GITAM: GANDHI INSTITUTE OF TECHNOLOGY AND MANAGEMENT

(Deemed to be University u/s 3 of the UGC Act, 1956)

A Category - I   Deemed to be University

Visakhapatnam | Hyderabad | Bengaluru

The Policy for

Ethical Organizational Culture

Contents

1 Purpose and Scope:

An ethical organization culture refers to the set of values, principles, and norms that guide the behavior and decision-making of individuals within an organization. It revolves around promoting ethical conduct, integrity, transparency, and accountability at all levels of the organization. The purpose and scope of creating an ethical organization culture are vital for fostering trust, sustainable success, and positive relationships with stakeholders.

The purpose of cultivating an ethical organization culture is to foster a work environment where integrity, transparency, and accountability are upheld as fundamental values. By prioritizing ethical conduct at all levels, GITAM aims to build trust with the stakeholders, including employees, customers, partners, and the wider community. GITAM's commitment to ethics serves as the cornerstone of decision-making processes, driving toward sustainable success and responsible business practices. The scope of GITAM's ethical organization culture initiative encompasses the entire institution, from top leadership to every individual employee.

2 Policy Statement

GITAM committed to fostering and maintaining an ethical organization culture that upholds the highest standards of integrity, transparency, and social responsibility. This policy statement outlines our principles and guidelines to promote ethical conduct at all levels of the organization. We believe that an ethical culture is fundamental to our long-term success, the well- being of our employees, and our positive impact on the communities we serve.

3 Objectives

The objectives of fostering an ethical institutional culture are multi-faceted and encompass a range of benefits that contribute to the long-term success and positive impact of the organization. Some key objectives include:

- ***Promote Integrity and Trust:*** To establish an environment where integrity is upheld as a core value, fostering trust among employees, customers, partners, shareholders, and the wider community. Trust is crucial for maintaining positive relationships and reputation.

- ***Enhance Employee Engagement and Commitment***: By prioritizing ethics, employees feel more engaged, motivated, and committed to their work. They take pride in being associated with an organization that operates ethically and aligns with their personal values.

- ***Ensure Compliance and Risk Management***: An ethical institutional culture emphasizes compliance with laws, regulations, and industry standards, reducing the risk of legal and reputational harm due to non-compliance or unethical behavior.

- ***Build a Strong Reputation and Brand Image***: Ethical behavior enhances the institution's reputation, making it more attractive to customers, investors, and potential employees. A positive brand image contributes to business growth and sustainability.

4   Guiding principles

Guiding principles serve as the foundation and framework for an ethical organizational culture. These principles are fundamental values and beliefs that guide the behavior, decisions, and actions of individuals within GITAM Deemed to be University. Here are some essential guiding principles of an ethical organizational culture:

- *Integrity*: Upholding honesty and truthfulness in all interactions, both internally and externally. Employees are expected to act with integrity and adhere to ethical standards, even when faced with challenging situations.

- *Transparency*: Fostering open and transparent communication at all levels of the organization. Transparent practices build trust among employees and stakeholders and promote accountability.

- *Respect*: Treating all individuals with respect and dignity, regardless of their position, background, or characteristics. Respectful interactions create a positive and inclusive work environment.

- *Fairness and Equity:* Ensuring fairness and equity in decision-making processes, resource allocation, and opportunities for growth. Eliminating discrimination and favoritism promotes a level playing field for all employees.

- *Accountability*: Taking responsibility for one's actions and their consequences. Employees are held accountable for their behaviors, and leaders set an example by taking ownership of their decisions.

- *Compliance and Legal Adherence*: Adhering to laws, regulations, and industry standards relevant to the organization's operations. Compliance is essential to avoid legal and reputational risks.

- *Stakeholder Focus:* Considering the interests and welfare of all stakeholders, including employees, students, suppliers, shareholders, and the community. Balancing the needs of stakeholders leads to long-term success and sustainability.

- *Social Responsibility:* Integrating corporate social responsibility (CSR) principles into business practices. GITAM recognizes its impact on society and takes actions to contribute positively to the community and the environment.

- *Ethical Leadership:* Leaders exemplify ethical behavior and create an environment where ethical conduct is expected and valued. They lead by example and promote a culture of integrity.

- *Continuous Learning and Improvement*: Encouraging ongoing learning and development related to ethics. The organization seeks to improve its ethical practices and policies based on feedback and emerging best practices.

- *Whistle blower Protection:* Ensuring that employees can report ethical concerns without fear of retaliation. Whistle blowers are protected, and their confidentiality is maintained.

- *Conflict of Interest Management:* Proactively identifying and managing potential conflicts of interest to maintain objectivity and prevent unethical practices.

- *Sustainability*: Integrating environmental sustainability into business strategies and practices to minimize the organization's impact on the environment.

- *Student Focus:* Prioritizing the satisfaction and well-being of stakeholders

while providing services that meet high ethical standards.

- *Empowerment and Responsibility*: Empowering employees to make ethical decisions and take responsibility for their actions, fostering a culture of accountability.

These guiding principles collectively form the ethical compass of the GITAM Deemed to be University, providing a clear direction for ethical behavior and decision-making. By adhering to these principles, an ethical organization culture can create a positive and responsible impact on society and the world at large.

5   Procedure

Creating and nurturing an ethical organization culture involves a structured and continuous procedure to embed ethical principles and practices within the GITAM. Here is a step-by-step procedure to develop an ethical organization culture:

- *Develop a Code of Ethics*: Establish a comprehensive Code of Ethics that outlines the organization's core values, ethical principles, and expected behaviors. The code covers various aspects, such as integrity, honesty, respect, fairness, compliance, and social responsibility.

- *Leadership Commitment:* Top leadership, including executives and board members, publicly commit to upholding and promoting the institution's ethical values. They serve as role models for ethical behavior and demonstrate their dedication to creating an ethical culture.

- *Ethical Training and Communication:* Conduct regular ethics training sessions for all employees to ensure they understand the Code of Ethics and the ethical expectations. Encourage open communication channels where employees can ask questions, seek guidance on ethical matters, and report concerns.

- *Whistleblower Protection:* Establish a confidential and secure reporting mechanism for employees to report unethical behavior or potential violations of the Code of Ethics. Ensuring that whistleblowers are protected from retaliation and that their confidentiality is maintained.

- *Integrate Ethics into Performance Management:* GITAM Incorporate ethical

behavior as a key component of the institution's performance management system. Reward and recognize employees who demonstrate ethical conduct and align with the organization's ethical values.

- *Embed Ethics in Decision-Making:* GITAM Develop decision-making frameworks that consider ethical implications. Encourage employees to evaluate potential choices based on ethical considerations and long-term consequences.

- *Stakeholder Engagement:* Engage with all stakeholders, including employees, customers, suppliers, investors, and the community, to understand their expectations and concerns related to ethics. Align the GITAM practices with stakeholders' needs and values.

- *Corporate Social Responsibility (CSR):* Integrate CSR initiatives into the Institution's strategy to promote ethical practices and contribute positively to society and the environment.

- *Ethical Governance:* Establish an ethical governance framework that ensures compliance with ethical standards and provides oversight of ethical practices within the organization.

- *Continuous Improvement:* Regularly evaluate the effectiveness of the ethical organization culture and seek feedback from employees and stakeholders. Use the insights gained to identify areas for improvement and implement necessary changes.

- *Reinforce Ethical Behavior:* Publicly acknowledge and reward employees who demonstrate exceptional ethical behavior and contribute to the ethical organization culture. Celebrate ethical successes within the institution.

- *Encourage Ethical Discussions:* Promote open discussions and forums where employees can freely talk about ethical dilemmas, share experiences, and seek guidance from colleagues or ethics experts.

- *Monitor and Address Ethical Issues:* Establish mechanisms to monitor ethical issues and address any potential breaches promptly. Investigate and take appropriate action when unethical behavior is reported or identified.

By following this procedure, GITAM Deemed to be University can progressively develop and maintain an ethical organization culture that aligns with their values, fosters trust, and contributes to long-term sustainability and success. Ethical culture is not a one-time effort but an ongoing journey that requires commitment and dedication from all members of the organization.

6   Roles and responsibilities

Roles and responsibilities in fostering an ethical culture are distributed among various stakeholders, from top leadership to individual employees of GITAM Deemed to be University. Each party plays a crucial role in promoting and upholding ethical behavior within GITAM Deemed to be University. Here are the key roles and responsibilities:

Leadership:

> *Role:* Top leadership, including executives and board members, are responsible for setting the ethical tone at the top. They are the driving force behind creating an ethical organization culture.

> *Responsibilities*: Demonstrate ethical leadership, communicate the organization's ethical values, establish ethical policies, provide necessary resources for ethical training, and ensure ethical behavior is a priority across the organization.

HR Department:

> *Role:* The Human Resources (HR) department plays a vital role in promoting and supporting an ethical organization culture.

> *Responsibilities:* Incorporate ethics training in employee onboarding, reinforce ethical behavior through performance evaluations, handle whistleblower reports confidentially, and support ethical awareness initiatives.

Employees:

> *Role:* Every individual employee is an integral part of shaping the ethical organization culture.

Responsibilities: Act in accordance with the organization's Code of Ethics, report ethical concerns through appropriate channels, participate in ethics training, and contribute positively to the ethical climate of the organization.

Communication Team:

Role: The communication team plays a significant role in disseminating ethical messages and reinforcing the importance of ethical behavior.

Responsibilities: Develop communication campaigns that promote ethical values, share success stories of ethical conduct, and encourage open communication about ethics within the organization.

Ethics Committee:

- *Role*: The ethics committee (if applicable) oversees the organization's ethical practices and ensures ethical governance.

- *Responsibilities*: Review and update the Code of Ethics, handle complex ethical issues, and monitor ethical performance across the organization.

Board of Directors:

- *Role*: The board of directors provides oversight and guidance on the organization's ethical culture.

- *Responsibilities*: Review and approve ethical policies, monitor the organization's ethical performance, and ensure that ethical considerations are integrated into strategic decisions.

By recognizing and fulfilling these roles and responsibilities, GITAM Deemed to be University can collectively build and maintain a strong ethical organization culture, promoting integrity, trust, and sustainable success. Each stakeholder's active involvement contributes to the overall ethical health and reputation of the GITAM Deemed to be University.

7   Monitoring

Monitoring an ethical organization culture is essential to ensure that ethical practices and values are upheld throughout GITAM Deemed to be University. Regular monitoring allows the organization to identify areas of improvement, address potential issues, and reinforce ethical behavior. Here are some key aspects

to consider when monitoring an ethical organization culture:

- ***Plagiarism*** : The policy may describe the methods and tools like TURNITIN used to detect plagiarism, such as plagiarism detection software.

- ***Ethical Audits and Assessments***: Conduct periodic ethical audits or assessments to evaluate the organization's ethical practices, policies, and adherence to the Code of *Ethics*. These assessments can be conducted internally or by external consultants specializing in ethics and compliance.

- ***Employee Surveys and Feedback:*** Gather feedback from employees through surveys or focus groups to gauge their perception of the organization's ethical culture. Anonymous surveys can provide a safe space for employees to share their experiences and concerns.

- ***Whistleblower Reporting System***: Review the effectiveness of the organization's whistleblower reporting system. Assess the number of reports received, the nature of the concerns raised, and the actions taken to address them.

- ***Ethical Incident Reporting and Analysis***: Track and analyze ethical incidents or violations to identify patterns and root causes. Use this data to implement preventive measures and address recurring issues.

- ***Ethics Training and Awareness Programs***: Evaluate the impact of ethics training programs and awareness initiatives. Assess employees' knowledge of ethical principles and their understanding of the Code of Ethics.

- ***Ethical Decision-Making Processes***: Assess the ethical decision-making processes within the organization. Review how employees handle ethical dilemmas and whether they seek guidance when facing difficult situations.

- ***Compliance with Laws and Regulations***: Monitor compliance with relevant laws, regulations, and industry standards related to ethics and social responsibility.

- ***Leadership Behavior***: Observe and assess the ethical behavior of organizational leaders. Evaluate their commitment to ethics and how they exemplify ethical conduct in their decision- making and actions.

- *Stakeholder Feedback*: Seek feedback from external stakeholders, such as customers, suppliers, and partners, on their perception of the organization's ethical practices and reputation.

- *Ethical Governance*: Review the effectiveness of the ethical governance framework in place, including the roles and responsibilities of the ethics committee and the board of directors.

- *Benchmarking with Industry Best Practices*: Benchmark the organization's ethical practices against industry best practices and leading ethical organizations to identify areas for improvement.

- *Performance Management Alignment*: Ensure that ethical behavior is integrated into the organization's performance management system. Evaluate whether ethical conduct is considered in performance evaluations and recognition.

- *Continuous Improvement*: Use the findings from monitoring efforts to implement continuous improvement initiatives related to the organization's ethical culture.

By regularly monitoring the ethical organization culture, GITAM Deemed to be University can identify strengths, weaknesses, and opportunities for improvement. The insights gained from monitoring efforts help strengthen ethical practices, build trust with stakeholders, and reinforce the organization's commitment to ethical conduct.

8   Sanctions and penalties

In an ethical organization culture, sanctions and penalties are typically applied when individuals or groups within the GITAM Deemed to be University engage in unethical behavior or violate the established Code of Ethics. These measures serve as a deterrent and reinforce the GIATM's commitment to upholding ethical standards. The specific sanctions and penalties may vary depending on the severity of the ethical violation and the GIATM's policies. Here are some common sanctions and penalties:

Disciplinary Actions:

- *Verbal or written warnings*: For minor or first-time ethical violations, a warning may be issued to the employee.

- *Suspension*: In more serious cases, employees may be suspended from work for a specified period as a disciplinary action.

- *Termination*: Persistent or severe ethical violations may result in the termination of the employee's employment.

Loss of Privileges:

- Employees who engage in unethical behavior may lose certain privileges within the organization, such as access to specific facilities, equipment, or resources.

- Demotion or Removal from Leadership Positions: Leaders who fail to uphold ethical standards may face demotion or removal from their leadership positions.

Financial Penalties:

- In cases of financial misconduct or fraud, employees may be required to pay restitution or be subject to financial penalties.

Loss of Bonuses or Incentives:

- Employees involved in unethical behavior may have their bonuses or other incentives revoked.

Professional Consequences:

- In certain industries, ethical violations may result in professional consequences, such as revocation of licenses or certifications.

Legal Consequences:

- Serious ethical violations may lead to legal consequences, including civil or criminal charges, depending on the nature of the violation and applicable laws.

Public Relations Impact:

- Ethical violations may have a negative impact on the organization's

reputation and public image.

Remediation and Training:

- Employees who violate ethical standards may be required to undergo remediation or additional ethics training.

It is important to note that sanctions and penalties should be applied fairly and consistently, following a due process that includes investigations and opportunities for the accused to present their side of the story. The goal of sanctions and penalties in an ethical organization culture is not only to address wrongdoing but also to deter future unethical behavior and reinforce the importance of ethical conduct among all employees. Organizations should communicate their policies and consequences clearly to ensure employees are aware of the potential consequences of ethical violations.

9   Approval

The establishment and approval of an ethical organization culture typically involve a deliberate and comprehensive process that requires involvement from key stakeholders within the organization. Here are the essential steps for gaining approval for an ethical organization culture:

- *Leadership Commitment:* Top leadership, including executives and the board of directors, must express their commitment to fostering an ethical organization culture. They should communicate the importance of ethics in the organization's mission and values.

- *Development of the Code of Ethics*: A Code of Ethics should be developed, outlining the organization's ethical principles, values, and expected behaviors. This code should align with the organization's mission and goals.

- **Stakeholder Engagement**: Engage with various stakeholders, such as employees, customers, suppliers, investors, and community representatives, to gather their input on the organization's ethical priorities and concerns.

- *Policy Development and Integration*: Develop policies and procedures that align with the ethical principles outlined in the Code of Ethics. These policies

should cover areas such as whistleblowing, conflict of interest, anti-corruption, and social responsibility.

- *Communication and Training*: Effectively communicate the Code of Ethics and related policies to all employees and stakeholders. Conduct training programs to ensure that everyone understands their role in upholding the organization's ethical culture.

- *Ethical Governance Framework*: Establish an ethical governance framework that includes an ethics committee or oversight body responsible for guiding and monitoring the organization's ethical practices.

- *Review and Approval Process*: Present the proposed ethical organization culture, including the Code of Ethics, policies, and governance framework, to the board of directors or other relevant decision-making bodies for review and approval.

- *Implementation Plan*: Develop a detailed plan for implementing the approved ethical organization culture, outlining timelines, responsibilities, and specific actions to be taken.

- *Continuous Improvement Mechanisms*: Include mechanisms to continuously monitor and evaluate the effectiveness of the ethical organization culture, seeking feedback from stakeholders and making necessary improvements over time.

- *Compliance with Legal Requirements*: Ensure that the approved ethical organization culture complies with all relevant laws, regulations, and industry standards related to ethics and corporate governance.

- **Regular Reporting**: Establish regular reporting mechanisms to keep stakeholders informed about the progress and impact of the ethical organization culture.

- *External Validation (Optional*): In some cases, organizations may seek external validation or certification from independent organizations specializing in ethics and corporate social responsibility.

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