LEVERAGING MANAGERS TO DRIVE CULTURE

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Agenda

- Harness Manager Influence
  - Business Case – Milgram Experiment
  - Managers are conduits of compliance & ethics objectives
  - Train managers to effectively use their position's power
- Active Engagement Workshop
  - Tough Choices for Managers
  - Process/Challenges/Feedback
- Tough Choices for Managers demo

Manager behavior is the single most important factor in creating an effective values-based culture.

versus
Use Manager’s influence to build a stronger ethical culture.

Ethical conduct drives business success

Managers are the most visible representation of your organization to employees. As a result, they’re often the ones that set the ethical tone (good or bad) across the company.
To whom or how did you report the misconduct you observed?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Manager</td>
<td>38%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>12%</td>
</tr>
<tr>
<td>Superior</td>
<td>10%</td>
</tr>
<tr>
<td>Security Dept</td>
<td>7%</td>
</tr>
<tr>
<td>Legal Dept</td>
<td>6%</td>
</tr>
<tr>
<td>Hotline</td>
<td>5%</td>
</tr>
<tr>
<td>Compliance &amp; Ethics Dept</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
</tr>
</tbody>
</table>

85% of employees look to their manager for guidance

62% of managers felt completely unprepared to address compliance issues raised

Do managers feel prepared to respond to employee reports of misconduct?

- Yes: 71%
- No: 4%
- Depends on the issue: 20%
- Don't know: 5%

*2015 CEB Risk Clarity Survey

2014 KPMG study
If I needed more information about an ethical question, I would most likely seek information from…

*2015 CEB Risk Clarity Survey

Active Engagement Workshops

• Continuation of ethical decision making workshop focusing on challenging scenarios
• Facilitated by managers for managers

Benefits of Cascading Approach

Managers Model Integrity
  Opens Communication in Teams
  Business Group Culture
  Reinforce Team Relationships
Active Engagement Workshops: Process

- Buy In
  - Executive team
  - Top down support
- Vendor Selection
  - Review vendors
  - Chose Ethics One
- Develop Content
  - Videos
  - Facilitator guide
- Implement
  - Cascading approach
  - Business units own
- Tracking & Feedback
  - Track completion
  - Survey Results

Active Engagement Workshops: Challenges

- People
  - Resistance to tracking
  - Objections to cascading approach
- Technology
  - Network video issues
  - Implementation website
- Business Priorities
  - Momentum
  - Competing priorities
  - Long timeline for completion

Active Engagement Workshops: Survey Results

Overall Survey Results: Year to Date

<table>
<thead>
<tr>
<th>Question</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The workshops helped me better understand the responsibilities of being a manager with respect to our Time, Service and Pride and Feedback.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>The workshops made me better prepared to handle customer-related potential misconceptions and avoid perceptions of violation.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>The workshop discussions on issues that are related to implementation helped me manage.</td>
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<tr>
<td>The length of the workshop was enough time to adequately address the issues.</td>
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<tr>
<td>The topics of the workshops were interesting and the content covered in detail.</td>
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<tr>
<td>Feedback from the learning experience is the engaging and interactive.</td>
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</tr>
<tr>
<td>The workshops helped me make difficult managerial decisions in the future.</td>
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</tr>
</tbody>
</table>
Active Engagement Workshops: Feedback

Asking me to talk through ethics with my DRG is a great practice, it allows me to affirm the importance of values. Making this time commitment is akin to a vaccine: important protection against a disease that, while unlikely, can be catastrophic …

Active Engagement Workshops: Feedback

Loved seeing senior leaders discuss the same scenarios! First, it reinforces the message that there are different ways of looking at these situations (vs. a single right answer). Second, it’s a concrete demonstration of how seriously senior leadership takes ethical concerns and protecting our core values.

Active Engagement Workshops: Demo

TOUGH CHOICES for MANAGERS
Active Engagement Workshop: Demo

Tough Choices for Managers Workshops
Tough Choices for Managers Workshops is a workshop series for managers and individual contributors in leadership roles. It explores difficult issues involving core values and rules of Business Conduct and Ethics.

Plan Your Workshop
- Workshop in the Works
- Facilitator Guide
- Group or Office context
- Virtual Workshops

Facilitate Your Workshop
- Facilitator Guide
- Participant workbooks
- Facilitator videos
- Workshop evaluation form
- Suggest alternate url

Get Help
- FAQs
- Where to Contact
- Troubleshooting
- Resources
- Focus Reports
- Submit Site Feedback

Active Engagement Workshops: Demo

1.5 // Workshop Flow and Estimated Timing

<table>
<thead>
<tr>
<th>No.</th>
<th>Activity</th>
<th>Estimated Flow Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Welcome, Introduction &amp; Overview video</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>Facilitator session overview</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>Video One: &quot;Stand Up&quot;</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>&quot;Stand Up&quot;! Small Group Discussion</td>
<td>30-15</td>
</tr>
<tr>
<td>5</td>
<td>&quot;Stand Up&quot;! Large Group Facilitator Discussion</td>
<td>30-15</td>
</tr>
<tr>
<td>6</td>
<td>&quot;Stand Up&quot;! Leadership Roundtable Video</td>
<td>10</td>
</tr>
<tr>
<td>7</td>
<td>Video Two: &quot;How to&quot;</td>
<td>3</td>
</tr>
<tr>
<td>8</td>
<td>&quot;How to&quot;! Small Group Discussion</td>
<td>30-15</td>
</tr>
<tr>
<td>9</td>
<td>&quot;How to&quot;! Large Group Facilitator Discussion</td>
<td>30-15</td>
</tr>
<tr>
<td>10</td>
<td>&quot;How to&quot;! Leadership Roundtable Video</td>
<td>10</td>
</tr>
<tr>
<td>11</td>
<td>Close - Resources / Q&amp;A</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>90-120</td>
</tr>
</tbody>
</table>

* Discussion time may vary depending on the group.

Active Engagement Workshops: Demo

Tough Choices for Managers Welcome Video
After introducing the workshop and showing the welcome video, you’ll watch the next video entitled "Stand Up!"
Active Engagement Workshops: Demo

Stand-Up Video Scenario
This scenario highlights a situation that managers, HR, and execs often experience some conflict among team members.

After watching the scenario with your group, you’ll have a discussion about the issues you see. Then you’ll watch the “Stand-Up” round table discussion.

Duration: 9 minutes, 21 seconds

Active Engagement Workshops: Demo

Participant Handbook

“Stand Up”

Watch some Progressive leaders talk about the issues presented in the “Stand-Up” scenario.

Duration: 9 minutes, 21 seconds. When you’re finished, you’ll watch the “Nice Guy” scenario.

Active Engagement Workshops: Demo
Active Engagement Workshops: Demo

Ethical Decision Making Guide

Questions?

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