SHIFT HAPPENED
Dr. Marsha Ershaghi Hames

Time Magazine, 2010

Time Magazine, 2017
Regulators have long identified culture as a key driver of Compliance & Ethics strategy.

- "... undertake an appropriate assessment of corporate efforts to create an organizational culture that encourages a commitment to compliance with the law and ethical conduct..."
- "Culture needs to be set from the top. Members of the corporation need to know that the corporation is committed to ethical standards... and that executives... are role models for ethical business conduct."
- "... a corporation is directed by its management and management is responsible for a corporate culture in which criminal conduct is either discouraged or tacitly encouraged."
CEO expresses the need to have the uncomfortable dialogue:

“I’d like to have a dialogue with them so that I can ensure that we have opportunity to really understand the situation and show some compassion and empathy for the experience they went through, finally as we’re working to solve this, I’d like to invite them to join me in finding a constructive way to solve this issue.”

THE TIME FOR BUILDING RELATIONSHIPS IS NOT IN THE MIDDLE OF A CRISIS

- Setting the tone of a speak-up culture within the company often starts with leaders.
- Employees report misdeeds 71% of the time when they believe top management is committed to ethics.
- Frontline management are the gatekeepers of culture. They are in the most influential position to foster an environment for employees to raise concerns and speak out. 27% of people will go to their direct supervisor when they observe misconduct.
- Do they LISTEN UP?
  - Less than 2% of managers are formally trained around active listening.
  - Average manager interrupts employees within 17 seconds when someone is speaking.
LEADERS NEED TO MODEL

#WALKTHETALK

1. Set the Tone
2. Practice having uncomfortable conversations
3. Be accessible
4. Be an active LISTENER
5. Take Action

The Value in Difficult Conversations

BUILDING MORAL “MUSCLE”

REACH ACROSS THE TABLE: Collaborate Cross Functionally

83% of Employees
Think that their companies would make better decisions if they followed the Golden Rule ("Treat others as you would have them treat you.")

62% of Employees
Think that their colleagues would do a better job if managers at their company valued more on moral authority as opposed to their formal power.

59% of Employees
Think that their organizations would be more successful in being on their biggest challenges if their leadership had more moral authority.
COMPLIANCE is an OUTCOME of CULTURE

1. Reach across the aisle: collaborate cross-functionally
2. Build ‘Drip’ campaigns: increase cadence of comms in short bits
3. Align core messages with corporate values
4. Education should integrate situational awareness & guidelines
5. Simplify policies so they are tangible, actionable
6. Workforce needs simulated practice APPLYING policy
7. Build dialogue into existing meetings, stand-ups
8. Be accessible, it takes courage to speak out
9. Develop front-line leaders to LISTEN, take ACTION
10. Measure accountability across the board