One way to resolve the inaction of our friend is to inform her that because she has taken no action, you are taking it to management. The bigger issue of corporate ethics, reputation and responsibility outweighs any personal gains that one person may harbour. A company's reputation, put into jeopardy by one employee, takes years to deconstruct and rebuild.

The other element of this scenario is the removal of this supplier from your service roster. This supplier must be flagged as being unreliable. Management

Scenario—Problems: What if your direct report tells you 'in confidence' about some personal issues he is having. You see that the issues are affecting him in many ways, personally and professionally. You are concerned. Are you obligated to keep this information confidential, even if there are significant implications for him and the company? If it is later discovered that you could have prevented it or stopped it or told someone who could have done something, what are the implications?

In determining the right action to take, the first step is to recognize the key issue involved in the scenario: Is it one of morality, law, company standards, social norms, or personal values? Step two is to identify those who are, or will be, affected by the decision. Next, ensure that you've done your due diligence. Do you have all the facts in the case? Can you make an objective, unbiased decision? Step four is to consider whether you have contemplated all potential options.

As a manager you have an obligation to assist employees. The first step, as a manager, is to advise the employee that

you are concerned about them as a person and the possible impact on their performance at work.

Next, determine if the issue is a personal issue or work-related. If the former, you would encourage the employee to seek external help which could entail contacting the company's Employee Assistance Program. It is imperative that the manager follow up to ensure that the employee has sought help and that an action plan to move to resolve the problem is in play.


If the issues are work-related, it has to be dealt with in accordance with Employment Standards and the employer's guidelines. Work with the person to see if you can help resolve the issue.

The main work issue is whether or not this person can accomplish their work requirements. If the employee is failing to do the work, it eventually has to be addressed, otherwise you, as supervisor, are not doing your job. In talking with the employee, it would be beneficial to outline to him the possible (negative) outcomes and scenarios that could occur regarding the situation.

If the situation is bad enough, seek input from HR or other management people. By not taking action, you're risking your own employment.

By taking these initial steps you allow the direct report with the opportunity to resolve the situation without divulging any confidential information. If the employee refuses

to get help to deal with the situation, even though he had spoken to you in confidence, you have an obligation as part of the management team and the organization's code of conduct, to bring this further to the leadership team's attention if this situation in any way may negatively impact the organization or others within the organization.

In deciding whether to act or not on the information provided 'in confidence,' remember that in making an ethical decision you want to be fair, harmless, consistent, transparent, law-abiding, perceived correctly, and ultimately 'parent-approved.' 

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