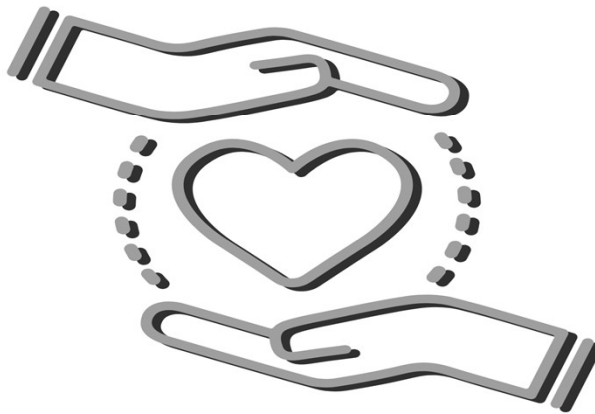


# CULTURES OF INTEGRITY

Mary Shirley



Embedding a culture of integrity in a company's DNA.



1

## 1. How much budget are you willing to dedicate to culture initiatives in 2019?

- a) I can get by on zero spend.
- b) Up to \$1,000
- c) \$1,000 - \$10,000
- d) \$10,000+

2

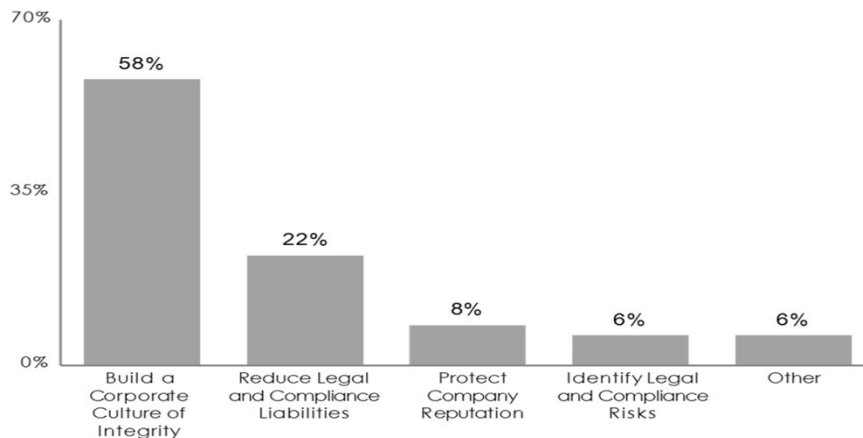
## 2. What is your biggest obstacle to promoting a culture of integrity?

- a) Lack of buy in from senior leaders.
- b) Lack of ideas for initiatives that will truly embed integrity into the DNA of the business.
- c) Lack of time given competing priorities.
- d) Other.

3

## WORKING TOWARDS A CULTURE OF INTEGRITY

The Primary Goal of the Compliance and Ethics Program  
Percentage of Respondents, 2016



n = 171.

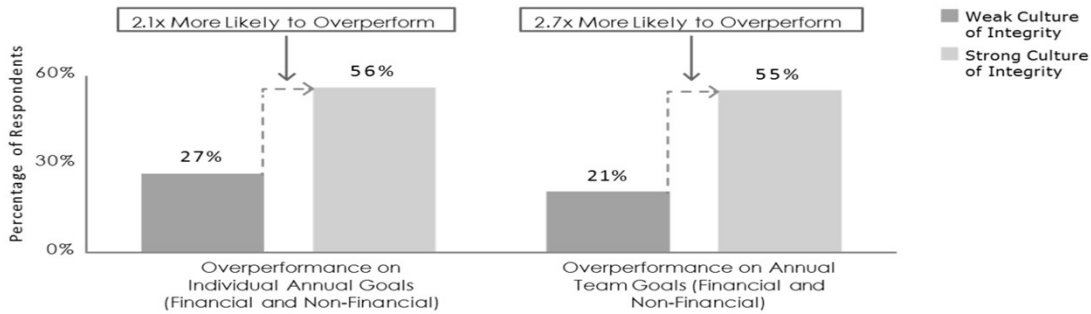
Source: 2016 CEB Compliance and Ethics State of the Function.

**A Consistent Priority:** Since 2010, building a culture of integrity has been the most frequently cited goal for the program by compliance and ethics officers.

4

## THE VALUE OF STRONG CULTURE

Likelihood of Employee Overperformance in Strong vs Weak Cultures  
Percentage of Respondents



n = 5,025.

Source: CEB Compliance and Ethics 2017 Global Culture Assessment.

### The Impact of A Strong Culture of Integrity on Risk Management and Employee Outcomes

**Employees in strong cultures of integrity are:**

- **90%** less likely to observe misconduct.
- **1.5x** more likely to report observed misconduct.
- **2.1x** more likely to be engaged with their job and company.
- **2.4x** more likely to exhibit higher levels of discretionary effort

n = 1,941,735; n = 5,025.

Source: CEB RiskClarity 2008–2016 Benchmarks; CEB Compliance and Ethics 2017 Global Culture Assessment.

5

## A GOOD COMMUNICATIONS PLAN IS NOT ENOUGH

- Embedding culture into a company's DNA requires more than a good communications plan
- A Compliance Week is not the answer to your culture prayers!
  - Don't confuse holding outreach and advocacy events as creating a culture of integrity

6

# CONTINUED EFFORT AND REINFORCEMENT

Continued effort and reinforcement gets colleagues thinking deeply about ethics on a regular basis and makes sure that compliance considerations are inherently part of all business decisions.

1

Enforcing  
patterns of  
behavior

2

Widespread  
reach and  
visibility

3

Incentivizing  
rather than  
threatening



7

## 2018 CULTURE SURVEYS - BEHAVIORAL CLOCK INITIATIVE

### Core Elements

- Create feedback mechanisms to help managers understand their ethical leadership behaviors and better gauge the consistency of the signals they send their teams.\*
- Impose a self-reflection exercise with tips to guide them.

### Recipe

- Aim a survey specifically at middle management.
  - Inclusion of compliance topics on the agenda at team meetings
  - Involvement of compliance staff at important meetings
- Meet with them afterwards to discuss self-assessment.
- Follow up with managers in a year, provide them with benchmarking information and best practice examples.
- Help managers plan for how they will send consistent messages about appropriate behaviors during times of increased business pressure or instability.\*



\* © 2017 Gartner, Inc. and/or its affiliates. All rights reserved. CELC173843



8

## COMPLIANCE COMMENTS - BUILDING ON THE INITIATIVE

During interviews, note comments from influential managers about what they think of compliance

Ask if they would like to be a part of a communication plan to promote compliance

Create a poster using their faces and speech bubbles with the quote about what they think of compliance

Managers will be continuously and visibly accountable for their role-modeling

Use peer norming to nudge managers towards more progressive ethical leadership behaviors and create urgency to send stronger signals.\*

\* © 2017 Gartner, Inc. and/or its affiliates. All rights reserved. CELC173843

