

## **Guide to the SWOT analysis of organizational ethics**

### **Objective:**

Identify strengths, opportunities, weaknesses and threats regarding organizational ethics.

### **Definitions:**

For purposes of an audit of ethics, concepts of strengths, opportunities, weaknesses and threats, shall be understood as follows:

- *Strengths* and *weaknesses* correspond to the internal sphere of the institution over which the organization has control.
  - ◆ **Strengths** are internal characteristics and capabilities of the Organization effectively contributing to maintaining a high ethical standard in institutional management.
  - ◆ **Weaknesses**, on the other hand, are internal characteristics and capacities that negatively affect institutional ethics.
  
- *Threats and opportunities* are those external factors that may have an impact on the institutional ethics, and on which the Organization has no direct control of variables, however, there are events which by their direct or indirect relationship can positively or negatively affect ethics.
  - ◆ **Opportunities** are those external factors to the organization that it can be leveraged to enhance the institutional ethics.
  - ◆ **Threats** are those external situations which may affect adversely and in a relevant way the institutional ethics.

### **Instructions:**

The table presented below, contains examples that can serve as a guide for the analysis. In any case, according to the institutional context, each audit will define the criteria that are appropriate to the situation of the institution.

Once the analysis is performed, the main elements identified for each category, considering its impact on the Organization and the opportunity to take actions for their development and strengthening should be prioritized.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Ethical program formally established and of general knowledge and acceptance</li> <li>▪ Culture, attitudes, and behaviors consistent with high ethical standards</li> <li>▪ Commitment to the highest ethical level</li> <li>▪ Leadership of the top-level in the ethics field</li> <li>▪ Human resources management closed to ethics</li> <li>▪ Qualified staff, experienced and committed to the institutional ethics</li> <li>▪ Processes that incorporate ethics in sensitive and high-risk areas</li> <li>▪ Effective internal audit</li> <li>▪ Internal regulations conducive to the strengthening of ethics</li> <li>▪ Transparency in institutional management</li> <li>▪ Philosophy and institutional values</li> <li>▪ Quality of service</li> <li>▪ Widespread motivation</li> <li>▪ Identification and implementation of punitive ethics rules</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of an ethics program</li> <li>▪ Organizational culture with little interest in the ethical field</li> <li>▪ Lack of leadership regarding the importance and need to maintain high ethical standards in institutional management</li> <li>▪ Lack of commitment from the higher authorities regarding the ethical issue</li> <li>▪ Weaknesses in the internal control system negatively affecting institutional ethics or that allow unethical behaviour.</li> <li>▪ Lack of understanding and internalization of the institutional and ethical principles and values.</li> <li>▪ Processes very sensitive to corruption and fraud</li> <li>▪ Lack of definition of channels for reporting alleged unethical conduct and for handling such conduct and conflict of interest</li> <li>▪ Deficiencies in the identification and application of punitive regulations in ethical matters</li> <li>▪ Unethical behaviors background</li> <li>▪ Limited support of internal capabilities in ethical matters</li> <li>▪ Loss of key personnel and with high ethical standards</li> <li>▪ Limited capacity to obtain sustainable financial support to provide satisfactory staff performance.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▪ Regulatory framework that promotes ethics</li> <li>▪ Credibility of the various parties interested in institutional ethics</li> <li>▪ Strategic alliances to promote ethical responsibility in the public and private sectors.</li> <li>▪ External cooperation for the strengthening of institutional management in ethical matters.</li> <li>▪ Affiliation with international organizations that promote adherence to high ethical standards.</li> <li>▪ Taking advantage of trends and influences on the importance and need to maintain high ethical standards, and the fight against corruption and fraud</li> <li>▪ Evolution in organizations with respect to mechanisms for promoting high ethical standards</li> <li>▪ Availability of information and research in ethics matters</li> </ul>	<ul style="list-style-type: none"> <li>▪ Questioning of institutional ethics by third parties</li> <li>▪ Political effects on institutional ethics</li> <li>▪ Government policies</li> <li>▪ Legal reforms</li> <li>▪ Crises in the economy of the country</li> <li>▪ Excessive demand for institutional services, which can generate applications contrary to the ethical and institutional principles and values</li> <li>▪ Wage imbalances between the public and private sectors</li> <li>▪ Private activities (i.e. bribes) that can lead to involvement in unethical conduct</li> </ul>