

Internal Audit's role and considerations in workplace ethics programs and investigations

Today's internal auditors face a broad range of responsibilities, risks, and considerations when engaging in workplace ethics programs and investigations. Importantly, the eco-system of workplace culture and ethical conduct stands to benefit from internal audit's mandate and organizational insights. While your specific mandate, responsibilities, and work environment is unique, below are a few topics and considerations to be familiar with, and on the following page you will find resources to guide you on your journey in ethics and investigations.

Interpersonal Interactions

Assessing ethical behaviour or conducting investigations requires high emotional intelligence, or emotional quotient (EQ). Recognizing your own emotions or behaviours, but also your subject's, is a key skillset for internal auditors in this field. In some cases, you may reconsider your own fit, or that of your colleagues, as the right person for this job after reflecting on the following:

- the **sensitive nature** of the content and conversations that are involved.
- the **stress or anxiety** that can arise during document reviews and/or interviews.
- the importance of being **objective and independent**, and act with integrity and competence.
- the ability to **communicate effectively** to elucidate causes, risks, and make an unbiased determination.

Creating a personal and intimate connection is critical to establishing trust and getting honest answers. Reflect on your own assumptions before your interviews, and consider beginning with open ended questions unrelated to the topic. In our attempts to create connection, we can sometimes overcompensate and end up unintentionally creating a false feeling of immunity or protection for the parties involved. Creating trust cannot come at the cost of integrity.

Ecosystem of Ethical Conduct

Internal Audit is one of the many actors across the ecosystem of ethical workplace conduct. Alongside Human Resources, Legal, Security, IT, Corporate Affairs and Communications, IA can identify root causes, mitigation strategies, and opportunities for continuous improvement across the following activities and milestones:

- Hiring Review: **Interviews and onboarding** act as the first of many opportunities to introduce an ethical organizational or team culture.
- Communications Review: Throughout **day-to-day activities**, organizational values and operating principles should be enacted by leaders, supervisors, and peers.
- Human Capital Review: During **training and performance management**, employees are exposed to scenarios and corrective actions that should instill ethical norms and behaviour.
- Analytics and Hotline Review: Even **before an incident occurs**, teams and organizations can enable early identification and correction of challenging behaviours to identify risk areas.
- Compliant Management Review: The manner in which **reporting and investigation** is conducted will reflect the organization's values, vision, and level of maturity.

Remote Work Environment

The shift to remote or virtual work, as a result of COVID-19 or otherwise, highlights several challenges, assumptions, and opportunities regarding workplace conduct investigations.

- **Team spirit:** Working remotely can undermine morale and employees' sense of belonging. In turn, this can trigger new types of misconduct and unwanted behaviours that were previously unexpected.
- **Policy frameworks:** The majority of policies, procedures, and guidelines for business conduct and investigations are predicated on an office-based team and organization. Consider what updates or additional guidance might be required now and in the future.
- **Confidentiality:** With everyone working from home, you may need new instructions for conducting phone/video interviews or conference calls, or increase clarity on how to maintain the chain of custody and confidentiality.
- **Resolution:** Without in-person interactions, the parties' sense of closure can be unintentionally delayed or undermined. It is helpful to identify what actions can enable a return to safety and normality, regardless of whether teams work remotely.

Remote work can seem like just another layer of complexity in the face of changing societal expectations (e.g. #metoo) and regulatory requirements (e.g., Bill C-65). But it can also be a chance to take a fresh look at how we engage with our colleagues to create better and safer workplaces. Now, and certainly more than before, organizations will explore the underlying culture and what drives certain behaviours.



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Below are various activities, questions to consider, and resources to guide your journey in ethics and investigations.

Explore: How do IA professionals show up with credibility, competency, integrity, and objectivity, and provide value to our organization's ethics programs and practices? Below are sample resources from the IIA for you to consider:

- IIA Practice Guide: [Internal Auditing and Fraud](#)
- IIA Practice Guide: [Evaluating Ethics-related Programs and Activities](#)
- IIA Practice Guide: [Auditing Culture](#)
- IIA Article: [When Audits Become Investigations](#)
- ACFE: <https://www.acfe.com/Conducting-Internal-Investigations/>

Learn: As we conduct work in this space, we need tools and resources to prepare and protect ourselves and relevant stakeholders.

Below are examples of relevant requirements and training programs, many of which are constantly evolving:

- [Alberta Occupational Health and Safety Act: Workplace Harassment and Violence](#)
- [Alberta Securities Commission's Whistleblower Program: Questions and Answers](#)
- [Privacy Toolkit: A Guide for Businesses and Organizations](#)
- [Chartered Professionals in Human Resources of Alberta's Workplace Investigation Certificate](#)



It's easy to avoid using external guidelines since they're usually generic or lengthy. But more often than not, you'll uncover a new approach, risk, or leading practice that can increase confidence in your audit program, testing technique, and recommendations.

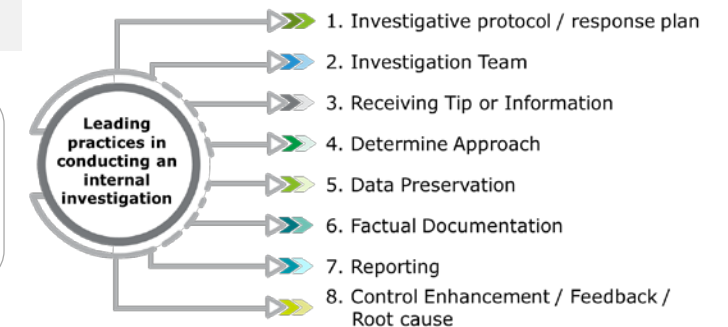
Just like an audit program, it's helpful to have a checklist of resources to cross-reference. How else do you stay up-to-date on new regulations and standards?

Grow: IA functions are gearing up for changes in workplace demographics and technology – even within their own department.

In this age of disruption, how might IA offer insightful, proactive, and future-focused assurance and advisory services regarding ethics?

Below are resources to help you stay informed and engaged in this evolving area:

- Association of Certified Fraud Examiners: <https://www.acfe.com/fraud-resources.aspx>
- Ethics & Compliance Initiative: <https://www.ethics.org/knowledge-center/>
- Ethics Practitioners' Association of Canada: <http://epac-apec.ca/>
- NAVEX Global: <https://www.navexglobal.com/en-us/resource-center>
- How to Conduct Remote Investigations: <https://www.navexglobal.com/blog/article/how-to-conduct-remote-investigations-during-a-pandemic/>



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Below is context for how this article was conceptualized by the authors:

How this article came about

For nearly a year, the authors found themselves circling back to this topic at various internal audit and industry events. No matter where they travelled or the official event agenda, the evolving role of internal audit in workplace ethics would emerge.

Where do you turn for guidance? What's the latest and greatest data and insights on the topic? How do I train my team?

These questions and countless others surfaced as new cases and considerations showed up in the news. Then COVID-19 hit, and a whole new layer of uncertainty and risk spurred the urgency for this article.

While we recognize it's not an exhaustive list or comprehensive guidebook, we hope it offers you, the reader, introductory insights and tools to help you make a lasting impact on your team and organization.

About the Authors



Nicole Schultz has been the Director, Risk and Compliance at Benevity Inc. and the Director, Internal Audit for the University of Calgary after a 10 year career with the institution.

Nicole is a Certified Risk Management Assurance Professional, Certified Information Systems Auditor, Certified Information Systems Security Professional and Payment Card Industry Compliance Professional. She also has an undergraduate degree in Applied Computer Information Systems.



Maya Douglas is a Manager with Deloitte's Workplace Conduct and Culture practice, specializing in strategic and reputational risk for over 10 years. She works with private sector companies, universities, and government entities to improve workplace wellbeing, ethical behaviour, and regulatory compliance.

Through assessments and consultation, Maya leads the design and implementation of operating models, policy frameworks, and training programs for whistleblower, code of conduct, as well as discrimination and harassment hotline programs.

She is passionate about the intersection of workplace culture and conduct. She currently provides presentations and interactive sessions to understand and elevate ethical conduct and performance.

Define what matters to you

We urge you to reflect on how you and your organization define the following key terms:

Culture: _____

Compliance: _____

Conduct: _____
