

1 **Understanding Ethics**

Presented by: Michael Orlando, CR, WLS, CMR, CIEC
Emergency Restoration, Inc.

2 **Introduction – Michael Orlando, CR, WLS, CMR, CIEC**

- ▶ Chairman and President of Emergency Restoration, Inc., with over 25 years of restoration experience
- ▶ Recipient of the restoration industry's highest certifications:
 - ▶ Certified Restorer, Water Loss Specialist, Commercial Drying Specialist, Certified Mold Remediator, Certified Indoor Environmental Consultant
- ▶ Past President of Professional Insurance Agents of New Orleans, North Shore Claims Association, Honorable Order of the Blue Goose- New Orleans Pond
- ▶ Author of numerous property damage reports & articles
- ▶ 300 + CE hours in property damage issues
- ▶ 450 + classroom hours in property damage restoration
- ▶

3 **Emergency Restoration, Inc.**

- ▶ Louisiana Licensed Remediator
- ▶ Institute of Cleaning and Restoration Certification (IICRC) Certified Firm
- ▶ US Environmental Protection Agency (EPA) Lead Safe Certified Firm
- ▶ Commercial, Maritime, Residential
- ▶ New Orleans Mitigation Specialist for nearly 20 years
- ▶ Active Industry Affiliations include:
 - ▶ Restoration Industry Association, Institute of Inspection Cleaning and Restoration Certification, Indoor Air Quality Association, Professional Insurance Agents of Louisiana, Independent Insurance Agents of Louisiana, Louisiana Claims Association, International Facility Management Association, Greater New Orleans Hotel and Lodging Association, Risk and Insurance Management Society, Honorable Order of the Blue Goose International, Apartment Association of Greater New Orleans
- ▶

4 **Disclaimer**

- ▶ This presentation was prepared as a service to our industry colleagues and is meant to be a general summary of the issues at hand. It is not intended to provide legal or regulatory guidance and should not take the place of written laws, regulations or counsel advice. This presentation may contain references or links to other policy materials. Should you have questions regarding a specific circumstance, we encourage attendees to seek further information with the appropriate legal counsel.
- ▶

5 **Ethos v Pathos v Logos**

6 **Understanding Professional Ethic Responsibility**

- ▶ Spans all industries and personnel
- ▶ Competition is not an excuse to disregard ethics

7 **Understanding Professional Ethic Responsibility**

- ▶ Ethical Qualities:
 - ▶ Honesty
 - ▶ Integrity
 - ▶ Responsibility
 - ▶ Respect for others
 - ▶ Courage

8 Examples of Professional Ethics

1 Restoration Industry Association

- 2 ▶ As providers of property damage restoration, remediation and cleaning services to the public, we subscribe to the following principles in our relationships with customers, employees and business associates:
- ▶ To treat our customers and their property with care and respect.
 - ▶ To provide professional service in accordance with high standards of practice that will, where possible, restore the customer's property to its pre-damaged or pre-soiled condition.
 - ▶ To operate in a manner consistent with ethical principles and sound business practice.
 - ▶ To be proficient in our work through ongoing participation in education and training.
 - ▶ To provide our customer with accurate information concerning the scope of work required and its costs, maintaining strict impartiality in our professional opinions.
 - ▶ To disclose to the customer any connection we may have to their insurer or any other interested third party.



3 International Facility Management Association

- 4 ▶ **DESCRIPTION:** Statements concerning behaviors, perceptions, and actions of all members that relate to ethical compliance while acting within all areas of IFMA. This document is a guideline and does not represent the entire breadth of what constitutes good conduct and ethical behavior.
- ▶ **SCOPE:** This policy covers all volunteer leaders within IFMA. members are expected to comply with any and all similar standards and ethical guidelines that are prescribed by their employer. These statements work in concert with the IFMA Standards of Business Conduct that are focused on the business operation functions within IFMA.
- ▶ **Purpose:** All IFMA members are expected to comply with the IFMA Code of Ethics. When in doubt, members have the responsibility to seek clarification from IFMA.
- ▶ **CONFIDENTIALITY:** IFMA members shall not disclose, directly or indirectly, any confidential information relating to IFMA business, staff, or other IFMA members. IFMA members shall be encouraged to share (within bounds of confidentiality and proprietary) educational and professional development information to the membership. IFMA members shall maintain the highest professional standards and ethical behavior in their Association relationships. This includes, but is not limited to, the use of mail lists, membership information and membership resources, or any calls, contacts or working relationships outside of IFMA.
- ▶ **CONFLICTS OF INTEREST:** Promptly disclose any known conflict of interest to related parties, and use any reasonable means to resolve such conflicts.
- ▶ **COMPLIANCE WITH LAWS.** IFMA members will comply with all civil and criminal laws that may apply to them. IFMA members will not engage in unlawful discrimination on the basis of race, sex, creed, age, disability, national origin, or any other category protected by law in their dealings with fellow IFMA members.

- ▶ **RESPONSIBILITY TO THE PROFESSION:** IFMA members shall abide by the Constitution and Bylaws of the Association and shall support the objectives of its strategic plan and show respect in interactions with the interests of the Association. IFMA members shall not engage in professional malfeasance, nor shall they make any misrepresentation concerning professional designations authorized by IFMA, nor shall any member misrepresent their educational qualifications, credentials, or working experience. IFMA members shall treat each other with respect when dealing with matters that could affect their professional reputations. All members shall recognize that the profession will be judged by the conduct of individual members. IFMA members shall use IFMA membership as a means of professional development for themselves and not personal aggrandizement.
- ▶ **PROTECTION OF ASSETS:** Individuals who oversee Association assets shall apply the best available knowledge and techniques to preserve asset value and integrity.
- ▶ **FAIR DEALING:** IFMA members shall endeavor to deal fairly with other members, competitors, vendors, and employees. No member shall take unfair advantage of anyone through manipulation, concealment, misrepresentation or material facts, or any other unfair dealing practice. IFMA members will abide by policies which may restrict or forbid commercial transactions at certain times or certain events (e.g., a meeting at which an entity is the sole or exclusive sponsor of the event, in an educational presentation which forbids commercial references or endorsements).
- ▶ **REPORTING OF ANY ILLEGAL OR UNETHICAL BEHAVIOR:** IFMA members are responsible to report the actions of individuals or companies considered contrary to the Code of Ethics to IFMA.



9 **No Matter the Profession, we must all perform ethical Responsibility!**

10 **Interpretation & Misinterpretation of Professional Ethics**

11 **Interpretation & Misinterpretation of Professional Ethics**

- ▶ The professional has the responsibility of being the knowledgeable advisor about the products and services he/she presents to the consumer

12 **Interpretation & Misinterpretation of Professional Ethics**

- ▶ However, the professional cannot be held responsible for how the customer ultimately handles the situation

13 **Interpretation & Misinterpretation of Professional Ethics**

- ▶ Where is the line drawn?

14 **Employer Liability for Employee(s) Ethical Conduct**

15 **EEOC Releases 2017 Litigation Statistics**

- ▶ United States Equal Employment Opportunity Commission (“EEOC”)
- ▶ 84,254 charges of discrimination (all types) filed by plaintiffs with the EEOC
- ▶ Down from the 91,503 filed in fiscal 2016
- ▶ *But, the fiscal year ends in July, which was before the Harvey Weinstein allegations sparked the #MeToo movement towards lessening the fear of bringing allegations of sex discrimination and harassment to light.





16 **EEOC Releases Preliminary Findings for 2018**

- ▶ Charges filed with the EEOC alleging sexual harassment increased by more than 12 percent from fiscal year 2017... the reported increase translates to at least 7,499 charges filed in 2018.
- ▶ The number of lawsuits indeed rose by 11 (a 50% increase). This is significant because it means the EEOC is investing key resources into prosecuting cases as well as investigating them, *which spells a new type of trouble for employers of all sizes.*
- ▶ The EEOC also reports that it recovered \$70 million for victims of harassment through its enforcement and litigation procedures. This was up from \$47.5 million in fiscal 2017.
- ▶ Employers should be more interested than ever in making sure their employees receive the proper training to prevent incidents of sexual harassment in the workplace.

17 **Asking employees to be more aware of ethical issues**

- ▶ Tactics:
 - ▶ Attitude
 - ▶ Preparation
 - ▶ Timing
 - ▶ Behavior

18 **Asking employees to be more aware of ethical issues**

- ▶ Proper
- ▶ Prior
- ▶ Planning
- ▶ Prevents
- ▶ P*ss
- ▶ Poor
- ▶ Production

19 **Employees Ethical Conduct Cont.**

- 1 ▶ Acceptable Ethics
- 2 ▶ Unacceptable Ethics

20 **Avoiding Risk of Unethical Behavior/Actions**

21 **Perceived Unethical Behavior/Actions**

- 1 ▶ Self
- 2 ▶ Employee

22 **The 5 most common unethical behaviors in the workplace**

- ▶ Can you name them?

23 **The 5 most common unethical behaviors in the workplace**

- ▶ Misusing Company Time
- ▶ Abusive Behavior
- ▶ Employee Theft
- ▶ Lying to employees

- ▶Violating company internet policies

24 **Whom does Professional Ethics Apply to?**

- ▶“Professional ethics is concerned with the values appropriate to certain kinds of occupational activity, such as medicine and law, which have been defined traditionally in terms of a body of knowledge and an ideal of service to the community; and in which individual professionals have a high degree of autonomy in their practice.”

25 **Whom does Professional Ethics Apply to?**

- ▶“The class of occupations aiming to achieve recognition as professions has increased to include, for example, nursing, while at the same time social and political developments have led to criticism of and challenge to the concepts of professions and professionalism.”

26 **Whom does Professional Ethics Apply to?**

- ▶“Problems in professional ethics include both regulation of the professional-client relationship and the role and status of professions in society. A central question for ethics is whether there are values or virtues specific to particular professions or whether the standards of ordinary morality are applicable.”

27 **Whom does Professional Ethics Apply to?**

- ▶In other words, Professional Ethics apply to everyone in a professional capacity.

28 **Customers Included!**

29 **BREAK**

30 **Acceptable vs Unacceptable “Relationships”**

- ▶What do you consider acceptable vs unacceptable?
- ▶
- ▶A collaborative relationship with a coworker built on achieving similar goals
- ▶An inter-office romantic relationship
- ▶Providing constructive criticism and/or feedback
- ▶Physical contact
- ▶Displays of aggression when angry, verbal or physical
- ▶Sharing personal stories to other coworkers without their permission
- ▶Expressing joy and praise in appreciation
- ▶

31 **Acceptable vs Unacceptable “Relationships”**

- ▶What do you consider acceptable vs unacceptable?
- ▶
- ▶Any other examples?
- ▶

32 **Acceptable vs Unacceptable in the Workplace**

- ▶Vocabulary
 - ▶Written and verbal
- ▶Mannerisms
- ▶Physical Contact
- ▶Tone of Voice

- ▶ Personal Space
- ▶ Attire
- ▶
- ▶

33 **Discrimination, Harassment & Bullying in the Work Place**

- 1 Discrimination
- 2 ▶ the unjust or prejudicial treatment of different categories of people or things, especially on the grounds of race, age, or sex
- 3 Harassment
- 4 ▶ aggressive pressure or intimidation

34 **Discrimination in the Work Place**

- ▶ According to workplacefairness.org, "The Louisiana [Employment Discrimination Law](#) makes it illegal for an employer to discriminate on the basis of race, color, religion, sex, disability, age, sickle cell trait, pregnancy, childbirth and related medical conditions."
- ▶ "Louisiana law covers only employers with 20 or more employees (25 or more employees for discrimination based on pregnancy, childbirth and related medical conditions), unlike federal law, which covers employers with 15 or more employees (20 or more employees for discrimination based on age)."



35 **Discrimination in the Work Place**

- ▶ "Louisiana Firm to Pay \$70K to Settle Disability Discrimination Lawsuit", March 2019
- ▶ In summary, Mid South Extrusion, Inc., a packaging company in Monroe, LA agreed to pay former employee Jeffrey Wyant \$70,000 in lost wages and damages
- ▶ Wyant began experiencing breathing issues at work and after multiple doctor visits, found out he had reduced breathing capacity in his lungs. After a coughing incident at work, Mid South fired him and claimed working in a plastics manufacturing facility was harmful to his health

36 **Harassment in the Work Place**

- ▶ Harassment on the basis of certain legally protected characteristics, such as race, color, age, national origin, disability, or religion is a form of illegal discrimination
- ▶ Can include derogatory language, jokes, slurs, body language (verbal or non-verbal), offensive gestures, unwanted physical contact, etc.
- ▶ To include various mediums, written, verbal, electronic, social media
- ▶ Threats, retaliation or demands

37 **Harassment in the Work Place**

- ▶ "Prevention of Sexual Harassment", New Louisiana Law effective January 2019
- ▶ Directly affects public officers, employees, departments, agencies, boards, committees, etc of the State of Louisiana or a political subdivision
- ▶ 3 Main Compliance Requirements
 - ▶ Specific language and processes must be incorporated into sexual harassment policies and posted proximately in office and on website
 - ▶ Annual training must be provided on sexual harassment for employees that meet the minimum hours requirements

- ▶ Annual report must be filed for previous year

38 Harassment in the Work Place

- ▶ In years prior to this new law, Louisiana has spent about \$5.2 million on sexual harassment lawsuits since mid-2009
- ▶ The agencies which had the largest payouts included the Department of Corrections, Division of Administration for the LSU System and the Southern University System
- ▶ Even with these numbers reported, the auditor still believes that Louisiana is under-reporting in state government agencies
 - ▶ "About 3,200 people responded. Of those, 16 percent -- 499 people -- said they had experienced sexual harassment, but 80 percent said they did not report that sexual harassment to anyone, according to [the audit](#)."



39 Bullying in the Work Place

- ▶ According to stopbullying.gov, Louisiana anti-bullying laws include a pattern of the following:
 - ▶ (a) Gestures, including but not limited to obscene gestures and making faces.
 - ▶ (b) Written, electronic, or verbal communications, including but not limited to calling names, threatening harm, taunting, malicious teasing, or spreading untrue rumors. Electronic communication includes but is not limited to a communication or image transmitted by email, instant message, text message, blog, or social networking website through the use of a telephone, mobile phone, pager, computer, or other electronic device.
 - ▶ (c) Physical acts, including but not limited to hitting, kicking, pushing, tripping, choking, damaging personal property, or unauthorized use of personal property.
 - ▶ (d) Repeatedly and purposefully shunning or excluding from activities.

*This also includes cyber-bullying



40 Bullying in the School System and how it affects the Work Place

- ▶ According to Louisiana Watchdog, Louisiana Students are the most bullied in the country
- ▶ Louisiana ranks 1st in bullying frequency, 2nd worst for bullying impact and treatment, and 32nd for its anti-bullying laws
- ▶ High School students are 5th most bullied on school property and the most bullied online
- ▶ In addition, Louisiana high school students have the highest percentage of suicide attempts
- ▶ This is our next generation of work place employees and leaders. They are set to enter the workforce within the next 5-10 years. *How do you think this will effect their leadership, problem solving and communication skills?*

41 Gifts vs Cash vs Entertainment vs Finders Fees

- ▶ Gifts
 - ▶ Christmas gifts for clients
 - ▶ Congratulations, birthday, celebratory gifts for employees
 - ▶ Thank you gifts for service providers
- ▶ Cash
 - ▶ Bonuses for employees

- ▶ "Kickbacks"

- ▶

42 **Gifts vs Cash vs Entertainment vs Finders Fees cont.**

43 **Privacy Act**

- ▶ The [Privacy Act of 1974, 5 U.S.C. § 552a](#), establishes a code of fair information practices that governs the collection, maintenance, use, and dissemination of information about individuals that is maintained in systems of records by federal agencies.
- ▶ The Privacy Act requires that agencies give the public notice of their systems of records by publication in the Federal Register.

44 **Privacy Laws**

- ▶ Breach notifications are the only privacy issue that is addressed in all 50 states
- ▶ Louisiana amended their Database Security Breach Notification Law, which went into effect August 2018
 - ▶ (1) amends the state's data breach notification law to expand the definition of personal information and requires notice to affected Louisiana residents within 60 days
 - ▶ (2) imposes data security and destruction requirements on covered entities.
- ▶ In addition, a secondary bill was signed and prohibits reporting agencies from charging a fee in relation to a security freeze

45 **Identity Theft**

- ▶ Nearly 60 million Americans have experienced identity theft, according to a 2018 survey by The Harris Poll
- ▶
- ▶ According to Federal Trade Commission, here are the 6 most common types:
 - ▶ Employment or tax-related fraud
 - ▶ Credit card fraud
 - ▶ Phone or utilities fraud
 - ▶ Bank fraud
 - ▶ Loan or lease fraud
 - ▶ Government documents or benefits fraud

46 **Theft & Fraud**

- ▶ Companies like, LifeLock, use technology that searches your accounts for any unusual activity or potential threats
- ▶ Based on your plan with such companies, they will cover your personal expenses incurred as a result of identity theft

47 **Conclusion - Wise Words of MO**

- ▶ "You think long, you think wrong"

48 **THANK YOU!**

Any Questions?

- ▶

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