

NASBA CPT Launches

THE ETHICS Network

The Ethics Network is a new, dynamic initiative being launched by the NASBA Center for the Public Trust to engage individuals who are inspired by, and want to inspire, ethical leadership. This is a membership program for those who want to begin creating a community focused on advancing and promoting business ethics within their profession and sphere of influence.

The Ethics Network allows you to define yourself as an individual who values ethical leadership and integrity; a person who wants to make a positive difference in the world. The Ethics Network provides you with intangible benefits: it helps you to promote responsibility, transparency, accountability and to steer the future to a better course. The Ethics Network also provides you with many tangibles --valuable membership benefits that aren't available through any other organization.

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CEO David A. Costello sits beside his Ethics Network membership certificate.

Good News

Think Pink

What does a line of snack foods have to do with a cure for breast cancer? Typically not much, but think pink and you've got a different answer. The Pink Snack & Beverage Company is deeply committed to supporting organizations that help people live more productive and fulfilling lives during their challenge with cancer. Seventy percent of the proceeds from the sale of Pink Chips go directly to the fight against breast cancer. They put hope in each bag of chips.

Target - A Commitment to Social Responsibility

Target has a long history of corporate giving. The company's founders, the Dayton family, established a standard of giving in 1946 that remains a model today; they contribute five percent of the company's annual income to programs that serve the local communities in which they do business. Today, more than \$3 million every week goes to support education, the arts, social services and volunteerism.

Last fall, Target announced it will dedicate the bulk of its five percent donation over the next five years to education. In essence, \$500 million will be directed almost exclusively to efforts to get kids reading by third grade. "It's the single largest charitable contribution in company history, and it doubles the amount Target has put into school programs to date," Target's president

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Editor-in-Chief: Lisa Axisa
Assistant Editor: Jennifer Bouchard
Production Editor: Katrina Mitchell



Vice President's Voice

WOW- the Ethics Network. Our team has worked so hard on creating this new program. Not just on the concept and the virtual membership components, but also on the timely and informative Webinars Ethics Network members will truly appreciate.

Why Join? Because the Ethics Network allows you to define yourself as an individual who values ethical leadership and integrity. If you're a person who does the right thing because it's the right thing to do—the Ethics Network is for you.

In this issue's book review, I begin by stating it was provident that the first few books I started weren't good enough to recommend, because I ultimately stumbled upon *Join the Club*. This terrific book gave me some insight and hope that the Ethics Network might help affect change in our society—one principled member at a time. Just think, if through the Ethics Network we create a community of like-minded, successful individuals, who live and breathe an ethical principled life, hang their membership certificates with pride, use their electronic icons to identify themselves, and connect through their LinkedIn space to share information with other members—good will triumph. The guys wearing the white hats will win. We won't watch the news every night and say to ourselves, "What was he thinking?"

Take the time to read the reprint article on social media. Regardless of the industry or the size of your business—you are affected by social media.

Some other topic you are interested in? Let me know. We will work hard to bring you current information on the topics that will give you an ethical edge.

Lisa Axisa
Executive Director/Vice President

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NASBA CPT Launches The Ethics Network

Members of the Ethics Network receive the following benefits:

PREMIER

- ◆ Free registration to five Ethics Network Webinars annually

BASIC AND PREMIER

- ◆ 30 percent discounted member rate on all Ethics Network Webinars
- ◆ 30 percent discounted member rate on eligible conferences and seminars co-sponsored by the CPT
- ◆ Elegant Ethics Network membership certificate with official seal
- ◆ Subscription to *Ethics Matters*, official newsletter of the CPT
- ◆ Electronic template of a press release which allows promotion of membership, along with suggestions for distribution
- ◆ Electronic Ethics Network member icon which can be used to electronically promote oneself as a member
- ◆ Resume Posting Service
- ◆ Member-only library which provides extensive links, speeches, articles and other resources about ethics, leadership and other related information
- ◆ Listing in Member Directory
- ◆ Access to member-only Discussion Board on LinkedIn
- ◆ Speakers Bureau and opportunities to speak at CPT and Student CPT events

The annual fee for a Premier Membership is \$180 and \$130 for a Basic Membership. From June – November 2011, an introductory rate of \$130 is being offered for Premier Membership and \$100 for Basic Membership. ☆

The Ethics of Social Media

Adjusting to a 24/7 World

by James Hyatt

So your company hasn't had an OMG moment over Facebook ethics?

As they say, Good Luck With That.

It has been almost a decade since Congress passed the Sarbanes-Oxley Act in the wake of the Enron, Tyco and WorldCom scandals, seeking to put in place a variety of measures to protect investors and address standards of behavior. Over the years, once-controversial practices about disclosure and ethics have become generally accepted standards.

But the social media explosion - from email and Facebook to blogs and Twitter - is making a hash of once-resolved issues and creating all kinds of new dilemmas.

- ◆ Businesses have less and less control over how they communicate with the public, while 24-7 bloggers feel free to snipe away.
- ◆ Job seekers find their private lives may no longer be private and employees worry that the boss is electronically looking over their shoulders.
- ◆ Consumers can't be sure their account information remains safe and have no way to tell whether favorable online comments about products and businesses are legitimate.
- ◆ Professionals of all sorts -- psychiatrists, attorneys, school teachers, reporters, and even NFL players - are learning to live with new, often controversial, social media rules. A customer's irate blog can undo months and years of corporate image work. A careless email can sabotage delicate contract talks or M&A negotiations. Failure to protect customer information can result in years of costly litigation. An old party-hearty photo may block a chance at a new job. Hitting "send" without thinking can torpedo an executive's career.

In just one recent week:

- ◆ An email circulating among male employees at the PricewaterhouseCoopers Dublin offices - rating the 'top 10' new female recruits, with headshots - quickly went "viral" and drew widespread criticism. (Some tut-tutting newspapers, however, also saw fit to run the headshots as news.)
- ◆ An executive at Pacific Gas & Electric in California was put on paid leave after seeking to join, under an assumed name, an online discussion group critical of the utility's plans to install "smart meters."
- ◆ Labor lawyers across the country warned clients that a National Labor Relations Board (NLRB) office planned an unfair labor practice complaint against an ambulance company for firing an employee who posted negative Facebook comments about her supervisor.
- ◆ Britain's financial regulator, seeking to address insider trading, ordered a financial services firm to keep records of employee cell phone calls. No wonder companies are rushing to build new defenses and adopt new policies to reinforce ethical behaviors and learning how to use social media to react to real-time problems. At the same time, individuals are re-thinking their casual attitude about exposing personal information on the Web. And in Washington, government agencies are adopting new guidelines defining acceptable social media behavior.

Defining Social Media Behavior is Clearly a Work in Progress

A year ago, the Society of Corporate Compliance and Ethics and the Health Care Compliance Association looked at what organizations are doing about social media

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Good News

of community relations, Laysa Ward, said in a rare media interview. By the end of 2015, Target intends to double this amount totaling more than \$1 billion in education-related giving.

Ms. Ward noted, with one in four children in the U.S. failing to graduate from high school, Target was "compelled to do more to address the education crisis and ensure our kids are ready for college, a career and the challenges of a global economy."

It's clear that Target not only believes in, but faithfully practices the words of the company's founder, George Draper Dayton, "Success is making ourselves useful in the world, valuable to society, helping in lifting the level of humanity, so conducting ourselves that when we go the world will be somewhat better of our having lived the brief span of our lives."

Cabby's Good Deed Makes Him a Hero Back Home

In February 2011, Zubiru M. Jolloh, a New York City cab driver born in Sierra Leone, found a bag containing \$100,000 worth of jewelry, photographs and cash in the back seat of his taxi. He tracked down the passenger who left the bag and gave it back. In New York, this story came and went without much fanfare, but back home in Sierra Leone, the government was hailing Mr. Jolloh as a national hero. "New York Taxi Driver Rebrands Sierra Leone," read the headlines on a Sierra Leonean news Web site owned by a government official. "Sierra Leone is a land of honest men and women. Taxi driver Zubiru Jalloh just proved it to the whole world." For Sierra Leone, a small West African nation struggling to recover from a decade of civil war, selling a positive image of the country is a tough public relations job. Mr. Jolloh said he simply acted in accordance with his faith and out of respect for the U.S. - a nation, he said, that had made him feel welcome and had given him citizenship.

Homeless Man Rescues Dog Dumped in Oil Pit

Early one morning, James Beavers, a homeless veteran living in a car wash in East Memphis, Tennessee, noticed a truck speeding away, followed by the wails of a dog in distress. He

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issues. Twenty-four percent of those surveyed said an employee had been disciplined in their organization for activities on Facebook, Twitter or LinkedIn, more often in the not-for-profit sector. But half of the respondents said their organization had no policy regarding employee online activity outside of work.

Technology search firm Robert Half in April asked chief information officers about social networking policies; 38 percent said their companies have tightened social networking policies, while 17 percent say the policies have eased. And 55 percent reported “no change.”

A recent survey by Deloitte of about 1,700 companies found that 26 percent said they had no social media policy which 34 percent answered “not applicable/don’t know” even though 84 percent thought every company should have a social media policy in place.

Your Social Media Profile Can Affect Your Job Prospects

A survey commissioned by Microsoft in December 2009 found that 79 percent of hiring managers and job recruiters reviewed online information about job applicants, and 70 percent of U.S. hiring managers surveyed said they’d rejected candidates based on what they found online. “Chances are you already have a reputation online, even if you don’t want one,” Microsoft says. And three-fourths of the U.S. recruiters and HR professionals said their companies have formal policies requiring hiring personnel to research applicants online.

The survey firm declared that “Now, recruiters can easily and anonymously collect information that they would not be permitted to ask in an interview, and the survey found that recruiters are doing just that.”

Corporate and union attorneys went on alert early in November 2010, when word spread of the NLRB’s unfair labor practices complaint involving the Facebook posting. The NLRB said the company’s social media policies were “overly broad.” The LegalTimes blog quoted the company as saying, “although the NLRB’s press release made it sound as if the employee was discharged solely due to negative comments posted on Facebook, the termination decision was actually based on multiple, serious issues.”

Although an administrative law judge will have to rule in the case, Philadelphia-based law firm Morgan, Lewis & Bockius LLP declared that “all private sector employers should take note of this issue, regardless of whether their workforce is represented by a union.”

You Need a Social Media Policy

Social media behavior “can have real legal and economic consequences for businesses,” writes attorney Michelle Sherman in a Social Media Law Update blog for law firm Sheppard Mullin Richter & Hampton LLP.

“A post may seem as innocent as an employee expressing a personal opinion. However, if the person describes herself as working for a particular company, and then speaks on a highly-controversial subject, her post could damage the ‘good will’ of the company. Or, the poster may be recommending a product to all of her Facebook friends without sharing that she happens to work for the product manufacturer in violation of fair advertising practices.”

Sherman says adopting a social media policy can show compliance with Federal Trade Commission guidelines about endorsements, and can better protect brand value “by ensuring that employees do not post unflattering material in association with the business.”

One of the most remarkable studies is the 130-plus-page Social Media White Paper, now in its second edition, prepared by Reed Smith LLP. The paper reviews 13 areas where social media is impacting business – from advertising and marketing to trademarks – and declares “the key lesson is that rather trying to control, companies must adopt an altered set of rules of engagement.” Well worth a visit.

It has become increasingly common for major companies to issue specific directives on social media behavior. While most encourage employee efforts to put companies in a positive light, they also spell out acceptable conduct. For example:

(Wells Fargo): “By posting content on this Blog, you expressly grant Wells Fargo (and its affiliates) the right to use or distribute the posted content in any form, worldwide, and in perpetuity.”

(Kaiser Permanente): “Be mindful of the world’s longer memory – Everything you say is likely to be indexed and stored forever, either via search engines or through bloggers that reference your posts.”

(FedEx): By posting to the FedEx Citizenship Blog “you agree not to post or transmit anything unlawful, threatening, libelous, defamatory, obscene, inflammatory or pornographic, or anything that infringes upon the copyright, trademark, publicity rights or other rights of a third party.”

(Mayo Clinic): “Where your connection to Mayo Clinic is apparent, make it clear that you are speaking for yourself and not on behalf of Mayo Clinic. In those circumstances, you may want to include this disclaimer: ‘The views expressed on this [blog; Web site] are my own and do not reflect the views of my employer.’”

(Microsoft): “As a general rule, Microsoft does not review, edit, censor, or, obviously, endorse individual posts. You should ‘be smart’ and, as an employee of the company, you should not only think about how your blog reflects on you as an individual, but also about how your blog affects Microsoft as a whole.”

Good Reads



It was pure providence that I didn't like the first two books I started reading for this column. Because I had named this column "Good Reads," I believed I was obligated to continue my search for books that I could recommend. I finally found *Join the Club, How Peer Pressure Can Transform the World*, by Tina Rosenberg, which is a compelling and powerful narrative. *Join the Club* explains how social change can and does happen in the most amazing scenarios and Rosenberg provides deep insights into why certain cultural issues occur. For instance, how could behavioral choices affect African American and Latino achievement in college calculus?

A college in Texas was continuously baffled that their Asian students would succeed in calculus while the African American and Latino students did not. All of the students were of about equal ability at the beginning of the semester --about the same grades, SAT scores, backgrounds, class rankings, etc. All reported studying about the same number of hours. Teachers Assistants (TAs) spent semesters with the groups and learned that at the end of the day, the Asian students would gather to study in groups. Through their exchange of working together, they increased their knowledge base. The TAs began creating study groups for the African American and Latino students and suddenly their success rates began to match those of the Asian students.

In rural India, social change was affected for and by the most alienated who were still suffering from old caste system rules and severe poverty. This, to me, was the most powerful example of how peers can transform change and how the world can be affected by people who are truly thoughtful.

Rosenberg also peppers the book with thought-provoking ideas such as—if you want to improve your personal happiness quotient—join a club, because engaging in community is the one thing most likely to bring you more happiness—more so than additional money. ☆

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The Ethics of Social Media

Concerns go well beyond defining proper behavior and move into legal areas. FINRA, the successor to the National Association of Securities Dealers Inc., stresses that social media postings can violate industry rules about promoting investments and soliciting customers. FINRA says securities firms should take steps to be sure that employees using social media sites for business are "appropriately supervised" and "do not present undue risks to investors."

The Social Media Business Council, a group of large companies that explore social media issues, posts a free "Disclosure Best Practices Toolkit" online suggesting checklists to help companies and employees "learn the appropriate and transparent ways to interact with blogs, bloggers, and the people who interact with them."

It makes recommendations on how to deal with bloggers, on how employees should handle personal and unofficial blogging, on how to be transparent in providing rewards or incentives to bloggers, on best practices for third parties acting on behalf of a company, and on best practices for "artistic/entertainment situations where temporarily obscuring the sponsor of a site is necessary and appropriate." For instance, it is okay to use a pretend blog where someone writes that they may have discovered aliens in their house to promote a science fiction movie. But it is not okay to create "a fake customer blog where the 'author' writes: 'I'd love to go see this movie.'"

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Good News

couldn't determine initially where the sounds were coming from, but kept searching. He followed the whimpering sounds to a pit filled with oil, stagnant water and trash. He found a female dog, an eight-year old German shepherd mix, fighting for her life. Mr. Beavers yelled for help, but there was no one around, so he found a rope and used it to pull the dog out of the pit. After wrapping the dog in a towel, he then used a pay phone to call a friend who rescues animals. His friend arrived in her car and took the dog to the Humane Society of Memphis & Shelby County where she was rushed to emergency care for treatment. She was washed multiple times to remove the thick, sticky oil from her coat and the stench from the stagnant water and trash she'd been trapped in. The manager of the Humane Society said she was one tough dog to survive such an ordeal. Mr. Beavers' friend reflected, when a homeless man rescues a dog from such a hopeless situation, "I really think it was divine intervention that allowed him to save her."

Deloitte's Alternative Spring Break

Every spring, Deloitte teams with United Way and Teach for America to give undergraduate students an opportunity to join Deloitte LLP professionals as volunteers in underserved communities in a week-long, all expenses-paid, trip to participate in Alternative Spring Break: Maximum Impact. Now in its fourth year, Maximum Impact joins volunteer initiatives with Deloitte's on-campus recruiting activities. Student participants work side-by-side with Deloitte professionals sharing time and skills with communities in need, while also gaining a close-up view of Deloitte's people, culture, values and careers in professional services.

In March of this year, 25 students joined professionals from Deloitte and Teach for America in Memphis, Tennessee. Volunteers worked with students and teachers from elementary through high school level on projects ranging from reading and vocabulary instruction to helping improve scores on standardized tests and assisting teachers in the classroom. Volunteer projects also included renovations to Memphis City School facilities.

CPT Sponsors Student Leadership Conference

In conjunction with its Student Chapters (SCPT), the NASBA Center for the Public Trust is sponsoring a Student Leadership Conference in Point Clear, Alabama, from June 22-23, 2011. A select group of outstanding college students will participate in this interactive and high-energy learning experience. Students from New York to New Mexico will take part in this one and one-half day event to discuss ethical leadership and how to cultivate professional skills. The students are representing schools that either have SCPT Chapters or are in the process of establishing chapters.

The sessions are designed to provide the students with tools for branding themselves as student leaders, developing effective communications skills for the business world, interviewing with impact, conducting ethical job searches, and identifying communication styles for building successful relationships.

The conference, being held in conjunction with the NASBA Eastern Regional Meeting, will also allow students to interact with professionals and provide a unique networking opportunity.

