

CODES OF CONDUCT BENCHMARKED

 ISSUE FOCUS:



GOVERNMENT CONTRACTORS & BUSINESS SERVICES

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HOW DOES YOUR COMPANY STACK UP?

An organization's Code of Conduct, alternatively referred to as Code of Ethics or Code of Business Standards, is the stated commitment of the behavioral expectations that an organization holds for its employees and agents. Such Codes are now commonplace for most corporations, increasingly shared not only with employees, but with customers and the public at large as well. To be successful, a Code must be believable by all stakeholders to which it applies. Certainly the subject corporation's commitment in action has significant impact. However, how the Code itself is written, what it contains, omits and how it is communicated all play instrumental underlying roles in whether it has the power to influence not only perceptions, but actions. Having reviewed over 800 Codes of Conduct, the Ethisphere editorial team has created the following methodology:

**These Codes were found publicly available on each company's website as of February 10th, 2009. If your Code has been revised and you would like an updated rating, please contact Stefan Linssen at slinssen@ethisphere.org.*

OVERALL GRADE METHODOLOGY:

Each Code is rated by a panel of experts from the Ethisphere Institute and an aggregate score is derived through application of the following sub-scores:

1. PUBLIC AVAILABILITY: 5%

A Code should be made readily available to all stakeholders. What is the availability and ease of access to the Code?

2. TONE FROM THE TOP: 15%

Level at which the leadership of the organization is visibly committed to the values and topics covered in the Code.

3. READABILITY & TONE: 20%

What is the style and tone of the language used in the document? Is it easy to read and reflective of its targeted audience?

4. NON-RETALIATION & REPORTING: 10%

Is there a stated and explicit non-retaliation commitment and dedicated resourc-

es available for making reports of code violations? If so, is it presented clearly?

5. VALUES & COMMITMENTS: 10%

Does the Code embed corporate values or mission language? Does it identify the ethical commitments held to its stakeholders (e.g., customers, vendors, communities)?

6. RISK TOPICS: 20%

Does the Code address all of the appropriate and key risk areas for the company's given industry?

7. COMPREHENSION AIDS: 5%

Does the Code provide any comprehension aids (Q&As/FAQs, checklists, examples, case studies) to help employees and other stakeholders understand key concepts?

8. PRESENTATION & STYLE: 15%

How compelling (or difficult) is the Code to read? This depends on layout, fonts, pictures, taxonomy and structure.

COMPLIANCE & ETHICS

BUSINESS SERVICES	PA	TT	RN	NR	VC	RT	CA	PS	OG	COMMENTARY
Akamai Technologies, Inc.	A	A	B+	B	C-	A	A	D	B	In the introduction letter it states, "Akamai will always have fun," and we had fun reviewing this Code. The numerous Company-specific examples make the Code more interesting and easy to read in one sitting.
American Public Education, Inc (APEI)	A	F	C-	C	F	D	F	F	D	Very plain and missing important risk topics. We're still confused what "\\BA - 086883/000010 - 227683 v6" means in the footer of each page.
APAC Customer Services Inc. (APAC)	A	A-	C+	B	B-	C	F	C-	C+	The well-roundedness of this Code is only matched by its averageness.
Arbitron Inc.	A	B+	C+	B-	C-	A-	F	C+	B-	Color! We know that we'd find some in the codes we reviewed this quarter. Hopefully, if we contact Arbitron we'll catch them at a good time because the Code states, "Arbitron is as open and candid with the media as possible, but there are times when we cannot or will not provide requested information."
Broadridge Financial Solutions (BR)	B+	D	D	A-	D	C	F	F	D+	While lacking in many areas, this Code has nice sections about mistakes, "Mistakes should never be covered up, but should be immediately fully disclosed and corrected." A solid life lesson.
CBIZ, Inc. (CBZ)	A	D+	C+	A	B-	C+	F	F	C	Actions that are in violation of this Code: horseplay, refusal to accept a special assignment and sleeping on the job. What sticklers!
Chartwell International, Inc. (CWLTOB)	A	F	D	C	F	D+	F	F	D	The code states, "Unrecorded or off the books funds or assets should not be maintained unless permitted by applicable law or regulation." Even if these practices are permitted by law, why would you ever want to use them?
Cognizant Technology Solutions	A	B+	C+	A	A-	A-	A	B+	B+	This Company can boast that it maintains one of the best-looking Codes we reviewed this quarter. It uses not only pictures, but also tables, call-out boxes and sidebars, to break up the text. Way to go!
College Tonight, Inc. (CGEG.OB)	B+	D	F	D	F	F	F	D	D-	The writers of the College Tonight Code need to take some night classes themselves. First on the curriculum - Risk Topics 101.
Computer Programs & Systems In (CPSI)	A	D+	F	D-	F	D	F	F	D-	The Code states, "If requested, the Company will hold information and training sessions to promote compliance with laws, rules and regulations, including insider-trading laws." We hope CPSI was inundated with requests, since we had some questions ourselves after reading the Code.
Corrections Corporation of America	A	C-	D+	B+	C	B+	F	B	C+	This Code is peppered with inspirational quotes such as, "If you would like to be treated with respect, you must first treat others with respect." and "Do the right thing. It will gratify some people and astonish the rest." Did we mention that CCA runs prisons? Hopefully the employees are passing along the lessons they're learning.
Debt Resolve, Inc. (DRSV.OB)	A	D-	D	C+	F	C+	F	D-	D+	We feel like we've read this same Code a hundred times. Good coverage of risk topics and adequate reporting language, but no stated values, learning aids or attention to presentation.
Global Payments Inc.	A	D	D+	B+	C-	D+	F	F	D+	This Code reads like state lottery rules.
InnerWorkings Inc. (INWK)	A	F	D	C+	D-	C-	F	D-	D	Why use color and pictures to highlight important areas of the Code, when it's cheaper to just use bold and underline? And when something is REALLY important, bold AND underline it. Then you really mean business.
InPlay Technologies Inc. (NPLA)	A	F	D	C-	F	C-	F	D-	D	We know the following behaviors are important to expressly prohibit in a code: "Fighting or threatening violence in the workplace" but listing it under the heading of "Miscellaneous" makes them seem insignificant.
inVentiv Health, Inc.	A	D	D	B	D	D+	F	D	D+	What this Code lacks in Readability & Tone it makes up for in... public availability? Much work needed.
Lender Processing Services	A	F	C+	B	D	B+	F	D	C-	Bonus points for including a section on anti-spam procedures for email and fax. This is something that is often not included with Codes, but our spam folder appreciates it.
Net 1 UEPS Technologies (UEPS)	A	F	D+	C	D-	C+	F	D	D+	NET 1 is very fond of their own name; so much so that it is uttered 17 times on the 9th page.
Network Solutions, LLC	A	F	B-	B+	C	A-	C-	D+	C+	Some words to live by in this Code, "If you have questions, ask them; if you have ethical concerns, raise them." Great coverage of risks too.
Pipeline Data, Inc. (PPDA.OB)	B+	F	D-	C-	F	D	F	D	D-	The statement, "The Company reserves the right to amend, modify, waive or terminate these rules and policies at any time for any reason" is not reassuring. Particularly when employees know the Code can be terminated at any time for any reason.
Rewards Network Inc. (DINE)	A	A-	A-	A-	A-	C	A	B	B	The learning aids for this Code are simple, to the point and serve as excellent tools for helping employees with real life situations. Rewards Networks rewards our review staff with a nice Code.
Stanley, Inc.	A	A	A-	A	A	B+	B	B	B+	This Code contains not only ethical advice, but also tips for striking comedy gold. The Code states, "Know your audience before telling a joke. What is funny to you may be offensive to someone else." If only Andrew Dice Clay had read this Code....
Sykes Enterprises, Inc. (SYKE)	A	A-	B	C+	A-	C+	F	B-	B-	This jazzy code certainly highlights the values of the companies and also includes a nice letter from CEO. Bonus point for use of the PRIDE acronym to explain your culture.
Volt Information Sciences, Inc.	A	B+	C+	A-	C	A-	F	D	C+	A statement like, "We cannot impress upon you enough the severe consequences of violating any laws governing payments to public officials," lets us know that Volt is NOT messing around with bribery.
Zap.com Corp (Zapata Corporation)	A	D	D+	C+	F	D	F	D-	D	Another lackluster code that serves only as a way to meet legal and regulatory standards.

COMPLIANCE & ETHICS

GOVERNMENT CONTRACTORS	PA	TT	RN	NR	VC	RT	CA	PS	OG	COMMENTARY
Bae Systems PLC	A	B+	C+	A	B-	A-	B	A-	B	Apart from being a bit on the long side (60 pages) this is a fine Code. Risk topic coverage is superb.
Boeing Company	A	A-	C	A	A	B	B	C+	B	Boeing flies high with this Code. How about a few more pictures of that sweet 787 Dreamliner to spark some interest?
Chevron Corp.	A	A+	B+	B	A-	A	A	B+	A-	The pictures included with this Code do an excellent job of branding the document to Chevron, giving readers a sense of ownership of the Code.
Computer Sciences Corporation	A	A	C	C-	C	D-	F	D	C-	This Code is remarkable in its unremarkableness.
General Electric Company	A	A	B+	B+	B	A	A	A	A-	A wonderful Code that excels in each category. GE produces a tremendous Code that is a great example for all companies to follow.
General Motors Corporation	A	A	A-	B-	C	A	C-	C	B	We know that you've had it rough lately, GM, so we'll try to brighten your day with some good news... your Code is above average.
Goodrich Corp.	A	A	B-	A-	A-	A	A	B-	B+	A very Good code that is Rich with information (get it?). Even the learning aids in this Code are strategically placed and concise.
Harris Corporation	A	B+	C	A+	B-	A-	A	C	B	Harris does a fine job with their Code, but we would have certainly liked to see some additional pictures within the Code past the cover page.
Health Net, Inc.	A	A	B+	A	A	A+	A	B+	A-	This Code was just updated earlier in the year. We read the previous version of the Code and this newest version is a VAST improvement. Great job on covering risk topics and generally making the Code two times more awesome!
Hewlett-Packard Company	A	A-	A	B-	A	A-	B	A	A-	If you are looking for a great example of inclusive tone in a Code of Conduct look no further than HP's code. This Code is peppered with "we" "us" and "our" at every turn. Well done.
Humana, Inc.	A	A	B-	A	B-	A	A	B-	B+	Excellent attention to industry-specific risk topics for the health care industry. We think you could do more with your "key" theme, such as more pictures of locks, keychains, piano keys, the Florida Keys, Alicia Keys...
Jacobs Engineering Group	A	F	D	C-	D	B-	F	F	D	The Code gives every indication that Jacobs is staffed by only the finest engineers, since even the Code is written like a schematic diagram.
L-3 Communications Holdings	A+	A	B-	B	B-	B	F	B+	B	A fine example of a shareholder-based Code that highlights the obligations to those that depend on the Company. The learning aids are relevant and used frequently.
Lockheed Martin	A+	A+	B	A	A+	A	C+	A-	A-	Apart from the lack of learning aids, what's not to like about this Code? It's even printed with soy ink on FSC certified mixed sources.
Merck & Co. Inc.	A	A+	B-	A	A-	A	A	A-	A-	The content and information contained in this Code is solid and thorough. Bonus points for sharp use of purple throughout the Code.
Northrop Grumman Corporation	A	A	B	B-	A-	C+	D	B-	B-	If you don't have any idea what Northrop Grumman Corporation does, the pictures of battleships, jet fighters, submarines and computer parts in the Code will combat any and all confusion.
Novartis AG	B-	A-	B-	B+	B+	B	F	B+	B	While this Code is decent, it could stand to be updated as it was last approved nearly a decade ago.
Oshkosh Corporation	A	A	C+	C+	C	C+	F	B-	C+	An excellent letter from the CEO and Chairman speaks to the history of the Company and the work that is done at Oshkosh. Also, the Code contains fine coverage of government contractor topics at the outset.
Procter & Gamble Co.	A	A	C+	B-	C	B	C-	B+	B-	A nice Code that capitalizes on the recognizable brands of Procter and Gamble.
Raytheon Company	A	A	B	B	B	B	F	B-	B	The list of policies at the end of the Code serves as an excellent tool for employees seeking more information. Like a laser, this Code is focused and (at certain angles) colorful.
Royal Dutch Shell PLC	A+	B	C	B-	B	A	B	A-	B	Shell's underwater theme is cool, now if only there wasn't so much of it... 80 pages worth. Navigation is aided with a comprehensive index, color coded sections-and table of contents.
Saic, Inc.	A	A	C-	B+	A	B+	F	B	B	We like the anti-Machiavellian stance displayed in statements such as, "How we achieve our mission is as important as the mission itself." If only more companies adopted this maxim...
United Technologies Corporation	A	A	B+	C+	A	B	C-	B+	B	This Code makes good use of company specific images and includes an index which is so often left off of most Codes that we review. Also, very good to know that the Ombudsman program has been available since 1986
URS Corporation	A	D	C+	A-	B-	B-	F	F	C	Something about this portion of the Code seems cold and insincere, "As a URS employee, you are critical to our success, and our policy is to treat you with fairness and respect."
Wyeth	A	A+	C+	B	B-	A-	F	C	B-	After reading this Code, you WILL know the plethora of ways to report, since a phone number to call is literally on every page. Email and postal addresses are practically on every other page.