



VanAllen

**BENCHMARKING – AVIATION INDUSTRY  
ETHICS**

December 2017

## Participant Demographics

20 Total  
Companies



46 Total  
Aircraft  
Represented



12 Publicly  
Held  
Companies



8 Privately  
Held  
Companies





## EXECUTIVE SUMMARY

### BENCHMARKING – AVIATION INDUSTRY ETHICS

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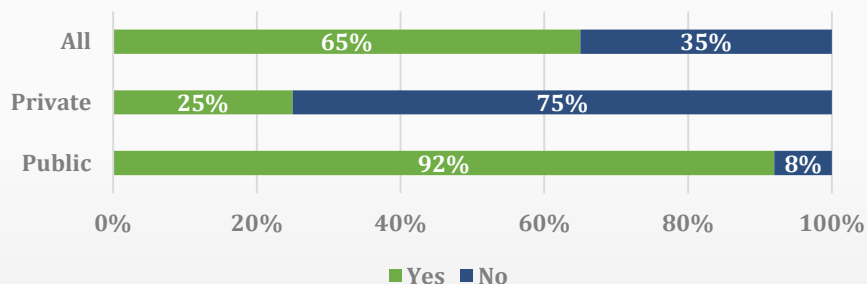
This survey demonstrated that Ethics practices are characteristically different in public versus private companies. This does not imply that private companies are less ethical, only that they have less intentionality about how ethics are managed.

We encourage every Aviation Services Team to evaluate how closely aligned the Aviation Ethics practices are with the larger entities' policies. Aviation Teams are extended a level of trust that is usually reserved for close family members and surgeons. Avoiding any appearance of a conflict of interest is critical for the Aviation Services Team.

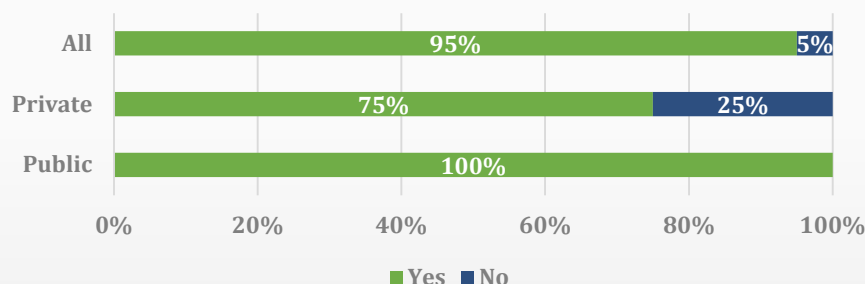
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# Does your parent company have any of the following policies:

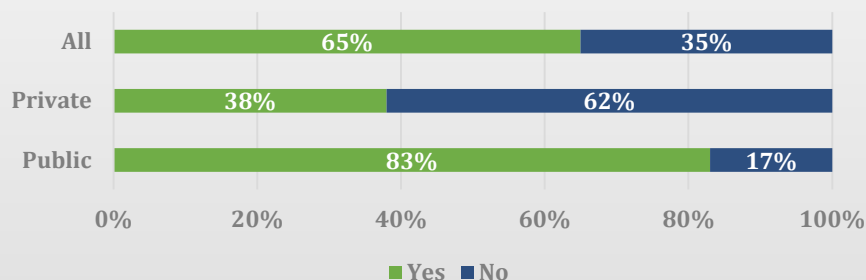
## Ethics- Receiving and Reporting of Gifts



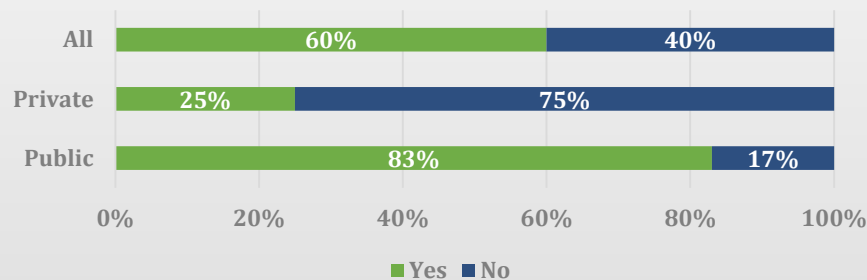
## Code of Conduct



## Ethics- Treatment of Public Officials



## Ethics- Bribes



In many business and world cultures, the use of gifts is accepted and sometimes expected. Receiving a gift isn't always an ethical compromise. Transparency is the first step in mitigating any risk that receiving a gift may bring.



Have you reviewed the guidance provided by the NBAA on the Transportation of Public Officials recently? You can find that [here](#).



Your team is responsible for protecting your company/client brand. A behavioral error could quickly destroy trust. Have you considered social media, political, travel, and vendor relations policies?



There have been a number of public bribery cases within the Business Aviation community, and many more that were addressed privately. Have you considered independent department financial audits, vendor selection processes, and/or expense processes?

**Within your company, are aviation staff members held to the same ethical standards as the rest of the company?**

Privately Held Companies



■ Yes ■ No

Publicly Held Companies



■ Yes ■ No

**The aviation department is consistently held to the same ethical standards as the rest of their company.** If you have not, consider dovetailing your policy development and training with your existing corporate resources.

## Does your company allow pilots to receive and retain incentives for purchasing jet fuel (Signature Tailwins, AVTRIP, Bravo Rewards, etc.)?

"We gather points for fuel purchases and redistribute among the team members."

"This policy is under review."

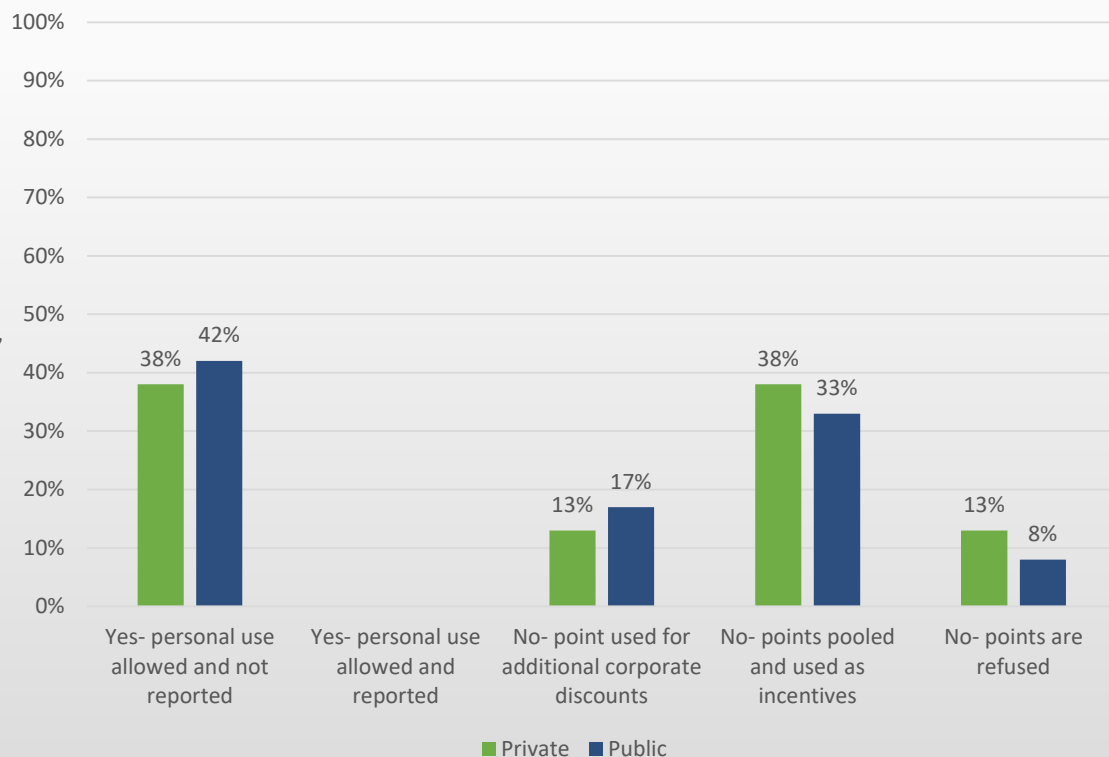
"Fuel loyalty rewards are available only to a select few people."

"Points are not reported other than Atlantic Rewards which we pool and use toward a department function."

"The points or offers are used as NFP charities."

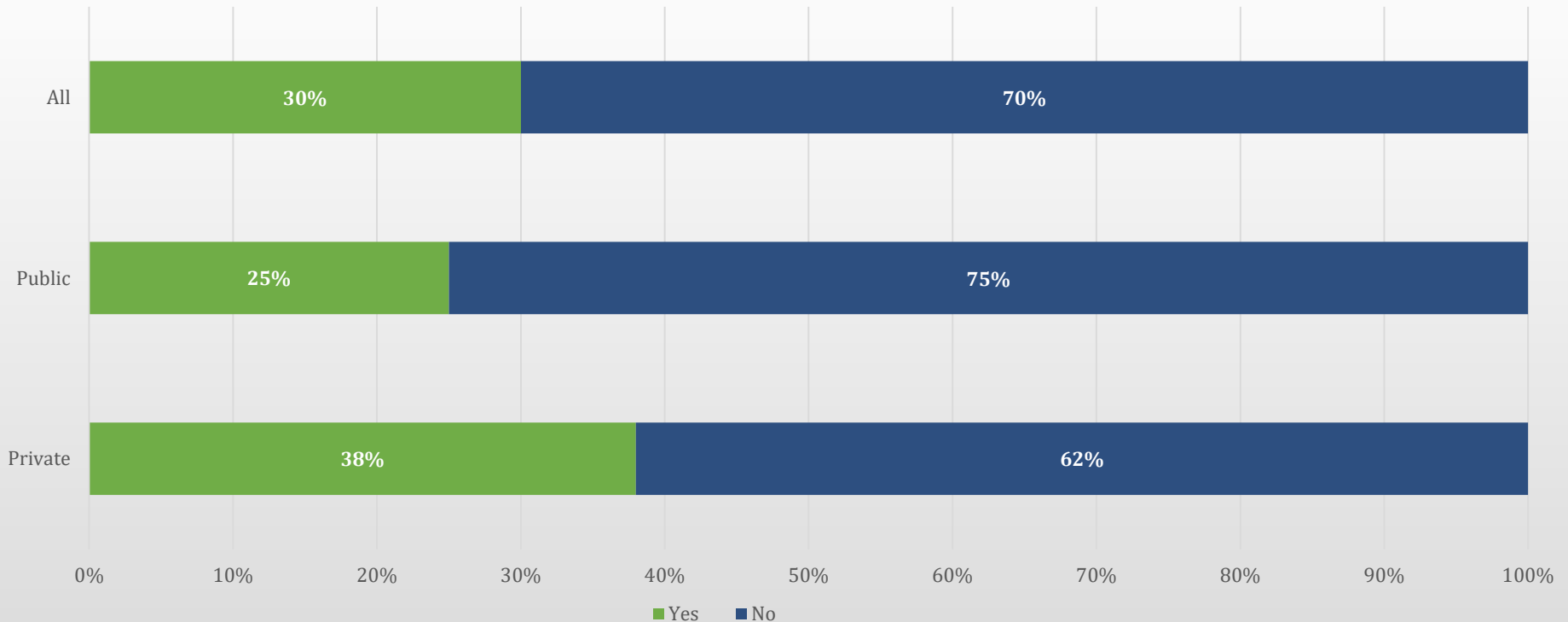
"We often donate these to Corporate Angel Network."

"The points are pooled for flight department events (i.e. holiday parties, etc.)."



**Important considerations regarding fuel purchases:** Can an individual benefit personally when making a financial decision regarding fuel purchase? Is your Aviation Team's trust in jeopardy? Is the reporting executive aware of your practices?

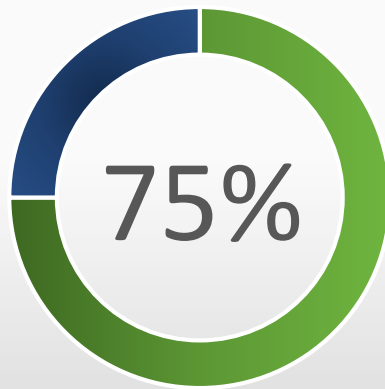
## Does your company allow pilots to receive and retain incentives for purchasing jet fuel (Signature Tailwins, AVTRIP, Bravo Rewards, etc.)?



**Philosophies between public and private companies are similar.** When a benefit is extended and received by the pilots, how does the company ensure that their best financial interests are top of mind?

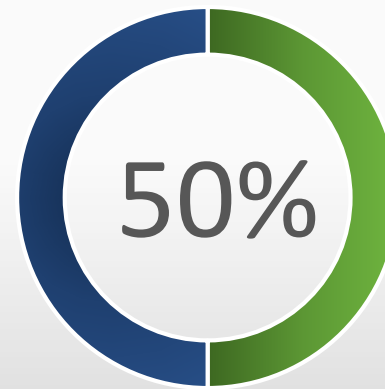
In your professional career, have you ever had personal knowledge of an individual receiving an “under the table” payment for consideration or selection of a vendor?

Privately Held Companies



■ Yes ■ No

Publicly Held Companies



■ Yes ■ No



**An astonishing 75% of our members within privately held companies** have personal knowledge of financial benefits based on vendor selection. Even within public companies, the practice is prevalent. Train your team to navigate this dialogue if/when it occurs.



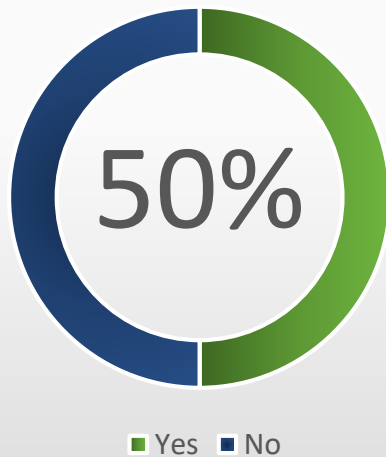
Many companies require the reporting of a gift above a specific value. What is the value in your organization that triggers a reporting requirement?



Though the responses for this question were very diverse, nearly 34% of all responses indicated that the suitability of a gift was at the employee's discretion.

## Does your company have a whistleblower hotline or protection policy?

Privately Held Companies



Publicly Held Companies



**100%** Of publicly held companies have a whistleblower hotline or policy. If your company does not have a whistleblower hotline, consider establishing a confidential communication path with a trusted executive that can be used by the Aviation Team. This would serve as your own “private” whistleblower line.