

Non-profit groups to consider new 'Code of Ethics'

Non-profit groups are being encouraged to consider a new 'code of ethics' following the release of a Statement of Values and Code of Ethics by a prominent US not for profit organisation, which could be well applied in Australia.

Independent Sector (IS) has published a comprehensive set of ethical guidelines covering everything from proper fiscal practices to the ways to guard against conflicts of interest. The document aims to subdue the growing movement, especially among some US state and federal officials, for a much more rigorous legislative control over non profit groups.

IS has explained why it is in the interest of non profits to adopt its set of principles rather than have legislation forcibly imposed. As stated in its opening, "As a matter of fundamental principle, the non profit and philanthropic community should adhere to the highest ethical standards because it is the right thing to do. As a matter of pragmatic self-interest, the community should do so because public trust in our performance is the bedrock of our legitimacy." Finally, the introduction concludes, "Transparency, openness, and responsiveness to public concerns must be integral to our behaviour."

For organisations who have already developed a code of ethics, IS encourages them to work with their boards and staff to ensure they have a process in place that adheres to their code. For those organisations without a code they could discuss this with their boards and staff using the IS Code of Ethics as a model to fit their own organisation's mission.

As IS commented, in the end the organisation will be judged not only by its code and commitments but by its conduct and practice.

The Independent Sector code of ethics can be downloaded for free at www.independentsector.org.au