

BL1




# BUILDING COMPLIANCE AWARENESS: MANAGERS AND ON-THE-JOB COMMUNICATIONS

## Section Seven

Developing and Delivering Effective Compliance Training



 

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## In This Section

- Why “Tone at the Middle” matters
- Benefits and challenges of manager-led communications
  - Activity & debrief: Identifying obstacles
  - Activity & debrief: Planning small steps
- Growing from Small Steps to a Program
  - Tone from the middle case studies
  - Activity & debrief: Growth strategies
  - 10 steps to consider
- Other on-the-job communications
  - “Big board”
  - Posters and physical items

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## Slide 1

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**BL1** Design: In the interest of time, I will be making spacing and capitalization changes directly to each slide. Anything outside of that will be taken care of in comments.

Bania, Laura, 2/4/2021

## Why “Tone at the Middle” Matters

“Tone at the top” is an essential to building an effective compliance and ethics program and culture.



But... does the message match what employees are hearing in their work environment every day?



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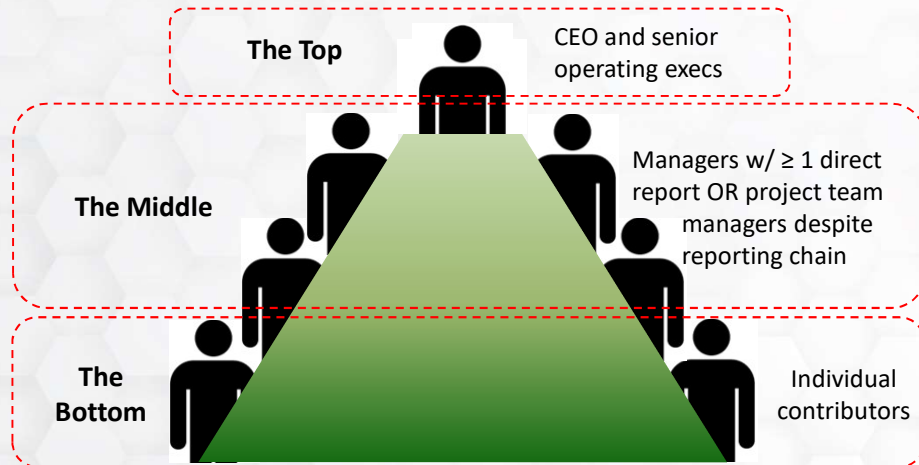
## What Do We Mean By “Tone”?

- Tone = Culture (group norms; the way things are done around here)
- Common terms used to frame “culture”:
  - Ethical
  - Conduct
  - Integrity
  - Compliance
  - Custom
  - Openness
  - Safety
  - Accountability
  - Quality
  - Leadership
  - Innovation
  - Results
  - Performance
- Don’t confuse “culture” with “values”



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## What Do We Mean By “Middle”



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## Why Does It Matter?



To have an effective compliance and ethics program [...] organizations shall [...] promote an organizational culture that encourages ethical conduct and a commitment to compliance... Federal Sentencing Guidelines Manual §8B2.1(a)(2)

...managers are responsible for a worrisome share of workplace misconduct, and senior leaders are more likely than lower-level managers to break rules. In sum, the very people that are supposed to act as role models or enforce discipline are often guilty of bad behavior .... 2013 National Business Ethics Survey (Ethics Resource Center)



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## Challenges vs. Opportunities

- Compliance seen as a distraction from work goals
- Don't feel equipped to deliver ethics & compliance messages
- Lack of opportunities to broach ethics and compliance topics
- Requires trust: can't control the message
- Empowering managers = professional development
- Engaged managers extend the reach of your program
- Increase business unit ownership for compliance
- Managers can spot—even prevent—business risk



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## Managers Set the Tone for Employees

Managers can...

- Serve as “sentinels” by helping to spot and address risk

OR

- Completely undercut your compliance message



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## Activity: Identifying Obstacles

Obstacles can look like:

- Line managers focused on business goals, not compliance goals
- “But compliance owns risk!”
- Ideas and theories, but how to apply?
- Managers don’t feel equipped to deliver compliance messages
- Cultural inertia



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## Activity: Identifying Obstacles

- **Action Step:** Discuss as a group: What obstacles do you face in implementing Tone from the Middle? (6-10 min)



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## Activity: Taking One Small Step

“I’ve studied human behavior for 20 years, mostly at Stanford University...  
Only three things will change behavior in the long term:

- Option A: Have an epiphany
- Option B: Change your environment (what surrounds you)
- Option C: Take baby steps

Creating an epiphany is difficult. Rule out Option A unless you have mystical powers (I don’t).

But here’s the good news: The other two options are practical. And they can lead to lasting change.”

—B.J. Fogg



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## Activity: Taking One Small Step

- **Action Step:** What concrete “small steps” could be practicable at your organization?

*Note: It’s okay if these are so small they seem negligible.*



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When it comes to equipping managers...


**One size does not fit all!**



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## Growing from Small Steps to a Program

- “Don’t let the perfect be the enemy of the good.”
- Characteristics of successful manager initiatives:
  - Started small and specific
  - Reasonable goals—didn’t try to do too much
  - Made it easy for managers to access materials if needed
  - Checked in with managers on how it was going; improved in increments



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## Activity: Growth Strategies

**Action Step:** Assuming you can take small steps first, what are some potential next steps that could one day work at your company?

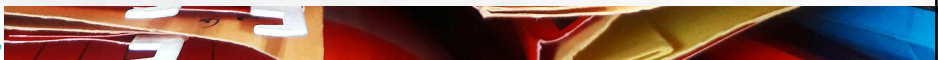
*Discuss, then select top 5 recommendations.*



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## Case Study 1: Build Speak Up Culture

- **Issue:** Global heavy industry company with specific goal: address and improve Speak Up awareness (& reduce Dodd Frank reporting risk)
- **Solution:** Workshops for functional areas, manager-led training.
- **Program:**
  - Live 2-hr Dodd Frank training for HR leaders, worldwide meeting
  - Specific Speak Up training for managers, Dodd Frank context
  - Manager-led Speak Up training for employees



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## Case Study 2: Help Managers Voice Compliance Topics

- **Issue:** Global manufacturing company wanted to encourage manager/peer discussions of C&E topics.
- **Solution:** Developed “meeting in a box” materials that were easy to find, download, and implement.
- **Program:**
  - 70+% participation in a voluntary program—in 20+ languages worldwide
  - **Outcome:** Ongoing, quarterly manager messages to employees on C&E-related issues



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## Case Study 3: Revitalize Training Program

- **Issue:** Global consumer goods company worried that online training had gotten rote or stale.
- **Solution:** Created live training packages with activities, discussion, etc.
- **Program:**
  - Created live training packages in six core risk areas
  - Training started with CEO, who held sessions for direct reports
  - Those people trained their direct reports, cascading training through the entire organization



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## Cultivating Manager Support

- Set clear expectations
- Provide practical support—tools, training, materials
- Give managers a voice in the compliance program
- Encourage business ownership of risk
- Show trust and support for manager actions and reward them!



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## 10 Steps To Consider

1. Learn where you stand: Use surveys/interviews/focus groups to assess manager knowledge and attitudes about C&E.
2. Manager development training exists? Get on the agenda.
3. Repurpose work you already do (i.e., updates to board/senior leadership) and share appropriate portions with managers.
4. Ask: Via what company channels do managers get other useful info?
  - Can you supplement formal training/development with messaging, reminders, blog posts, messages from senior leadership, etc.?
5. Where are there opportunities for line managers to deliver compliance messages that would otherwise come from you?
  - Decrease in consistency; increase in engagement.



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## 10 Steps To Consider

6. Ask: Can managers own any part of the C&E program (e.g., training completions and follow-ups?) Can you celebrate “stars”?
7. Prep managers ahead of employee training. Send a communication explaining the “why” and business risks driving the training. Provide talking points for employee questions.
8. Ask managers for input into your compliance program plans.
9. Assess: Are managers generally equipped to receive employee reports? If not, deploy a reporting/anti-retaliation course.
10. Not getting buy-in? Influence *their* managers.



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## Manager Talking Points

- Benefits of this approach:
  - Doesn't take time away from work (include in regular meetings)
  - Positions manager as voice of compliance/ethics
  - Can tailor message to very specific team realities
  - Can be standalone or a follow-up on previous training on the topic
- What this does best:
  - Give a general culture message
  - Address topics most likely to be brought to managers (respect, COI, speak up.)
- What it's less good for:
  - Technical or complex topics where the manager is not an expert
  - Proof of training or completions, if audit trail is required
- Works best when you make it easy for managers



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## Posters & Physical Items

- Visual reminders can make a big impact
  - Think about advertising billboards and magazine ads—a small amount of info can go a long way
- Great way to reinforce existing training or accompany a code or policy launch
- Can also stand alone
  - Posters and other visual displays are good opportunities to send messages in a manufacturing or offline environment (“Big board”)
  - Can supplement (or not) with manager talking points
- Make visuals work for you
  - Strongest = visualized information, not just communicating via words
  - Use: Icons, infographics, flowcharts, decision trees

