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The Modern Code of Conduct: Building a Code Your Employees Will Actually Use

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Rethink Compliance

Introduction

If you want your employees to care about ethics and compliance at your organization, you need to have a strategic, practical Code of Conduct (Code) that your employees will actually read.

In this white paper, we'll start with why a developing a strategic Code is important. Then, we'll drill down to what makes a Code *good*. Finally, we'll explore the most practical ways to get there — from the creation of relevant and helpful content, to the development of a memorable and usable design.

Your Code of Conduct isn't just a compliance document — it's an often-underutilized strategic asset for your organization and program.

Forward-thinking leaders are seeing that a well-crafted Code can be a powerful driver of employee engagement and organizational culture, with an impact that goes beyond just getting people to follow the rules.

A compliance-focused Code protects your organization from regulatory risk.

A strategically designed Code does that and empowers employees to make confident decisions aligned with your values. This strengthens stakeholder trust and contributes to a culture where compliance considerations are a natural extension of every other important communication coming from the organization.

Below, we'll explore how to transform your Code from a compliance artifact into a true organizational asset. We'll examine how strategic Codes deliver measurable business value, identify the key elements that separate transformational Codes from traditional ones, and provide a practical roadmap for creating a Code that your people will actually use — and that will drive real organizational impact.

Why Does Your Code Matter?

Your Code is important for multiple reasons.

First, at risk of stating the obvious, there are basic, regulatory requirements that require organizations to have a Code.

The Code as we know it today first landed on the shores of Corporate America in 2002 with passage of the Sarbanes-Oxley Act. Per Section 406 of that law, all publicly traded companies in the United States had to have a Code of Conduct posted on their website or otherwise readily available for employees and the public to see.

Other pressures since then have added to the rising tide. For example, even if your company isn't subject to the Sarbanes-Oxley Act, the Justice Department's guidelines for evaluating compliance programs direct prosecutors to consider "as a threshold matter… whether the company has a Code of Conduct that sets forth, among other things, the company's commitment to full compliance with relevant federal laws that is accessible and applicable to all employees." And if your organization is listed on the New York Stock Exchange (NYSE), the requirement to publish a Code has been in place since 2024.

In other words, whenever your company is trying to resolve any legal violation with the Justice Department, prosecutors will want to see your Code of Conduct. Not having one to show them will do you no favors.

But there are some reasons to have Codes that extend well beyond legal and regulatory requirements.

Your Code should show you care. On a very basic level, a strategic Code shows employees that the organization cares about the importance of ethics and compliance to the business — and that message matters. Time and again, studies have shown that employees *want* to be ethical, and they want to be part of an organization they perceive as ethical. It helps to cement that bond between business and employee, providing employees with a sense of the organization's commitment to ethical business conduct and, in turn, giving them comfort in the compliance and ethics support system that the organization provides.

Your Code should be a critical foundation. A strategic Code is also important because it can be — and should be — the foundation for every corporate ethics and compliance program.

When designed and used wisely, the Code can help employees access information they need to do their jobs ethically and in compliance with laws and policies, and it can provide employees with information on who to contact if they have questions or concerns.

Your Code should support a strong and dynamic program in the long term. A strategic Code can also help compliance and ethics professionals understand how employees engage with the rest of the ethics and compliance program; that insight can then drive better employee behavior, which is what regulators, corporate boards, and senior executives want to see.

What Makes Your Code *Good?*

As with the answer to many questions, there's a "macro" answer to this question and then lots of "micro" answers. At the big picture level? A good Code is one that employees will use. It does not matter whether they use it as a way to look up answers to questions, to find a resource to contact if they have a concern, or to educate themselves on a topical area … if employees are utilizing the Code as *any* type of resource, you're off to a great start.

On a more detailed level, your Code should:

- Guide employees on *how they should behave*, rather than just define what employees *cannot do*
- Focus on practical, relevant guidance for employees (versus legal boilerplate, general information on the risk topic, nuances for subject matter experts, or general representations by the company)
- Avoid big walls of text in favor of a user-friendly format
- Be interactive and engaging and feature professional-level graphic design
- Be searchable and easy to navigate
- Include links to key resources for employees who want to dig deeper
- Enable data and analytics collection that can be used to inform, defend, or evolve the larger compliance program

Create Engaging Content

Making Code material engaging is no easy task. We need to think carefully about the audiences we want to reach, the behaviors we want to drive, and, yes, the regulatory objectives we need to achieve.

As always, think strategically. Before putting pen to paper (or fingers to keyboard), think about:

- What are the biggest compliance risks our company has?
- What are our core ethical and cultural priorities?
- What does our company look, sound, and feel like?

For example, imagine a high-growth technology startup. These employees most likely want to innovate quickly, and they have access to plenty of technology. In that case, your Code should frame the compliance function as a resource that helps employees to innovate wisely.

On the other hand, a large, established healthcare business might want the Code to emphasize that compliance policies exist to protect patients and keep them safe. Each company has its own attributes, which lead to different needs and different Codes.

Start With the Fundamentals

Regardless of the company-specific material you want to include, a few items apply to all Codes.

- **Tell your employees that the company has resources to help them — and remind them how to access those resources.** It's important to emphasize an employee's responsibility to ask questions and raise concerns. And, it's also important to show them how to do so.

- **Articulate the company's ethical principles.** Highlight the company's principles or official values — "fairness," "honesty," or "transparency," for example — somewhere at the beginning of your Code, in clear, simple terms. Some companies list their ethical principles in a dedicated section; others include the principles in an introduction. List those principles clearly and quickly, so they can anchor the rest of the Code's content.

- **Include an introduction.** This section should explain why the company has a Code, and why it's important for everyone to understand and follow it. This is also a good place to include two of the most important behaviors for any ethics and compliance program: that employees should speak up when they see Code violations and not retaliate against others who do.

- **Use a table of contents.** This is where employees can see all the topics covered in the Code at one glance. (In a digital Code, it's also a means of navigation.) Make the table of contents simple, easy to read, and organized so that similar topics are grouped together (for example, policies about personal conduct in one section, policies about ethical business practices in another).

Draft Content in a Way That Makes Sense to the Reader

We all know that corporate compliance policies can be dense; and dense content will not make for a good code. So when the time comes to write substantive, important content, do so with an eye on how to make the material as engaging as possible.

- **Organize the material logically.** Group topical categories in a way that makes sense to your company. Start with the topics that will resonate with everyone, regardless of their role or job function (e.g., "We treat one another respectfully"), and go from there. Your organizational strategy should be comprehensive, but not redundant. Organizing in accordance with some basic principles (e.g., "We act ethically," "We earn our customers' trust," and so on) is often an effective way to structure the Code's content so that it's intuitive for readers to find information they're looking for.

- **Make the material practical.** By highlighting actionable employee responsibilities, your readers can understand not just what your organization's ethical goal is, but also what they are expected to do. Offer examples of dilemmas they might face, and how the company expects those dilemmas to be resolved. (This is where design can support content; you could discuss ethical values and expectations as the main focus of the page, and include an illustrative example in an eye-catching sidebar.) If you are building a digital Code, consider using videos or other multimedia features to bring the topic to life.

- **Focus on simplicity.** Write the material in plain English (and other languages as necessary, for a global workforce). Be consistent throughout the document with specific terminology you might use and in the overall tone and writing style. When drafting your Code, consider aiming for an 8th-grade reading level to prioritize employee comprehension over complexity and nuance that can be saved for your company policies. Using simple, direct language makes the rules clearer to all employees, from the mailroom to the boardroom, enabling the Code to be used as a practical and effective tool for ethical decision-making.

- **Do the work for the reader.** Use sidebars, callouts, headers, photos, and other design touches to guide the reader to your most important points. Include "key takeaways" or something similar for each section, to remind the reader of what they were supposed to learn. In a digital Code, consider linking to more specific corporate policies and standard operating procedures that readers could reference for more guidance.

In short, use a combination of good writing, good design, and careful planning to craft a Code that will "pull employees in" once they start reading.

Leverage Your Stakeholders, While Managing Them Effectively

Seeking input and securing buy-in to your Code are important, and it's a positive sign when people are engaged enough to share their thoughts and offer feedback on it. However, effectively managing stakeholder input is a delicate balance. The goal is to makes contributors feel heard, without derailing the project — which can be a bit like walking a tight rope. To help make this process a productive one, consider these approaches:

- **Make a plan for who should give feedback and when in the process they should give it.** You're likely to want to get different types of feedback from people who play different roles in the company. You will want to solicit input from some stakeholders on the tone, feel, and readability of the document, whereas you will likely look to others for subject matter expertise. In many cases, seeking the former input early on in the process will help in developing your Code's theme as you organize the document. Later in the development process, your Subject Matter Experts (SMEs) can be consulted when you have substantive content that is ready for review.

- **Communicate clearly about your expectations and intentions.** Determine how you plan to leverage your stakeholders throughout the project, and be clear with them about your goals for working together. Maintaining a cohesive, consistent tone and voice in the document often requires you to keep a pretty tight hold on the words. It's often helpful to remind reviewers — *especially* at the SME level — that while you are looking for substantive feedback, your ultimate goal is to limit the number of people who are actually putting pen to paper with the words.

- **Set timelines and stick to a schedule.** This is an obvious step in any project, but especially for your Code project where you likely have a deliverable date you are looking to meet.

Why Is the Code's Design Important?

If you want your Code to be impactful, you need to understand the people who will use it.

- **Think about *who* will read your Code.** How many of your readers are employees — and how many are business partners, contractors, or other third parties? What messages will be most important to convey to them? What languages do they speak, and what examples will resonate with them? Which problems do they encounter most often?
- **Think about *how* those people will read your Code.** When and where will they read it? How much time will they have to read it? If digital, what devices will they use?

Once you understand the answers to these questions, you can design the Code you want: one where the material *in* the Code and the design *of* the Code work together to convey your expectations for ethical behavior.

Why Design Matters

Too often, compliance is viewed as a "check-the-box" exercise — a required task to get out of the way. But a Code, when designed well, is far more than that; it's an essential ingredient for a successful and strategic compliance and ethics program.

Before a learner ever engages with the Code's content, they look at the design of the document — which is where the "wow" factor happens. A well-designed Code is the front door to the entire reader experience, and it's the first opportunity to showcase that the Code is more than just a corporate obligation. Engaging, modern visuals capture your reader's attention and help turn what could be a tedious requirement into a valuable part of your company's ethics and compliance culture.

Enlist the Right Resources

There are multiple skill sets that need to come together to make a good Code. As compliance and ethics professionals, we certainly bring our skills to the table. We understand the substance, we understand the business — and, many of us can explain those things to our employees in a way that makes sense to them. But it's important to understand our limitations, too. Collaborating with those who have expertise that we don't is critical to the Code development process.

Enlisting a design expert, or a team of experts (either internally or externally), is an integral part of bringing your Code to life. Designers can be especially adept at incorporating branding, images, and other visual elements to guide the reader's eye through the written material you've already drafted.

But collaboration is key. It's never as simple as writing out the content, passing it off to a designer, and asking them to snap their fingers and make it work perfectly. When developing your Code, work with your designer every step of the way, bounce ideas off each other, and be clear about your priorities. Start small — begin with a sample section, and work together to lay out one section of the Code. This step allows you to make sure your visions align *before* designing the whole document.

Focus on Some Fundamental Elements

A Thoughtful Visual Hierarchy and Layout

To guide a reader's attention and comprehension, a strong visual layout and information hierarchy is essential; it creates a logical flow where minor points naturally support and follow from more major ones. Using **clear headings and sub-headings**, **bolding important terms**, and using **sufficient white space** to break up dense blocks of text are basic ways to support a strong layout. When a layout is well organized, it helps users quickly locate information without feeling overwhelmed.

- **Use typography and color that reflect the look and feel of your organization.** To reinforce your organization's identity and make the Code feel authentic, your choices in typography and color are essential. By using your organization's specific brand colors, the document instantly becomes familiar and trustworthy to employees. The right font — often one that is recognizable to your readers — improves readability, while strategic pops of brand color can draw attention to key actions, like a "Report a Concern" button. This careful use of your organization's visual identity signals that the organization takes its ethical commitments seriously and that the Code is an integral part of its culture.

- **Incorporate interactive elements.** Intentional design includes interactive elements that boost engagement. For digital Codes, this can mean incorporating a **hyperlinked table of contents** for quick navigation or **pop-up definitions** for defined terms. For PDF or print Codes, elements like **flowcharts and infographics** can explain complex processes like reporting a violation. These features empower users to interact with the content on their own terms, making the Code a more valuable resource.

Pick the Right Format

One of the most fundamental design decisions is choosing the right format for your audience. For our purposes, we will stick to the two main choices — a traditional PDF design, or a more modern digital experience or "digital Code," which is basically your Code, as a website.

The arguments in favor of digital Codes are compelling.

Digital Codes help you meet your audience where they live — in a digital world. By mirroring how people consume content today, a digital Code shows that your organization is committed to creating an experience that's both modern and accessible.

Key features that set digital Codes apart include:

- Interactive elements like hyperlinked resource documents and embedded videos, which can help transform a dense document into an engaging, user-friendly experience.
- Search functionality, which empowers employees to find specific guidance instantly, making the Code a practical, on-demand resource they can rely on.
- Built-in analytics, which provide critical insights for your organization, revealing which sections are accessed most frequently. This helps your organization see where users might need more support, allowing you to continuously refine your content and strengthen your compliance efforts.

What About Analytics?

Having a digital Code allows you to capture ongoing analytics. This makes it possible to investigate and report on usage trends and provides you with data-driven insights to defend, inform, and improve your program.

Pro-Tip

If you are designing a digital Code, strive to make it:

- Straightforward and easy to navigate
- Secure for both IT systems and user data
- Easy to update
- Device agnostic (can work on any size screen, etc.)

All that said, PDF Codes have compelling arguments of their own. For example, PDFs can be easily printed — and if you have a workforce without ready access to technology, handing out printed copies of the Code might still be your most effective strategy. PDFs are also simple to use (just open the document and start reading), and they can still be beautifully designed and engaging.

How Does Your Code Fit Into Your Larger Program?

Congratulations, you have a new Code, and it looks great!

If you find yourself asking, "So … now what?", you have the process backwards. Compliance professionals should think about distributing, communicating, and "marketing" your new Code before you finish it.

- **Think about distribution.** How, precisely, will employees receive the Code? How will you communicate about it? Will you include it in a training? If you need to distribute physical copies of your Code, consider whether you want a high-quality, color-printed document, or whether something simpler will suffice. And how will you, the compliance team, confirm that everyone has received a copy of the Code?

  A good distribution plan is crucial to make sure every employee gets a copy of the Code so that they can actually use it.

- **Think about marketing and communications.** Unveiling a new Code is the compliance function's version of a new product launch. You want employees to pay attention to the Code, which means you must catch their attention.

  Your strategy to do so will likely be company-specific, based on your organization's size, employee demographics, work habits, and more. For example, a small tech startup might promote its Code with an email campaign or digital ads placed on the company's intranet. A large manufacturing plant might use posters hung in the employee breakrooms, with clever slogans and graphics. An airline might use both strategies. Don't be shy about consulting with your company's marketing or HR function to ask their opinions about what might work best.

- **Think about senior leaders and tone from the top.** As with all things ethics and compliance-related, a strong endorsement from senior leaders is key. If you're launching a marketing campaign for the Code, see if your CEO would be open to record a video introduction for it. If the company has an upcoming town hall meeting, see whether you could interview the CEO on stage about the Code. (Or, even better, have the CEO interview *you*.)

  Moreover, senior leaders from across the enterprise should simply talk about what's in the Code — that is, talk about the importance of the company's ethical priorities and conduct — on a regular basis. They should draw connections between what their team is doing and the company's ethical and compliance objectives, citing the Code as a reference document. That's how employees move beyond understanding what's in the Code to *embracing* what's in it.

Don't Overthink It

A lot of time and effort goes into developing a Code that works for your organization. The writing, designing, soliciting stakeholder feedback, then wordsmithing, and then more wordsmithing ... and then image swapping. It you let yourself go crazy, you just might.

While getting it right is important, overthinking it can be harmful as well. Dedicate time up front to draft clear content that resonates with employees, develop an intuitive format, choose collaborators to partner with on your Code's design, and seek input from those whose input matters. But don't lose sight of your end goal: creating an approachable document that employees will *actually* use.

It does not have to be a masterpiece. It needs to be clear, it needs to be helpful, and it needs to send the message that "this stuff really matters, and our company cares about it."

Your Code should only be as big and complex as it needs to be, and no more — and with the right balance of content and design, that will usually be a lot less than you'd think.