

Workplaces Need Ethics



Dias case highlights need for code of ethics in workplaces.

In the wake of allegations against Unifor former national president Jerry Dias, experts say companies should make sure their ethics policies are being clearly communicated to employees.

Canada's largest private sector union alleged this week that its former president accepted \$50,000 from a supplier of COVID-19 rapid test kits he promoted to employers of union members. Several of those companies then purchased those test kits.

Unifor has said Dias is being charged with violating the code of ethics and democratic practices of the union's constitution.

Rick Hackett, Canada research chair at McMaster University's DeGroote School of Business, said in an interview that practices like under-the-table payments from favoured suppliers or extravagant gifts to clients are unethical, but that they do happen even in today's business world.

"But by its very nature, because so much of it is covert, I don't think we have a good handle at all on how much of this goes on," he said.

Hackett also said that it's important for organizations to have a code of ethics in place. But he said it's not enough to simply spell out the rules in a document once and then forget about them.

"These policies need to be communicated out to employees regularly," he said.

Chris MacDonald, associate professor at Ryerson University's Ted Rogers School of Management, said in an interview that accepting a \$50,000 payment – as Dias allegedly did – is an egregious example of a type of business practice that, on a smaller level, was once relatively common. (Ryerson's Chris MacDonald is not related to Unifor senior staffer Chris MacDonald, who has been identified as the whistleblower in the Dias matter).

For example, a salesperson might treat a potential client to an expensive dinner, or offer small gifts and freebies in the hopes of landing an account, the Ryerson professor explained.

"There's a reason salespeople do these things, not because they're looking to waste money but because they know it works," MacDonald said.

But he added that while such things may still be relatively common at small, privately held companies, large corporations and public companies that are answerable to shareholders have cracked down on gift giving and other questionable sales practices.

“The private sector is increasingly wary of gift giving and gift receiving, in part because there have been scandals,” he said. “Gone are the days of, ‘here’s a case of Scotch, Fred.’ Of course that can happen, but it can only happen extremely quietly.”

Source: [The Canadian Press](#)