



# **Data and Measurement:** **Culture Surveys Can Reveal Opportunities** **to Improve your Corporate Culture**

Live Webcast | December 18, 2018

# Before We Get Started

- Today's presentation and recording will be provided via email after the webcast
- BELA members can access the materials directly from the resources center on the members site
- Please submit questions via the chat function on the left-hand side of your screen

# Speakers

## SPEAKERS



**Karen Benson**  
Director, Global Compliance  
and Ethics at Royal  
Caribbean Cruises Ltd.



**Erica Salmon Byrne**  
EVP, Executive  
Director, Business  
Ethics Leadership  
Alliance, Ethisphere



**Scott Stevenson**  
Senior Analyst - Data &  
Services, Ethisphere

# Today's Agenda

- The 8 Pillars of Corporate Culture
- Why Your Employees Are Not Reporting
- Addressing Organizational Justice
- Experiencing Pressure to Compromise Standards
- Tips for a Successful Culture Survey
- Ethisphere's Culture Quotient Reporting Engine

# Ethisphere is the Global Leader in Advancing the Standards of Ethical Business Practices

## **MEASURE AGAINST STANDARDS**

Our corporate ethics standards, vetted by leading experts and used for 10 years, provide an independent, objective measurement tool critical to drive business decisions and stakeholder interaction.

## **RECOGNIZE EXCELLENCE**

We recognize programs and companies who've proven that their programs and practices are extraordinary and provide mechanisms to help communicate those recognitions.

## **INSPIRE ADVANCEMENT**

Ethisphere's global summits, roundtables and publications capture the leading voices in the field. And our corporate membership group provides unparalleled networking opportunities.

# Ethisphere's Eight Pillars of an Ethical Culture

**Awareness of  
the Program &  
Resources**

**Perceptions of  
the Function**

**Observing &  
Reporting  
Misconduct**

**Pressure**

**Organizational  
Justice**

**Manager  
Perceptions**

**Perceptions of  
Leadership**

**Perceptions of  
Peers and  
Environment**

# Ethisphere's Ethical Culture Benchmark Data

**400,000**

Responses  
Received

**42**

Companies  
Around the World

**>2,600,000**

Represented  
Headcount

# General Perceptions of Ethical Culture

*Average Proportion of Favorable-to-All Responses Among Surveyed Companies*

Awareness of the Program & Resources	90	67	Pressure
Perceptions of Peers and Environment	83	69	Organizational Justice
Perceptions of the Function	81	70	Perceptions of Leadership
Observing & Reporting Misconduct	79	76	Manager Perceptions



# Common Areas of Challenge Consistent Across Companies

**Why Your Employees  
are Not Reporting**

**Addressing  
Perceptions of  
Organizational  
Injustice**

**Pressure to Comprise  
Standards to Achieve  
Goals**

# Common Areas of Challenge Consistent Across Companies

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# Willingness to Report is Stronger Than Actual Reporting Figures Would Suggest

*“If I were to observe misconduct, I would be willing to report it.”*



N=407,930

**Strongly Agree / Agree** | Neither Agree nor Disagree | **Disagree / Strongly Disagree**

*“I reported the unethical behavior or business misconduct that I observed.”*



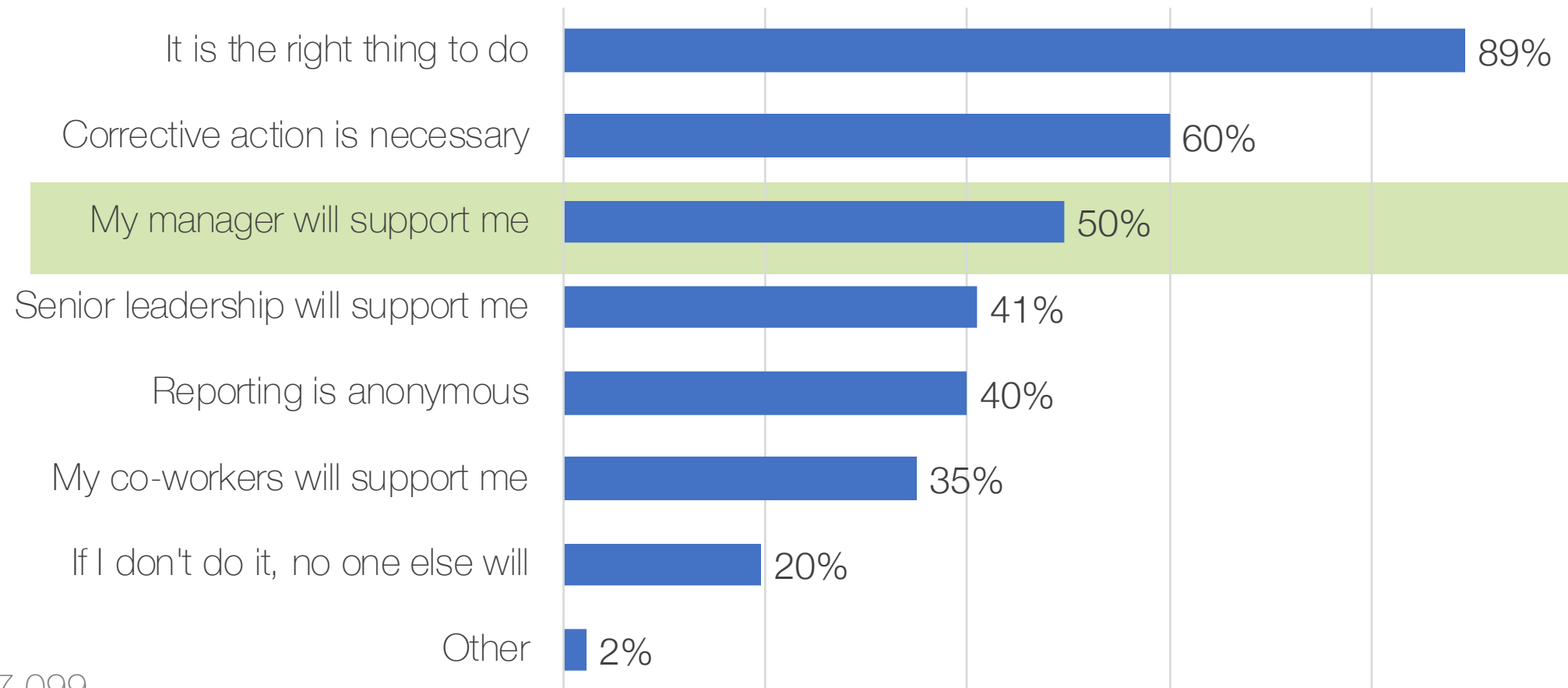
N=22,108

**Yes** | Decline to Answer | **No**

**66.2% reported observed misconduct to their Immediate Manger**

# Reasons for Willingness to Report Observed Misconduct

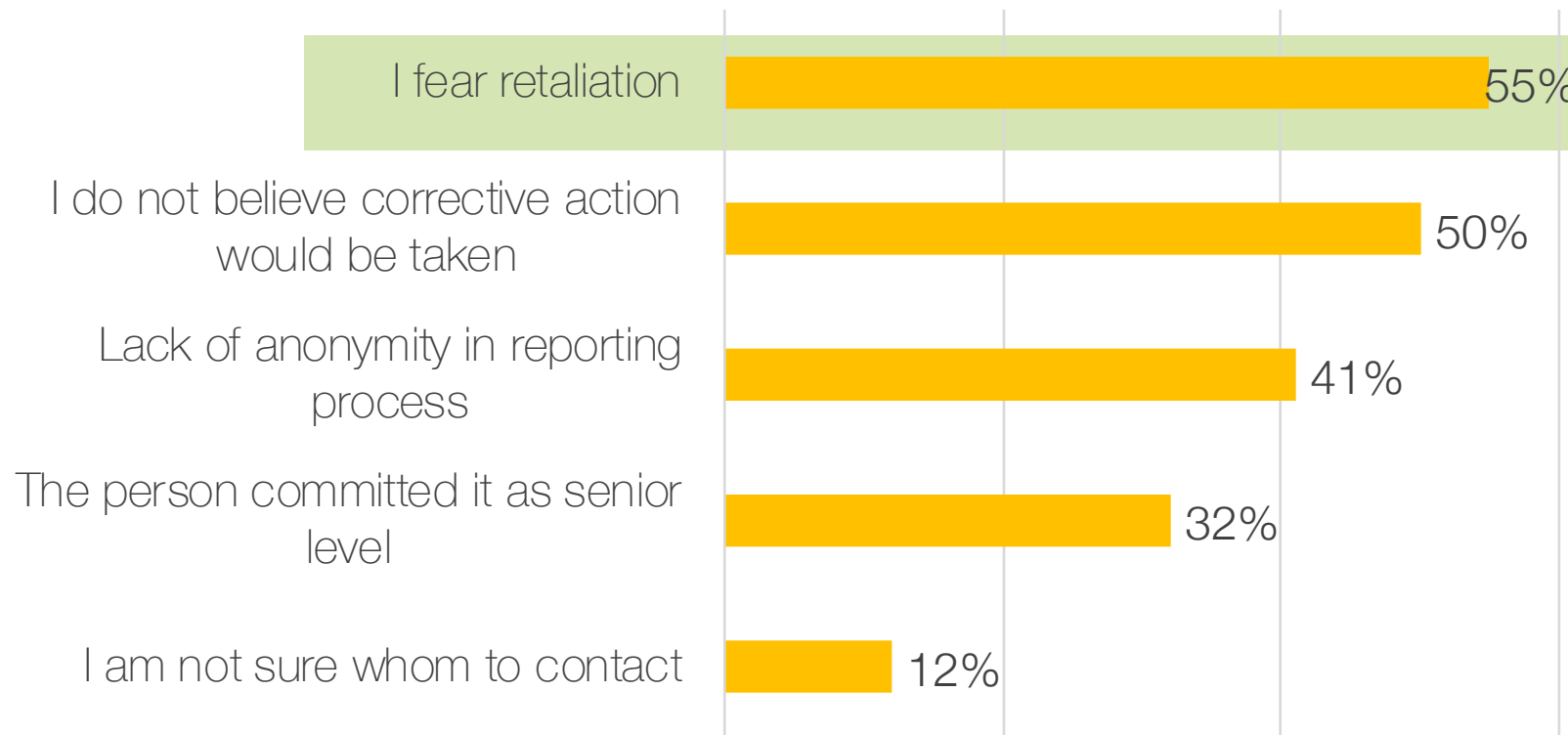
*“I would be willing to report the misconduct for the following reason(s)” (Multiple Select)*



n=277,099

# Fear of Retaliation and Employee Willingness to Report Misconduct

*“I would NOT be willing to report the misconduct for the following reason(s)”*



**78.5% Believe their company supports its non-retaliation policy (n=291,826)**

**79.7% Believe their company has a non-retaliation policy (n=285,050)**

**25.3% Observed Retaliation or intimidation (n=21,911)**

N=27,052

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# Persistently Poor Perceptions of Organizational (In)Justice

*“I believe disciplinary actions are taken when individuals engage in unethical behavior or misconduct at the company.”*



N=403,916

**Strongly Agree / Agree** | Neither Agree nor Disagree | **Disagree / Strongly Disagree**

*“If I raise a concern about unethical behavior or misconduct, I believe the Company will fully investigate it.”*



N=312,790

**Strongly Agree / Agree** | Neither Agree nor Disagree | **Disagree / Strongly Disagree**

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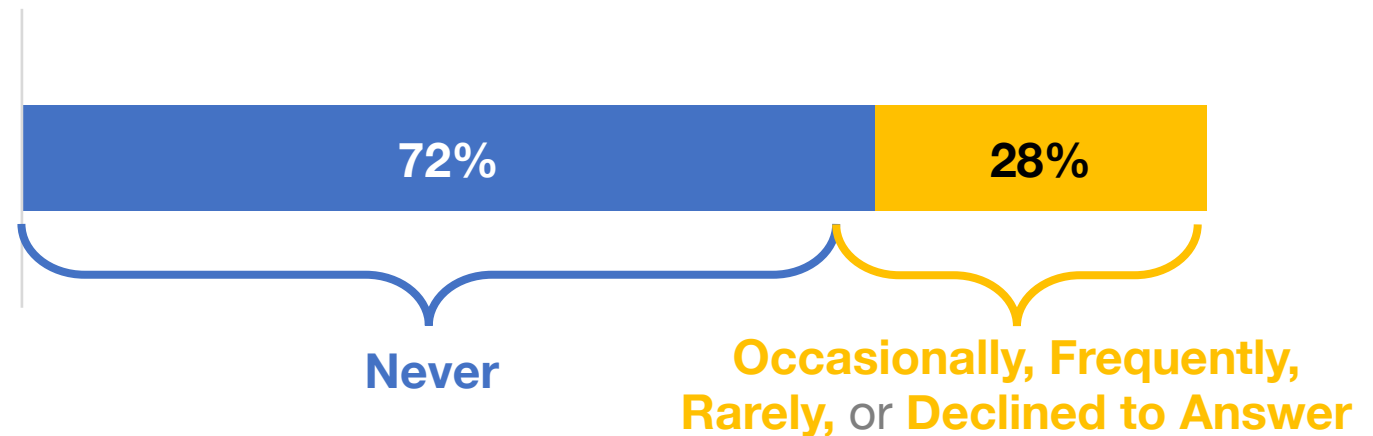


# Making Sense of a High Pressure Environment

**Strength, source of pressure employees may be experiencing to compromise standards to hit goals.**

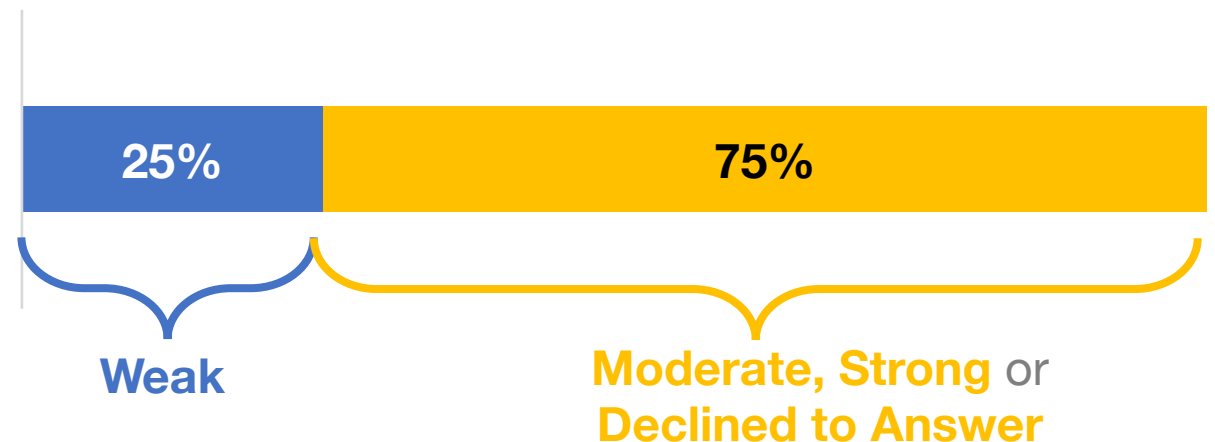
Percentage of Overall Respondents ( $n=314,446$ )

**Do You Experience Pressure to Compromise the Code, the Law, or Company Policy?**



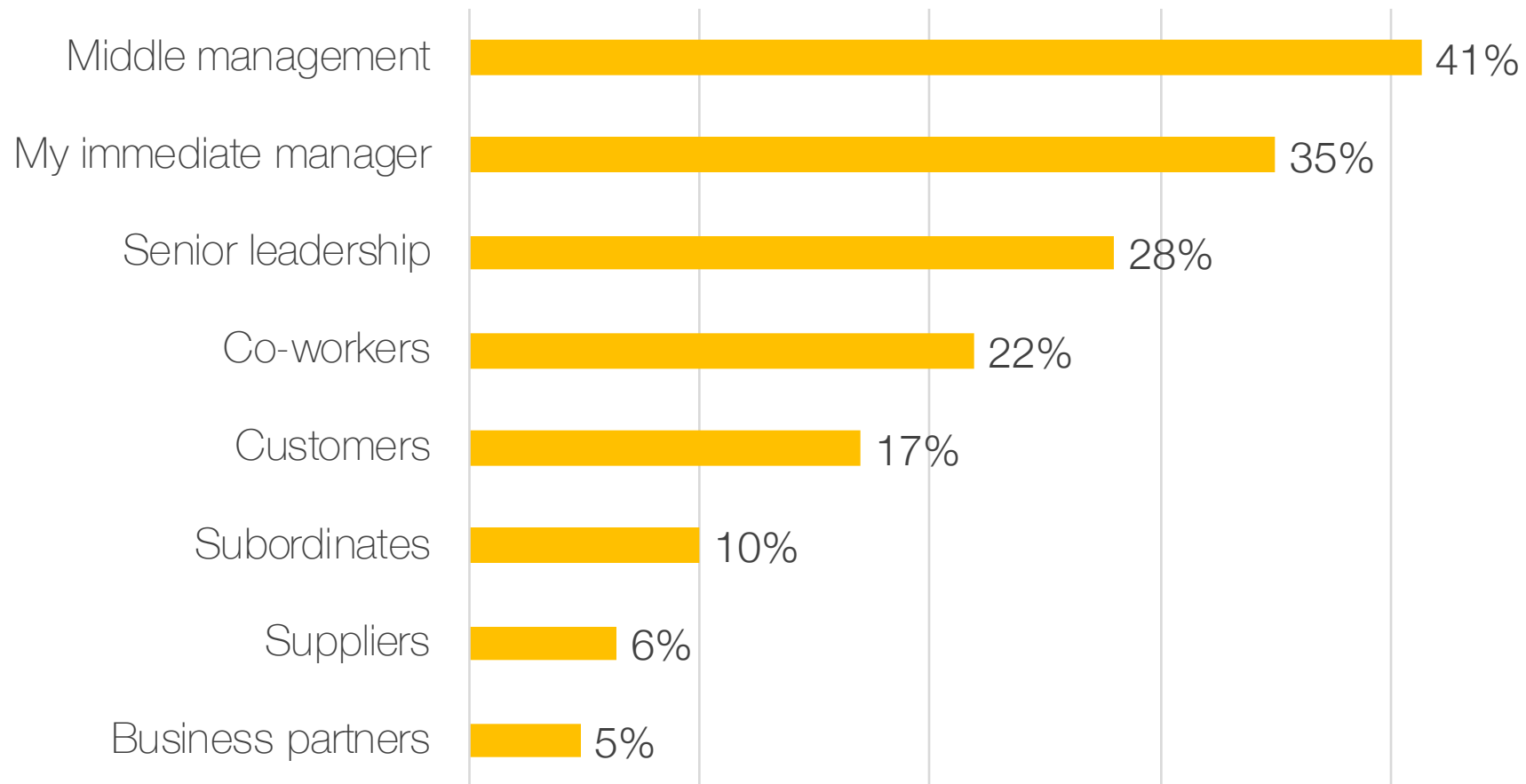
Percentage of Respondents Experiencing Some Degree of Pressure ( $n=349,142$ )

**What Type of Pressure Do You Feel?**



# Making Sense of a High Pressure Environment: Finding the Source

*“I feel this pressure from the following sources” (Multiple Select)*



n=60,008

# Case Studies: How Efforts to Measure Culture Make an Impact

Report/data used as an **on-boarding resource for new leadership** as they are brought on throughout the year

Communicate the survey results to the **entire enterprise using a blog post** on the company intranet, emphasized results, actions coming out of the data, addressed issues and areas where they want to continue to work on

Two tiered approach: developed enterprise-wide action plan from data while also developing **individual scorecards for business unit leadership** with action plans tied to key findings from their specific unit

# Implementation Considerations

## The “How” of Measuring Ethical Culture

### Sample vs. Population

**How culturally and geographically diverse is your population?  
Access to technology?**

### Internal Communication Resources

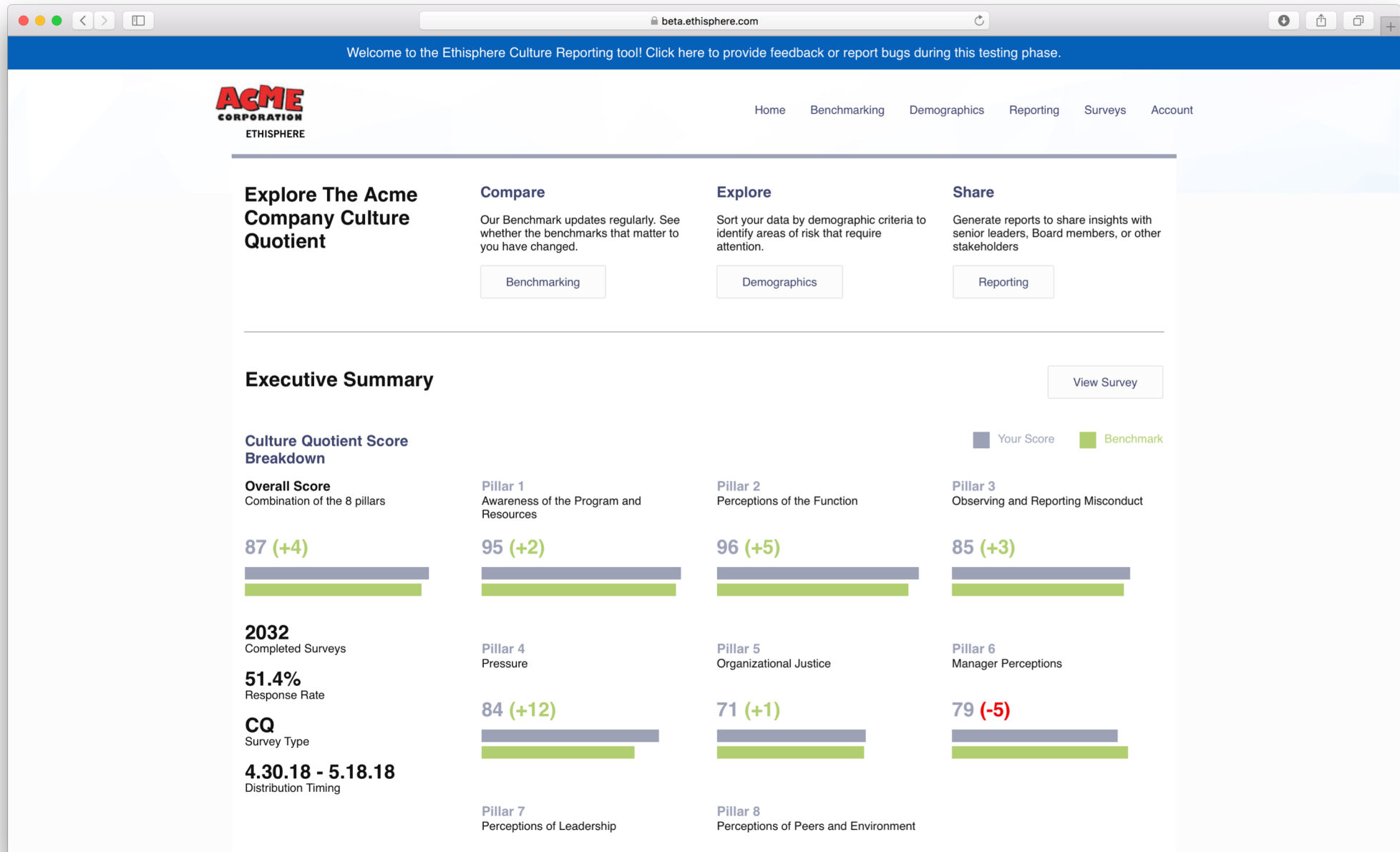
**Success is contingent on a coherent and well-coordinated internal communication strategy**

### Change Management/ Preparing Leadership

**Prepare for acting on results**

### Measurement Timing

**Conflicting with other measurement efforts? Skewed results from regional holidays/events? Periodic vs. pulse?**



# ETHISPHERE

**Thank You**

**ETHISPHERE<sup>®</sup>**  
GOOD. SMART. BUSINESS. PROFIT.<sup>®</sup>

**Contact Us**

Erica Salmon Byrne  
[erica.salmonbyrne@ethisphere.com](mailto:erica.salmonbyrne@ethisphere.com)  
(720) 251-0891

Scott Stevenson  
[scott.stevenson@ethisphere.com](mailto:scott.stevenson@ethisphere.com)  
(480) 397-2656