

Metro’s Code of Ethics: Clarify expectations to support an ethical culture

Why this audit is important

Ethics refers to the theory and principles that govern how people should act. Management of ethics can help prevent and address unethical conduct, such as conflict of interest or misuse of resources. Unethical conduct can weaken public trust, and negatively impact Metro’s ability to generate resources. Perceptions of workplace ethics can also impact employee job satisfaction and retention.

We assessed Metro’s ability to promote ethical conduct by reviewing ethics-related policies and procedures, training, and communication efforts. We did not assess or make conclusions about whether Metro has an ethical culture. We issued a separate letter to management regarding out-of-date lobbying registrations in August 2019.

Effective management of ethics requires organizations to establish and maintain clear expectations. This includes: providing guidance to employees that integrates policies, laws, and values; providing ethics training to all employees and reminding them of expectations; and using methods to evaluate and respond to ethical issues.

What we found

There were barriers to understanding ethical expectations. Metro’s existing guidance was unclear. If organizations do not provide clear guidance, employees may act inconsistently with policies and laws, even when they are trying to do the right thing. Stronger connections between Metro’s values, legal requirements, and policies and procedures would help build a better foundation.

We also found that ethics training was ineffective because few employees attended, Metro’s ethics policies were largely excluded, and they were not presented in a relatable manner. As a result, employees may be unfamiliar with Metro’s ethics policies and unlikely to apply them when taking action.

Employee communications infrequently included references to ethics policies. Without frequent communications from senior leadership about ethics and their importance to an organization, employees may be less aware of expectations, and more likely to take action that does not meet them.

Area	Conclusion	Best Practice
Guidance 	Guidance did not establish clear expectations	Provide clear guidance
Training 	Training efforts were ineffective	<ul style="list-style-type: none"> •Require employees to review ethics-related policies on an annual basis •Use discussions and examples to present ethics-related policies to employees •Use a variety of media types to deliver training
Communication 	Ethics related policies were communicated infrequently	Communicate about ethics and their importance frequently to all employees

Source: Metro Auditor’s Office analysis of available guidance, training, and communications related to ethics

Without clear guidance, it was more difficult to manage ethical issues consistently. Metro did not have a way to evaluate ethical trends or risks and roles and responsibilities for investigations were unclear.

What we recommend

We recommended senior management strengthen Metro’s foundation for ethics by integrating the Code of Ethics with related policies, laws, and organizational values. To reduce barriers to understanding ethical expectations, senior management should update Metro’s ethics-related policies and establish guidance for using safe harbor. We recommended improvements to Metro’s training and communication efforts. We also recommended the Chief Operating Officer assign responsibility for analyzing ethics-related trends and risks, and clarify department roles for investigating potential ethical issues.