



## ROUNDTABLE RECAP: October 17, 2019 Hosted by On Semiconductor

### Participating Companies

On Semiconductor

Arizona Public Service

Blue Cross Blue  
Shield of Arizona

Early Warning  
Services Inc.

First Solar Inc.

Insight Enterprises Inc.

JDA Software Inc.

Intuit, Inc.

Republic Services Inc.

### **Topic 1: Driving an Ethical Culture by Establishing Practical, Effective Feedback Loops Following Employee Surveys, discussion led by On Semiconductor**

Sonny Cave, Executive VP, General Counsel, Chief Compliance and Ethics Officer, Chief Risk Officer and Corporate Secretary of On Semiconductor welcomed the group and opened with a brief presentation on the history of On Semiconductor and the state of the business today. He touched upon the trade friction with China and its effect on the semiconductor business before moving into a discussion on the company's growth through acquisition. The automotive market is the company's largest market and Sonny discussed megatrends like autonomous driving and vehicle electrification. Sonny then highlighted On Semiconductor's World's Most Ethical Companies designation, strong CSR and Compliance and Ethics Liaison (CEL) programs before turning the presentation over to Nevena Ashminova, Compliance and Ethics Attorney, to discuss further details on culture.

### **Ethical Culture & Perceptions Assessment**

Nevena shared information on the culture surveys ran in the past few years. While the first survey targeted a specific employee population, the most recent survey was offered on a much broader scale to the workforce. Some key takeaways included:

- Improve Response Rate- survey response rate went from 35 to 70%
  - Large-scale effort to socialize the survey prior to launch
    - Focus on communications from upper management
    - Offer raffle of tablets to those who completed survey
    - Use of QR codes and publicizing QR codes on posters and flyers
- Post Survey Work
  - Discussed the findings of the survey internally
  - Emphasis placed on the Compliance and Ethics Liaisons throughout the company
  - Convene with HR, CSR, CELs and Communications at a conference to present survey results and introduce actionable items

- Post Survey Response
  - Call for more, segmented data
    - Provide deeper dive, segmented data cuts for different regions and CELS to tailor actionable items

**Human Resources**

Nevena then turned the presentation over to Adam Redshaw, Organization Development & Effectiveness Program Manager and Diane Rockett, Senior Program Manager, Organization Development and Effectiveness to discuss the strong collaboration with Human Resources on all things culture related. The team discussed how they have made efforts this year to align culture with business strategy and emphasized the importance of a cross-functional and global approach to its success. They discussed their approach to engagement surveys and collaboration throughout the organization.

Best practices included:

- Assessment to determine strengths (culture and diversity & inclusion) and areas for improvement (learning & innovation)
- Once gap is identified, put data to action
- Working on learning and innovation
  - Putting data to action, created global culture champion network of 90 champions tasked with enhancing learning and innovation
- Look at a more holistic approach to engagement rather than one survey and done until the next one is rolled out
- Be very mindful of the effect of the time lag between survey completion and implementation of actionable items
  - Look for rapid data to action items
  - Communicate throughout the interim period so that employees know that action is being taken
- Cross-functional, global approach is critical to engagement and success of initiatives

**Related BELA Resources:****Building An Ethical Culture:**

<https://bela.ethisphere.com/centers-of-excellence/building-an-ethical-culture/>

**Topic 2: Ethical Culture - A Conversation on the Why, the What and the How of Measuring and Supporting Your Organization**, discussion led by Doug Allen, Managing Director, Data & Services, **Ethisphere**

**The “Why”**

- Making the case for measuring your culture of compliance
  - Regulators expect it (see DOJ's Evaluation of Corporate Compliance Programs April 2019 guidance)
  - Investors are asking for it (see State Street Global Advisors January 2019 Investor Letter)
  - Your peers are doing it. 66% of the 2019 World's Most Ethical Companies® administer a **stand-alone** ethical survey
- Getting leadership buy-in and tackling objections
  - Signal to employees, leaders, and the board that organization ethical culture matters
  - Inspires employees to champion integrity in the workplace

**The “How”**

- Ensuring project success
  - Will the survey target a specific BU, functions, region, etc.
  - Crucial that you meet your employees where they are – email, mobile, QR code, hard copy
  - Sufficient time to address gaps and measure progress against gaps; 18-24 months
- Communicate, Communicate, communicate
  - Leverage C-suite, regional leadership to announce the “what” and the “why”
  - Involve data security team to promote project legitimacy
  - Send periodic reminders and monitor real-time results for technical issues, pockets of low engagement for targeted outreach opportunities
  - Extend gratitude for participation and provide feedback to participants, engagement levels and impact made by their input to ensure future survey success.

**Discussion:** Measuring culture before, during and after acquisitions

- be mindful of acquisitions when planning timing and launch of surveys
- best practice of 18-24 months for stand-alone culture surveys

**The “Now What?”**

- Trends and takeaways from Ethisphere’s Ethical Culture dataset:
  - 93% are willing to report misconduct if observed in the future, yet only 58% of respondents that saw something actually reported it
  - reasons for not reporting: unsure if misconduct was significant enough to report, retaliation concerns, manager prefers to keep issues in our team without escalating them, worried about remaining anonymous, afraid reporting the misconduct would harm coworkers, lack of faith that corrective action would be taken, worried about damaging my reputation, unsure where to report, the person involved is senior.

**Discussion:** What to share with c-suite, board for maximum impact

- 87% believe senior leadership promotes the importance of ethical behavior, compared to the 78% that believes senior leadership acts ethically at all times

**Related BELA Resources:**

**Educating and Empowering Managers:** <https://bela.ethisphere.com/centers-of-excellence/educating-and-empowering-managers/>

In September 2019, Erica Salmon Byrne, EVP and Chair of BELA & and Doug Allen, Managing Director, Data & Services spoke with Keri Grafiag, Sr. Director, Global Compliance & Ethics and Melissa Mankowski, Training & Communications, Enterprise Risk & Compliance from BELA member Best Buy about culture surveys and improving the corporate culture. The replay and slides can be found here: <https://bela.ethisphere.com/webcast-ethical-culture-september-2019/>

**Topic 3: Communicating and Reinforcing Ethical Culture** discussion led by Eileen Schuler, Director, Ethics & Compliance, **Republic Services, Inc.**

Doug’s culture measurement presentation segued nicely into Eileen’s informal discussion around effectively communicating culture initiatives. The group discussed a hybrid approach to communications that incorporates both written materials- posters, flyers and bulletin boards- and online emails and videos. The participants used this session as an opportunity to share best practices, ask questions on different programs and communication strategies and generate ideas.

**Best Practices Included:**

- Partner closely with HR to establish coherent messaging across the organization
- Ensure a good portion of culture messaging comes from leadership
- Incorporate live communication opportunities like town halls, lunches and group exercises
- Equip managers with the appropriate tools to effectively lead live communications

**Related BELA Resources:**

**Training and Communication Practices:** <https://bela.ethisphere.com/centers-of-excellence/training-and-communication-practices/>