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ETHISPHERE MAGAZINE | WINTER 2025

Ethical Culture

ETHISPHERE | ETHENA | AES | MAJOR, LINDSEY & AFRICA | DESIGNIT | ...AND MORE

Inside this Issue

WINTER 2025

IN THIS ISSUE

"Culture is not an initiative. Culture is the enabler of all initiatives.

Larry Senn

in

ETHICAL CULTURE

FACT: Companies with strong E&C programs outperform their peers.

FACT: Companies with strong cultures build better E&C programs.

FACT: Companies that measure their culture know how strong it *really* is.

Culture is as complicated as it is vital. In our ETHICAL CULTURE issue, we take a deep dive into the finer points of culture measurement with insights from the Ethisphere Data & Services team. Their thought leadership will shed new light on how the updated Culture Quotient will make your assessments more successful, how using shorter, more frequent assessments can help you dial in on particular areas of your culture, and hard-won wisdom from the team on what separates a good culture assessment experience from a great one.

We hope you enjoy the issue!

WINTER 2025

UP FRONT

Thought leadership from the top

THE ETHICS ADVANTAGE

A Good Supper

by TOM BUBECK

A Good Supper

~~by TOM BUBECK | Chief Executive Officer, Ethisphere~~

For anyone who has been following the headlines recently, in the last 12 months, we have seen an awful lot of organizations falling short of what we'd consider to be ethical behavior. From companies suffering from long-term cultural decay, to leaders committing outright misconduct, to a more environmental sense that the right thing to do is just a matter of opinion…it all feels like we have somehow fallen into a world where integrity no longer matters.

Under such conditions, it's tempting to simply hope that things will somehow turn out as we would like them to be. But as Francis Bacon famously said, "Hope is a good breakfast, but a poor supper." Or to put it another way: we can't just *hope* for things to be better. We have to *do* something about it. And that is where the ethics and compliance community comes in.

When integrity feels like it is in short supply is when it matters most. There is, of course, a moral component: that which is right and good should guide our actions rather than that which is dishonest, and harmful. But doing what is right also serves our own self-interest. We prohibit different kinds of misconduct because they are morally wrong, yes, but also because they are inefficient and unproductive.

To allow people to suffer wrongdoing without consequence creates bad results for everyone. The less we guarantee ourselves a certain justness and fairness of outcomes, the less we can depend on long-term planning, investment, and commitment. In short, the less we can build a sustainable future for ourselves. And nobody really wants that.

Ethical behavior, by contrast is efficient and productive. Case in point, our Five-Year Ethics Premium, which shows beyond a shadow of a doubt that organizations with strong ethics outperform their peers. Evidence like this showcases that the biggest reason why we can advance what is *good* is because it is good *for* you.

It is always difficult to predict the future, and every year, leaders everywhere try to imagine where they might be in another year's time. With that in mind, I'd like to think that over the course of the next 12 months, the inherent value of integrity will make its value felt, regardless of what we might be feeling in the present moment. Let's recommit to what matters and move forward, continuing to embrace the importance of integrity and cultures of ethics while caring for the least powerful groups among us, whoever they may be, whether it's at our workplace or in our neighborhood.

The ethics and compliance community provides an important form of leadership among the many people who care about integrity and who see the inherent value that it generates. Those of us who champion integrity in all its forms must continue to focus on that and not get dragged into the kind of angst that might distract us from our work.

As Dr. Martin Luther King, Jr. reminds us, "the arc of the moral universe is long, but it bends toward justice." When I think of that, and I think of the impactful work we do in ethics and compliance, that fills me with the kind of hope that would make for a very good supper, after all. ■

Tom

> Hope is a good breakfast, but a poor supper.
>
> Francis Bacon

DISPATCHES

The Pace of Change

by ERICA SALMON BYRNE

Photo courtesy of Workday

WINTER 2025 | DISPATCHES

The Pace of Change

by ERICA SALMON BYRNE | Chief Strategy Officer & Executive Chair, Ethisphere

Lately, I have been thinking about the pace of change we have experienced in recent years, and how that pace will likely seem like nothing in a few months. I gave this topic a lot of attention over the Winter holidays because of two events that happened that impacted me personally.

The first is that we lost former President Jimmy Carter. His accomplishments are legion. But to me (and my family), he was "the sweater man." When I was a kid, and wanted to turn up the thermostat, my dad's answer was "President Carter would tell you to put on a sweater." The first time I gave that response to my child's request to bump the temp up a few degrees, I had an "whoa I'm turning into my dad" moment. Since then, I've said it enough that the current response is "I know, I know, get a sweater." It's strong, practical advice. But it's also advice that centers around personal responsibility. Instead of relying on the furnace to pump more hot air into the house, impacting everyone around you, just go put on another layer. (I do draw the line at hats inside though).

The second thing that happened is that my eldest, Julianne, got her driver's license. We all remember what it was like when we got our driver's license and the freedom that comes with it. But as any parent will agree, it also introduces a whole new avenue of things to worry about. It's a reminder that our kids grow up faster than we expect them to.

Every change in their lives is a change in our own, as well. The challenge, of course, is accepting that, and allowing her to take charge of her own choices, trusting that she'll remember how they impact those around her.

As Julianne approaches adulthood, she will face the massive generational shift underway in the workplace—namely, the differences in expectations between her generation and those who have come before. Whether it is the push and pull around return to work orders, the impact of generative AI, global supply chains experiencing a lingering hangover from COVID-19, or some change around the corner that we can't see yet, the way we work – the world of work – bears no resemblance to Jimmy Carter's world.

The key to dealing with that change, though, is right in front of us. It is empowering your managers, who are the linchpin of your culture, and making sure they are ready to guide their teams as individual choices they make impact those around them. If your managers are not ready for these challenges, they will struggle. And if your managers struggle, so will your entire organization.

I have two hopes for 2025. The first is for business leaders to acknowledge more broadly that not everyone is suited to take on managerial responsibility, and that is okay. We should recognize and reward strong individual contributors and not make them feel that there is something wrong with them if they are not running a team. If we keep making the task of leading teams the apex of career development, then we will end up with people leading teams who shouldn't be.

The second is that I hope more companies will learn how to measure the commercial impact of their investment in integrity. For years, we have been telling the story here at Ethisphere of the Ethics Premium – the idea that good companies, run well, will outperform.

Per the Department of Justice's ECCP guidance update from last year, organizations are expected to take an active interest in resourcing, empowering, and advancing their ethics and compliance function, and to figure out how to use that investment to perform better.

Despite the turbulence we currently see in Washington, that expectation isn't likely to go away, because it is the right expectation for a world where intangible assets – people, brand and reputation – underpin most of the value of our companies.

Change is upon us. This is our opportunity to adapt and grow. Let's rise to that challenge together. Remember that even if we are far from our colleagues, our decisions ripple out into the world. We're each responsible for our own choices. And if you're chilly, put on a sweater. ■

Erica

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"If you want good insight into what other people in your organization are thinking about as you interact with them, having Ethisphere step in and **do their magic** is a great opportunity for helpful feedback. Ethisphere is an organization that really **knows ethics**, **compliance**, **and integrity**, and could actually help us **improve our program** by bringing lots of industry knowledge."

Hope Scott,
VP, Chief Risk & Compliance Officer,
Blue Shield of California

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SPECIAL FOCUS

IN DEPTH

A Better Culture Quotient

Ethisphere rolls out new changes to address the 3 biggest challenges around measuring culture.

A Better Culture Quotient

Survey fatigue, deeper insights, and a stronger business case for culture measurement are all driving substantial changes in the language that Ethisphere uses in its ***Culture Quotient*** *surveys—including the launch of a new line of smaller, lighter pulse surveys.*

by DOUG ALLEN | Vice President, Data Strategy, Ethisphere

For more than a decade, Ethisphere has helped companies measure their cultures through the **Culture Quotient** questionnaire, a 40-question deep dive into how employees view their culture. We have always focused on ensuring that how and what we measure is relevant, important, and up to date with broader E&C trends, regulatory guidance, and what our own customers tell us.

In that time, we have identified three key challenges facing organizations that want to measure their culture: survey fatigue, a desire for deeper data insights, and a need to make the business case for measurement. That is why, at the beginning of 2025, we rolled out substantial language changes in the Culture Quotient itself and launched a new line of shorter, 10-question *pulse assessments* to help organizations everywhere address these challenges.

What's Staying the Same

Our measurement process still retains its foundation on the Eight Pillars of an Ethical Culture that we are known for, and that our customers really lean on to dissect and diagnose their own ethical culture. And we still leverage skip logic to ensure that what's asked of every respondent is relevant based upon their profile or their experience as an employee in the organization. But apart from that, we have looked at every single facet of the questions, structure, and format to figure out where folks might be getting confused or dropping out of the survey when they are taking it. The results of that research are reflected in our 2025 edition of the Culture Quotient.

> "
> Most companies don't have a survey fatigue problem. They have an under-actioning problem.

in

Fighting Survey Fatigue

A key reason why we made some adjustments is that folks are struggling to get employees to engage in these types of surveys on account of what they're calling "survey fatigue." So, we've developed not only refinements to make the survey taking process easier, but we are asking questions that get at what may be driving survey fatigue. The reality is that employees aren't tired of taking surveys so much as they're tired of taking surveys where there is no resulting action or changes being administered. They want to see the impact their participation has. And our own experience, as well as outside research, shows that employees would be willing to take frequent surveys if resulting action is evident from them participating. As it turns out, most companies don't have a survey fatigue problem. They have an *under-actioning* problem.

To get around this survey fatigue piece, we ask about the extent that the respondent believes their voice will be heard within this survey, and that action will result from it. We try to gauge the belief that action will come from the survey to get a metadata point directly tied to perception that change will occur. That's not only a great proxy for measuring survey fatigue, but also for measuring confidence in the program and the compliance function in general.

We have also streamlined the questions themselves, since the Culture Quotient is now 40 questions in length. Now, many of the questions are more actionable, more clear, and more easily digestible for the respondent. It's all part of our focus on how we can make this a more efficient process for the respondent.

Giving Deeper Insights

Over the years, we have created partnerships with companies that have taken culture assessments several times, and at this stage in their program's maturity, they are looking for deeper insights into how they can advance their culture.

We've added several new questions across the Eight Pillars, based on what we have learned. For example, we've added new depth and details to figure out the root cause behind why employees do or don't report misconduct. We also offer a variety of new answer options to address what people consider to be key pieces of encouragement to report, such as support from their managers or from their peers.

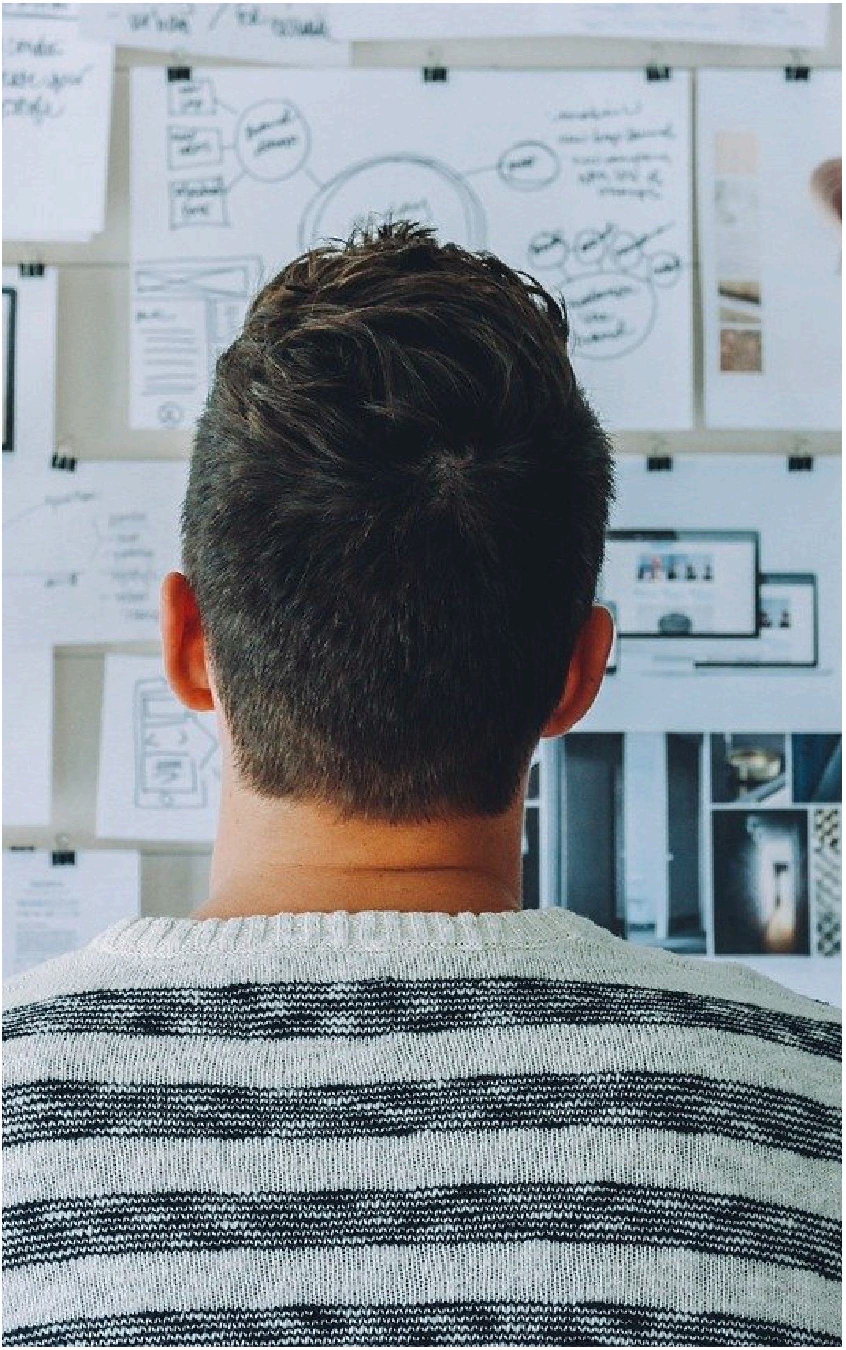
These new questions allow us to go deeper into areas where our customers are always asking for more information, where they think we can become even more actionable in what we can advise and coach customers to do.

We are also going deeper into the employee's perspective on how the messaging from ethics and compliance is resonating, and how well they can recall the messaging itself. We really want to start measuring elements of not only perceptions of the program, willingness to speak up, and tone of the top and the middle, but also behaviors associated with that.

"These new questions allow us to go deeper into areas where our customers are always asking for more information.

Ultimately, these things are all around getting a sense if your program is working or if it is effective in general. There is a triumvirate of inputs that are required to figure out is your program working. The first is the environment or the compliance program: What systems or processes are in place from the compliance team that dictate the compliance environment for the employee? The second is the perception of the local culture: What is the willingness of people to speak up, and why? That is really where our survey comes into play. And third is the behavioral component: What are the employees subject to, what are they feeling, and what are they actually doing?

From the behavioral standpoint, we've started interjecting questions that really get at what extent employees are receiving communications. Are they reporting? Are they engaging with their manager on the topic of speak up? If so, how frequently, and what is that experience like? We're trying to get that holistic view to help compliance leads figure out if their program is working in practice. That's why some of the new questions and new answer options to existing questions get at that behavioral component.



Build the Business Case

Organizations with less mature ethics and compliance functions, or have senior leadership that does not yet see the value in culture measurement, need help in making the business case for it. To that end, we have developed a variety of more lightweight assessments that we call *pulse assessments.* We have a library of these topic-specific assessments available today, and they serve a variety of use cases. One is for less mature organizations, where a pilot program needs to be run, a 10-question temperature check might be more feasible than Ethisphere's full, 40-question dive into ethical culture. We can administer these quicker assessments to a targeted audience, which can help build the business case for why culture measurement is valuable, and how it can lead to some pretty dramatic and notable improvements in a way that's cost effective and efficient.

We also offer a library of topic-specific pulse templates that are appropriate for organizations that may do a full culture assessment every 18 to 24 months, but in the intervening time periods may wish to go deep into a certain area or for certain teams. Organizations can run these pulse surveys three, six, nine, or 12 months later to see if their intervening remediation efforts have been effective.

We're really excited about this new launch, and we've got a variety of topics available today. We've got pulse assessments specific to organizational justice, willingness to speak up against misconduct, and managing pressure. And, we've got one called Culture Essentials, which is essentially the full culture assessment distilled down to a very lightweight, quick 10-question version that allows nascent programs with limited leadership buy-in or willingness to partake in such an assessment to get a taste of what this can offer.

Some Final Thoughts

It is possible to run culture assessments with a standard set of questions that does not change. And while that provides a great deal of consistency, you lose the ability to adapt to an environment where practices and expectations change. That is why we have opted to approach culture measurement like we approach the World's Most Ethical Companies process. We revise the Ethics Quotient process regularly to ensure that what we measure is up to date and reflective of best practices. The Culture Quotient was revised in that same spirit.

It's important to note that the changes that we have made to our assessment this year does not come at the expense of any of our existing benchmarking data. We have been measuring culture for more than a decade and have more than 300 companies who have engaged with us. We've got some three and a half million employee results in hand from taking these assessments. We don't want to lose that that large, comparative data set, which is why the changes we have made are refinements to our language to make it more clear, but not at the expense of losing access to that great benchmarking context that we provide.

We're quite excited to share our new Culture Quotient language with you. Through these changes we're making sure that the Culture Quotient itself evolves, along with the larger trends driving culture issues. And most of all, we are confident that this updated language, along with our new pulse assessments, will solve for some of the challenges that come with culture measurement. ■

Doug Allen is the Vice President of Data Strategy at Ethisphere where he leads benchmarking, certification, and partnership efforts.

NEXT STEPS

If you are brand new to measuring culture, here are four great ways to learn more.

The Eight Pillars of Ethical Culture. This is a great primer on our culture measurement methodology and philosophy.

Masterclass Recordings. For more detail, check out these free, short courses on culture measurement that often include a partner company that shares their own culture measurement experience.

The Global Ethics Summit. We have a lot of great sessions planned on ethical culture coming up for Ethisphere's annual marquee event on April 6-8 in Atlanta, GA.

Contact the Data & Services team. We'd love to share our insights with you as you explore this topic for yourself.

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Keep It Short, Keep It Simple

How a new series of pulse assessments are paving the way for more frequent, less intense culture surveys.

by EMILIE ANDERSON

Keep It Short, Keep It Simple

A new approach of running shorter, targeted and more frequent assessments offers organizations a new, lightweight way to see how their culture is really doing.

by EMILIE ANDERSON | Culture Analyst, Ethisphere

EMLIE ANDERSON is a Culture Analyst with Ethisphere's Data & Services team where she helps evaluate organizations' Ethics and Compliance measures.

Running a survey dedicated to measuring your organization's culture can offer insights into important ethics and compliance topics. Surveys like these provide employees a way to reflect on and communicate their perceptions of trainings, tools, and resources. In turn, your team can learn how effective those are in establishing an ethical culture. According to the 2024 updates to the Evaluation of Corporate Compliance Programs guidance, measuring ethical culture is not only helpful to those internally, but a standard by which organizations will be measured by the U.S. Department of Justice.

Culture surveys offer opportunities to gather information on the inner workings of your informal and formal structures (e.g., policies, trainings, etc.), or how formal structures lend themselves to the reality of your organization's culture. A robust ethical culture survey should evaluate a range of topics, including speak-up culture, organizational justice, and perceptions of management.

Culture surveys produce a lot of data, and it can be tricky to know how to use that to develop next steps based on your findings. In some cases, the data collected in a survey will be enough to determine an action plan; in other cases, the data may leave you with more questions.

One example from Ethisphere's data set comes from a global pharmaceutical company who learned that their organization had minimally increased their perceptions of organizational justice compared to the previous years' survey results and yet still meaningfully underperformed against their benchmark. It may be the case that their allocation of resources to organizational justice is working in some places but not in others.

Alternatively, their resource allocation may be working, but not enough to move the needle as powerfully as they had hoped. These types of results can be hard to anticipate and will likely require some more digging to understand the full picture. In cases like this, *pulse surveying* can help to fill in the gaps.

> "The CCO should be confident enough to go to the board directly when needed, know which issues need the board's attention, and when to take them to the board.

Pulse Survey Use Cases

Full culture surveys are great for gathering high-level information about your organization. They can give you a sense of employee perceptions of culture and the effectiveness of your tools and resources. Because of the amount of information they gather and the number of stakeholders often involved in rolling out such a project, culture surveying may be too much for some organizations to conduct.

Pulse surveys, however, are much more focused in their topics, and often are received by a smaller population. They tend to be much shorter in length, requiring only a minute or two from those who have been asked to take them. Importantly, focusing on an area of opportunity in your organization's culture communicates to employees that you have heard their feedback and are addressing their concerns.

A pulse survey may serve as a follow-up to a full culture assessment, a temperature read on employees' responses to new trainings or materials, or a measurement of employee perceptions of organizational change. Like any survey, a pulse survey captures a moment in time, telling us the story of employee perceptions as they are responding to the survey. Because of their brevity and topical focus, these "snapshots" can be taken more frequently, for a number of different purposes, and with a variety of respondent populations. Cast in point: administering a pulse survey to people leaders after rolling out a new manager training to better understand manager preparedness for conversations about ethics. Or, surveying a specific team when a department policy changes to gauge relevant changes in employee perceptions of ethics. Pulse survey use cases are numerous and flexible, lending themselves well to supplementing data your organization already has.

When to Run Pulse Surveys

Because they tend to be less resource intensive, pulse surveys likely require less planning for you and your team and can be executed based on need. They could be used to gauge perceptions of a facet of organizational culture after the rollout of new policies or trainings, in response to feedback from other surveys or focus groups, or to measure a part of your organization's culture that has not been previously measured.

At Ethisphere, we often see organizations run pulse surveys between their full culture surveys to focus on areas of opportunity. While pulse surveys are often administered on a more frequent basis than full culture surveys, the way they specifically target certain topics or cohorts within your organization means that they do not contribute to the kind of survey fatigue that challenges lengthier, company-wide surveys.

In a 2024 episode of the Ethicast, Ethisphere's Curtis Leicht discusses key considerations for determining the best time to run a survey: "There may not be a perfect time, but there's a *good* time." He recommends considering both internal factors like other organization surveys or changes in the organization, and external factors, such as major holidays, when establishing the best time to launch a survey.

Who Should Receive a Pulse Survey?

Pulse surveys are meant to provide more detail on a particular topic or demographic. To make the most of a pulse survey effort, it's important to think through the most effective way to launch the survey to receive as much insight as you can without casting your net too wide. The respondent base for your pulse survey should reflect both the topical and demographic purposes of administering a pulse survey.

Consider the survey's content and the respondent base in tandem. Could your team use more detailed data about a specific topic from a particular team, demographic, or employee level? If recent culture measurements have shown pockets of opportunity, use them to identify both the topic and the respondent base for your survey.

For example, Ethisphere recently worked with an organization based in the United States whose culture survey results indicated a lack of employee faith in their non-retaliation policy. Ethisphere recommended that the organization develop a standalone non-retaliation policy to be rolled out alongside trainings for both individual employees and managers on how the policy is executed and the organization's stance on retaliation.

Once the policy and trainings have been administered throughout the organization, following up with a pulse survey would allow the team to gauge which areas of the organization would benefit from additional messaging about speak-up culture and non-retaliation. Results of this survey would allow the organization to be selective in how their resources are prioritized and allocated to make sure that those who most need information about non-retaliation are receiving it effectively.

How Do I Design a Pulse Survey?

Once you've determined the topic and respondent base for your pulse survey, the next step is to determine what information you are hoping to receive. Maybe you want to gauge one team's awareness of speak-up resources in light of unfavorable perceptions of organizational justice. Alternatively, you may want to focus on individual employee perceptions of management after organizational restructuring. Gathering an idea of the information that you need in order to create actionable plans will help direct your survey development.

A defining quality of a pulse survey is that it is meant only to be a temperature read. To prevent survey fatigue and preserve employee engagement, pulse surveys should only take employees a few minutes to complete. Design questions that target the information you need while keeping the number of questions – and cognitive demand of taking the survey – to a minimum. For example, rather than using pulse survey space to repeat questions you have designed for full-length surveys, engagement surveys, or focus groups, determine what information those sources of input are not able to provide. If respondents report that they have not reported observed misconduct, are they able to determine what types of behavior qualify as misconduct? Are they aware of the number of ways your organization provides for reporting? Pulse surveys should be short and specific – targeting a distinct set of information. ■

*To learn more about how measuring culture can help your organization become more productive, innovative, and profitable, visit the **Ethisphere Culture Accelerator** today.*

CLICK HERE

Ask the Experts

The Ethisphere data & analytics team shares some keen insights and best practices when it comes to measuring your cultures

Ask the Experts

by **DOUG ALLEN** | Vice President, Data & Strategy, Ethisphere;
CURTIS LEICHT | Data Analyst, Ethisphere;
EMELIE ANDERSON | Culture Analyst, Ethisphere;
KATIE KRUGER | Culture Analyst, Ethisphere; and
MALTHE HELT | Culture Analyst, Ethisphere

The Ethisphere Data & Services team has been helping organizations measure their culture for a long, long time. So, we asked the team to share some of their biggest takeaways from working on so many culture assessments among so many companies across so many industries. Here's what they had to say about survey timing, data layering, survey clarity, and action planning.

Timing is Everything

When organizations aim to measure employee perceptions of ethical culture at scale, the timing of the effort is just as critical as the survey itself. Misaligned timing—whether with business priorities or competing initiatives—can significantly impact participation rates and the credibility of the data you collect.

We faced this challenge firsthand while working with a global distributor and retailer. The organization was under pressure to gather employee feedback before year-end, leaving December as the only feasible window. Unfortunately, launching an all-employee survey during the holiday rush in a retail environment proved to be a daunting task. With employees rightfully focused on customers, participation barely hit double digits.

The lesson? Timing matters. To ensure your survey doesn't compete with the business, plan carefully. Avoid launching during common vacation periods, major holidays, or busy sales pushes, such as quarter- or year-end periods. And for organizations with substantial Asia-based employee populations, remember to account for events like the Chinese Lunar New Year.

Beyond avoiding the "bad" times, seize opportunities to survey employees during "good" times—periods when it's easier for them to engage. For instance, many of our partner organizations append Ethisphere's Ethical Culture Assessment to the tail end of mandatory annual Code training, ensuring high visibility and participation. Others incorporate surveys into annual Ethics Week events, leveraging the momentum of an already established focus on integrity and culture.

Key takeaway: Align your survey effort with your employees' schedules, not against them. Thoughtful timing can dramatically improve your participation rates and, by extension, the quality of the insights you gain. -*D.A.*

Too Much Butter

During the planning stage of an Ethical Culture Survey, most clients consider what demographics they should include, informed by their reporting needs following the survey, but rarely do clients consider the complexity of those demographics. Complex demographics, with many unique groups within a single category, can be challenging to analyze and/or yield groups of responses that are too small to be actionable.

Imagine a hypothetical organization in the Consumer Goods industry that is planning an Ethical Culture Survey next quarter. The organization would like to deliver survey results to people leaders, showing results for the employees the report up to that people leader. Here's the tough question: How far down the org chart should they go? The executive team? Middle managers? All people leaders?

Many organizations default to all people leaders or at the very least a management level far down the org chart. Their hearts are in the right place—they want to deliver actionable data to managers throughout the organization to empower them to make meaningful change for their local team. Additionally, they have a fear of missing out on a key insight or data segmentation if they were to simplify their demographics. More is better right?

For this example, there are 850 local leaders. The organization would like to give survey data segmented for each local leader. Now skip to the end of this hypothetical survey. Congratulations, our hypothetical Consumer Goods organization

received 10,000 responses, nearly half of their 21,000-employee population!

However, when the team begins segmenting the data for those 850 local leaders, they come across a problem. The average response count for each local leader is only 12. Additionally, many of these groups fall below the organization's anonymity threshold. Therefore, the data cannot be analyzed because the groups are so small that it risks compromising the anonymity of the survey.

Even managers with response counts above the anonymity threshold have response counts such that a single response can significantly impact the results. The sample size for each local leader is too small and is not actionable. Furthermore, the task of providing meaningful data and guidance to several hundred local leaders will take months and hundreds if not thousands of hours.

Key takeaway: When determining which demographics to include in your upcoming Ethical Culture Survey, consider the number of unique groups or complexity of your data. Will this create groups of responses that are too small to be actionable? Does your post survey analysis put significant strain on your team's resources? Without these considerations, your survey data and team resources might be like butter scraped over too much bread. *-C.L.*

Layering Data Matters

When planning to administer a survey measuring ethical culture, organizations often ask about what demographic fields they should aim to capture. It pays to evaluate what demographic data is most usable; in most cases, that requires a look into what demographic data is being collected through other inputs around the organization.

Recently, we worked with a U.S.-based organization with employees based in multiple countries. Their survey was designed to sync up with multiple culture inputs, including Human Resources data, Engagement Survey results, and their year-over-year data from previous survey efforts with Ethisphere. On the eve of the survey's launch, the organization realized that the demographic data they had chosen to collect did not align with their other survey inputs.

While misaligned demographic data will not render survey results unusable, it may limit the organization's insights into the nuance of survey responses. Culture surveys offer us a look into organization culture at one moment in time. And while that look gives us a helpful picture into the employee experience, it is useful to have other sets of data to fill in some of the gaps.

For instance, if you have a business unit that reports distrust in your organization's Non-Retaliation Policy, you could compare the same business unit's responses to non-retaliation questions in previous years' surveys to evaluate if these sentiments have changed over time, giving you one additional layer of data. For more dimension, though, you may also consider assessing this business unit's engagement survey results to learn how their perceptions of retaliation at the organization might impact employee retention or evaluating focus groups that included the business unit to learn more details about their specific employee experience. Data layering allows you to see the "moment-in-time" survey results against a handful of other dimensions, offering a more colorful picture to what may have been sepia-toned data.

Before the organization launched their survey, we were able to realign their demographic needs to make sure they were getting the most use out of the data collected in their culture survey.

Key takeaway: It pays huge dividends to think beyond the project at hand. The data you're gathering now is not the only piece of the larger culture picture. *-E.A.*

Lessons in Survey Clarity

As a Culture Analyst at Ethisphere, my work focuses on surveying employees and helping our clients interpret their data to drive meaningful change. While they may not be able to tell you the ins and outs of my job description, my friends know I do "survey work." Because of this, I was approached by a group of my friends who had received a survey from their mutual employer. When they reached out to me, they were hesitant about completing the survey. The concerns they raised were common concerns I see from survey respondents: their concerns centered on anonymity, the intent behind the survey, and how their feedback would be used.

The confusion peaked with a single question about leadership. Since the question didn't specify which level of leadership the question referred to (executive, mid-level, or direct managers), respondents weren't sure how to answer. Worried their feedback might be unfairly interpreted to target the wrong group, many told me they stopped the survey altogether. One poorly designed question resulted in a whole survey abandoned by many respondents, impacting response rates and the overall usefulness of the data.

Although I wasn't involved in this survey's design process, it taught me some important lessons about question selection and survey communication. Craft specific, actionable, and easy-to-interpret questions to give respondents confidence in their answers. Avoid ambiguity that might lead to confusion or misinterpretation. Think like a respondent; try to anticipate potential misunderstandings by reviewing questions from the perspective of your audience. Clearly explain the survey's purpose, the steps taken to protect anonymity, and how the data will be used. Build trust by being transparent.

Key takeaway: In an era of survey fatigue, thoughtful design and clear communication are essential to collecting meaningful data. By prioritizing these steps, organizations can create assessments that drive actionable insights and foster trust with their employees. -*K.K.*

On Action Planning

One may think that the final step of the culture assessment projects is receiving the survey data. However, what comes after is far more important for the long-term success of our clients. Countless times, we have seen organizations without clear action and communication plans in place after they receive their survey results. This step in the process is fundamental for future employee engagement, response retention, and trust.

From an employee perspective, organizational accountability is key. After being asked to take a survey and providing honest feedback, employees want to know that their responses are taken seriously and will create long term change. By communicating clear actions in response to results, employees feel heard and the organization proves a commitment to improvement. Without this, organizations sacrifice future employee engagement in similar surveys. The bottom line is that survey results are just data, and data without action is useless. Action plans take employee feedback and transform it into tangible steps for the betterment of the organization.

Whether these action plans detail policy updates, new communications efforts, or new targeted training, they should be clearly linked to the to show employees their voices were heard. An increase in transparency around such projects connects participation in the survey to meaningful change and can lead to increased employee confidence in future measurements.

> "Thoughtful design and clear communication are essential to collecting meaningful data.
>
> Katie Kruger
>
> in

As work culture takes on more importance in today's society, employee satisfaction, motivation, and loyalty becomes even more important. Transparency around survey findings and a well-documented action plan leads to employees feeling heard and valued for their input and is the first step toward organizational change and growth. Change is constant and maintaining employee response retention is key.

Key takeaway: Having action and communication plans in place builds trust between the organization and employees, drives meaningful change, and promotes a healthy and safe work culture. -*M.H.* ■

WINTER 2025

OTHER FEATURES

Ethical Management: Your Best Defense Against Misconduct

by SUSAN DIVERS

Ethical Management: Your Best Defense Against Misconduct

Recent enforcement actions, regulatory headlines, and the uncertainty of an incoming Presidential administration brightly underscore how management systems rooted in strong ethical behaviors build value for your organization.

by **SUSAN DIVERS** | Advisor, ethena

With a new Administration stepping into office, and a world full of challenges facing everyone, now is a good time to get back to basics in the ethics and compliance space. In particular, the primary purpose and mission of E&C programs and professionals: preventing misconduct and remediating it when it occurs. Program essentials such as Codes of Conduct, policies, and training are a means to this end—but not the end itself. To be effective, programs need to focus directly on ethical management at all levels of the company, not just "tone at the top." Ethical management means integrating profit, operational goals, and revenue targets with legal and regulatory compliance, as well as company values.

If anyone has any doubts, the downfall of an iconic U.S. global company, Boeing, is an illustration showing what happens when ethical management is weak or lacking. In 2018 and 2019, a faulty system caused two crashes killing everyone onboard and resulting in a settlement of federal fraud charges totaling more than $2.5 billion. Prior to the crashes, one of Boeing's senior test pilots had told a colleague (according to texts later made public) that he wouldn't permit his family to fly in an aircraft using the system in question, but apparently took no action. Despite the fine and urgency of aircraft safety, last year a door flew off a Boeing jet in flight due to faulty maintenance. Rumors that the company may have to file for bankruptcy abound.

All this happened despite Boeing's ongoing investments in its ethics and compliance program. And in case anyone thinks that this type of disaster is limited to large manufacturing companies, the costly scandals involving cryptocurrency firms FTX and Binance show that tech and start-ups require ethical management to avoid compliance and commercial meltdowns.

Let's take a look at the key building blocks of ethical management.

Set clear expectations

Boeing documents released during Congressional hearings show that other managers were keenly aware of the shortcomings of the faulty system in the crashed jets but nonetheless failed to raise them up the chain of command, showing that a good "tone in the middle" doesn't arise by itself. Organizations need to set clear behavior goals through training and the performance review process, not just exhortations to be ethical or fair. Similarly, Boards of Directors need to hold the C-suite similarly accountable for ethical behavior.

> "If anyone has any doubts, the downfall of an iconic U.S. global company, Boeing, Boeing is an illustration showing what happens when ethical management is weak or lacking.

in

Practical training that 1) focuses exclusively on ethical management as an important topic requiring time and attention, 2) includes examples derived from real company experiences, and 3) models desired behaviors is essential. Even enlightened or well-meaning managers don't necessarily know how to talk about ethics and compliance with their teams or handle an ethical question or dilemma when it occurs.

An equally important part of setting clear behavioral expectations is rewarding good behavior and penalizing ethical or compliance lapses. In March 2023, the Department of Justice updated its Evaluation of Corporate Compliance Programs (ECCP) to include guidelines on how effective E&C programs should include criteria in performance reviews and bonus awards that evaluate ethical management and provide real incentives and disincentives based on performance.

"If executives and managers are modeling ethical behavior, there is a good chance the employees will do the same.

in

The DOJ strongly encouraged the use of "claw-backs" of compensation or awards for anyone involved in misconduct. An effective E&C program requires that the organization's HR processes align with ethical management incentives.

Another aspect of ethical management is the ripple effect. If executives and managers are modeling ethical behavior, there is a good chance the employees will do the same. The reverse is also true: if a manager engages in unethical behavior himself or herself, it legitimizes misconduct in their teams.

The bottom line is that ethics and compliance messages are only effective when they are incorporated into the actions of the company and its management at all levels.

Organizational Justice

Employee perceptions that the company is "fair" in allocating both rewards and sanctions is both a foundation and driver of ethical culture and underpins ethical management. Failure by an organization to hold everyone to the same standards simply isn't consistent with ethical management and destroys trust. A good first step is developing and embracing transparent and clear standards for determining workplace rewards and sanctions, and including formal audits or assessments in these areas—with transparent results—to verify that organizational justice is taken seriously and working as intended (or needs refinement).

A second major step is to take an open approach to investigations and disciplinary actions. Simple measures—including a disciplinary matrix to identify how compliance breaches will be evaluated, an outline of the investigative process to identify the steps taken when a concern is lodged, and sanitized summaries of significant investigation results—can build trust in the organization's processes.

Introducing independence into investigations, whether through external investigators, including functions outside the business unit in the investigation or otherwise, also engenders confidence.

Consistent, open engagement with individuals reporting concerns (as well as witnesses) can reduce the risk that employees will view the company or its processes as unfair, opaque, abusive, or subjective. Sending out a short, five-question survey at the end of an investigation to the parties involved is also a good way to capture feedback and ensure that any concerns are heard.

Speaking Up & Listening Up

According to Ethisphere's 2024 Ethical Culture Report, 15% of employees witness what they believe to be misconduct every year. 93% of employees say they would report misconduct if they witnessed it, but at the moment of truth, only 50% of employees actually report misconduct when they see it, usually out of fear of retaliation or low confidence that anything will be done about it. On average, this "speak-up gap" allows for as many as 75 acts of misconduct to go unreported annually per 1,000 employees.

Investing in speak-up programs should be a priority, including offering and advertising multiple channels of reporting, such as email, messaging, internet drop-boxes, external compliance committees or ombudsmen. Ethical management, at its core, involves taking into account feedback, identifying issues, and resolving problems consistent with company values.

Yet many organizations content themselves with a hotline rather than casting as wide a net as possible to capture employee input and concerns. Employees may be comfortable lodging concerns in different ways, most often by talking informally with their managers. Training managers how to listen to employee concerns and providing a means of resolution for such employee feedback can go a long way to promoting speaking up in the normal course of business and facilitates more robust data collection...especially when Ethisphere data shows that one of the most commonly cited reasons employees give for their willingness to report misconduct is "My manager will support me."

Why are you willing to report misconduct?

87.8%	It is the right thing to do
60.8%	Corrective action is necessary
52.8%	My manager will support me
48.5%	The reporting is anonymous
44.6%	Senior leadership will support me
36.5%	My co-workers will support me
24.1	If I don't do it, no one else will
1.7%	Other reasons

SOURCE: 2024 Ethical Culture Report, Ethisphere

Moreover, the updated ECCP stresses the DOJ's expectations that corporations should actively promote internal whistleblowing and safeguard individuals who report misconduct. The ECCP revisions outline how organizations should inform employees of the various channels for reporting, including outside the company and pursuant to various statutes and regulations. Going forward, the DOJ will evaluate whether companies have adequate policies and training to encourage whistleblowing and prevent retaliation, as well as how companies treat employees who report misconduct.

Helping and coaching managers on how to listen to employee concerns without retaliation is part of good ethical management. If the organization welcomes employed feedback, it can capture critical data and identify problems before they get worse. One good way to do this is to showcase employees who do speak up and flag potential problems before they become disasters.
Plus, utilizing surveys creatively to capture feedback on investigations at the end of training modules or more generally can go a long way to promoting speaking up in the normal course of business and facilitates more robust data collection.

The Bottom Line

Too many E&C programs still spend most of their resources and efforts on rules and checklists, the "skeleton" that outlines the program's structure and components rather than ethical management — the goal of the program. By focusing on elevating manager behavior, implementing organizational justice, and speaking up/listening up, an organization can establish and enhance an ethical culture as the heart of any effective E&C program. ■

Susan Divers is a compliance industry veteran & consultant with decades of experience in ethics. She is currently an Advisor for Ethena, an integrated compliance platform.

Sanctions, Sovereignty, and Strategy

Inside the Middle East's High-Stakes Compliance Era

by BEN COCKRAM

Sanctions, Sovereignty, and Strategy

Inside the Middle East's High-Stakes Compliance Era

by **BEN COCKRAM** | Managing Director, Major, Lindsey & Africa, London

As Donald Trump returns to the White House, multinational companies around the world are bracing for a more complex and assertive regulatory landscape. While the ripple effects of his administration's "America First" approach will be felt globally, nowhere will the impact be more pronounced than in the Middle East. Here, a swirling confluence of regional dynamics—including the intensifying Israel-Palestine conflict, significant Russian interests being deployed from the UAE, and Saudi Arabia's rapid rise on the world stage—creates a perfect storm for compliance officers and regulatory strategists to face.

The Middle East has always been a pivotal intersection of East and West, and today, this position makes the region a microcosm of global power struggles. Businesses here must navigate an intricate maze of U.S. sanctions, local regulatory shifts, and regional rivalries.

Chief compliance officers (CCOs) at multinational corporations with Middle Eastern interests are now facing an imperative to reinforce their trade sanctions and export controls functions. The 2017–2021 U.S. administration's "maximum pressure" campaign on Iran showcased the speed and severity with which U.S. sanctions could escalate, reverberating across Middle Eastern financial institutions, oil and gas companies, and logistics sectors. With a second "Trump era" set to bring similar pressures, compliance leaders are re-thinking resource allocations, operational agility, and real-time monitoring capacities to mitigate risks and maintain business continuity in the region.

Complex Compliance

One major change since Trump's last tenure is the strengthened global standing of Saudi Arabia, whose regional and economic influence has grown rapidly. With Saudi Arabia attracting record foreign direct investment ($25.6 billion in 2023, according to the Ministry of Investment, up 50% from 2022) its increasing assertiveness on the global stage adds another dimension to the already complex compliance landscape. For companies navigating U.S. sanctions, this shift raises the stakes for balancing relationships with a rising Saudi Arabia alongside compliance with American foreign policy, especially given Saudi Arabia's growing ties with both Eastern and Western powers.

For CCOs accustomed to applying global compliance policies in stable, transparent regulatory environments, the Middle East presents a unique set of challenges. Policies from headquarters may overlook region-specific nuances, leaving frontline compliance officers struggling to reconcile broad directives with the realities of complex regional relationships. As Middle Eastern countries navigate relationships with the U.S., China, and Russia, companies operating within their borders must carefully balance international business interests with local norms and alliances.

Political neutrality in particular is becoming a strained position. Recently, Abu Dhabi-based tech conglomerate G42 divested from China in a strategic shift to secure a $1.5 billion investment from Microsoft—an illustration of the balancing act many Middle Eastern companies face. In an environment where U.S. trade and technology restrictions on China are tightening, such cases underscore the need for vigilant compliance programs capable of responding swiftly to shifting alliances. Multinational compliance teams increasingly find themselves on a geopolitical fault line, where the cost of missteps can be measured in both financial penalties and reputational damage.

Stronger Sanctions

The prospect of stringent U.S. trade policies will likely force CCOs to enhance their Trade Sanctions and Export Controls capabilities. Once seen as specialized, niche functions, sanctions compliance teams are evolving into critical pillars of corporate governance and risk management. The challenge CCOs will face is a strained and competitive talent pool. Experts also forecast a new wave of investment in compliance technology and personnel, aimed at equipping teams to meet rapid-fire regulatory changes without crippling operations.

For multinationals engaged in the Middle East, this reinforcement will entail hiring dedicated trade sanctions specialists, leveraging AI-powered monitoring systems, and instituting real-time risk assessments to keep pace with changes in U.S. and local regulations. Robert Lighthizer, Trump's former trade representative and rumoured to be rejoining his administration, is known for his uncompromising approach to tariffs and trade restrictions—a warning to CCOs that compliance is set to grow ever more challenging and costly. For local compliance officers in the region, navigating dual compliance with U.S. standards while respecting local rules demands a deft touch and sophisticated local knowledge.

Digital Demands

As the Middle East embraces digital transformation, compliance demands are expanding in tandem. Saudi Arabia's new Personal Data Protection Law (PDPL), which came into effect in September 2024, introduces a series of stringent requirements for companies handling personal data. Modelled partially on Europe's GDPR, PDPL mandates that organisations within Saudi Arabia comply with strict data collection, processing, and retention standards, with noncompliance punishable by fines reaching up to 5% of annual revenue. This regulation adds to the already complex web of compliance for multinational CCOs who must ensure that digital policies align with both U.S. and local data privacy laws.

Data protection has become a critical compliance area as cyber threats rise globally, with the Middle East alone experiencing a 50% increase in cyber incidents targeting financial institutions over the past year, according to regional cybersecurity reports.

With Saudi Arabia emerging as a data compliance leader, CCOs and local compliance teams must build robust data governance frameworks to meet the region's rising standards and protect against potential penalties.

On Public Policy

In this evolving landscape, CCOs will increasingly view collaboration with public policy and government affairs professionals as a lifeline in understanding the trajectory of U.S. foreign policy, particularly where regulatory changes might outpace internal compliance updates. Together, these teams can help anticipate potential impacts on trade routes, partnerships, and financial operations, providing executives with a clearer map for navigating shifting U.S. and regional policies.

With Washington likely to intensify sanctions enforcement, compliance officers can no longer afford to work in silos. A close-knit partnership with public policy offers early warning capabilities, helping CCOs forecast shifts in regulatory attitudes and respond proactively. Where sanctions and export controls threaten to restrict business activities or transactions, government affairs teams can provide critical insight, advising on diplomatic and legal considerations that compliance teams might otherwise miss.

Get Ready Now

As the "America First" doctrine takes root once more, companies are expected to commit unprecedented resources to compliance functions that have long been underfunded or treated as reactive cost centers. The costs of enhancing trade sanctions and export controls functions will be considerable—investment in new technologies, expanded personnel, and extensive training will stretch many compliance budgets. Yet CCOs increasingly recognize that the alternative—fines, lost market access, and reputational damage—is simply too high a price to pay.

For local compliance professionals, this reinforcement promises to bring resources to the front lines, helping them keep pace with global demands while navigating the region's unique political landscape. However, their work will be cut out for them. U.S. sanctions and trade policies will likely place Middle Eastern entities under greater scrutiny, demanding a high level of local expertise and a sensitivity to the political nuances that shape regulatory landscapes.

In an era of aggressive foreign policy and high-stakes trade restrictions, the relationship between compliance, public policy, and government affairs will prove indispensable. Through close collaboration, businesses can meet the demands of this new landscape, safeguarding their interests while adapting to the shifting tides of U.S. policy. For compliance teams across the Middle East, the challenge will be to remain flexible, well-informed, and resilient, no matter how turbulent the geopolitical waters become. ■

Ben Cockram is Managing Director, Major, Lindsey & Africa, London. Ben has deep, practical exposure to the Middle East & Africa markets, as well as the UK and Mainland Europe.

The Time to Act Was Yesterday

How Business Can Pick Up the Fight on Climate Commitments

by DR. PARDIS SHAFAFI

The Time to Act Was Yesterday

It's Time for Business to Pick Up the Fight on Climate Commitments

by DR. PARDIS SHAFAFI | Global Responsible Business Lead, Designit

Since the groundswell of the "Green Movement" in 2019, the European Union's climate initiatives have experienced significant setbacks. Despite initial momentum, many EU member states are now pushing to dilute key policies aimed at tackling the climate emergency, while the rise of green-skeptic parties in recent elections across the continent has further threatened progress.

As governmental actions waver, it's increasingly clear that businesses are the ones that can turn the tide. (No small irony, given that it was many of them that caused these challenges in the first place.)

The question is though—what will it take to have businesses finally take responsibility?

The New Era of 'Green Hushing'

The issue with relying on corporations to fight the good fight is that many are more interested in fighting the climate regulations that are being imposed on them already. In fact, one could argue that there are no effective incentives for them to change within a "growth at all costs" model.

And the ones that are trying to make positive change are engaging in a cultural shift known as "green hushing."

Where greenwashing involves overinflating environmental claims, "green hushing" is its inverse: businesses, wary of being accused of insincerity, choose to stay silent about any actually genuine or well-intentioned efforts. This retreat into silence is driven by fear of backlash, leading companies to scale back communication on these sustainability initiatives.

However, this reluctance to communicate is counterproductive—not just for individual businesses but for the broader market. Silence means missed opportunities for collaboration, learning, and demonstrating progress to drive a positive change in business culture.

Instead of retreating, businesses have the opportunity to reshape their relationship with transparency and accountability, placing principles like "Do No Harm" at the center of product development and corporate strategy. All of which contribute towards a transformed global strategy that rethinks current and unsustainable growth mindsets.

Being quiet about sustainability due to a fear of backlash means that the business discourse of the "pre-climate change movement" era dominates, making it harder for those genuinely interested in transforming the production, consumption, and waste value chain into something substantial, change which benefits the planet and in turn, us.

A Change of Business Mindset

When setting environmental standards, governments have historically resorted to the regulatory approach of "stick" rather than "carrot." However, these penalties (often in the form of fines) may seem large in absolute terms, but relative to the worth of the organizations that are paying for them, they may amount to little more than a slap on the wrist, which brings to question how effective they may be as a deterrent. Large corporations have proven adept at knowing where regulatory loopholes are and are more than willing

to pay the (often reduced) fine rather than make meaningful change.

Coupled with this is the arms-race mentality that pervades the market. Businesses are often hesitant to adopt greener practices out of fear that competitors will not follow suit, leaving them at a disadvantage. This dynamic mirrors international politics, where countries are reluctant to commit to more stringent climate policies if they believe others will not do the same.

It's a game of chicken—each waiting for the other to blink first, resulting in stagnation.

Yet, the potential for business leadership in this space is significant. If enough companies commit to genuine sustainability, it could create a new market standard where responsible practices become the norm rather than the exception. Brands like Patagonia and Fenty, which have long prioritized social and ecological sustainability, demonstrate that businesses *can* set new standards regardless of governments falling short on their efforts.

Internal Pressures Shape Change

Research shows that consumers are more likely to spend a premium on a sustainable product. But pressure for green authenticity is not only coming from consumers, but also from within businesses themselves.

As Gen Z and younger employees enter the workforce (by 2025, Gen Z is set to comprise more than a quarter of the global workforce), they bring with them expectations of ethical practices and transparency. They are challenging their employers to move beyond performative acts of sustainability and instead demand meaningful action.

This generational shift could become a turning point in the fight against greenwashing—and indeed, green hushing—as workforces themselves encourage businesses to be prouder about their climate initiatives, and model broader changes.

By engaging these new voices, businesses can align their operations with principles like "Do No Harm," forecasting potential negative outcomes of new products and actively working to minimize harm. This not only mitigates the risks of internal whistleblowing, but also positions companies as leaders in the transition to a more sustainable and ethical business environment—a long-term gain that benefits the planet.

This reimagining of product value mirrors broader societal evolution towards conscious consumption. As consumers become more critical of greenwashing, they seek brands that offer genuine solutions, not just marketing spin. Businesses that rise to this challenge can build trust, attract loyal customers, and lead the way in shaping a sustainable future.

Businesses have the flexibility and capacity to reframe the narrative around sustainability. Unlike governments, which face multiple competing priorities, businesses can be more agile and respond to consumer demand and market shifts. But for companies to lead effectively, they must challenge a punitive mindset to one of genuine commitment—where the "carrot" is a liveable planet and incentive enough for modelling something new.

As the world faces mounting environmental challenges, businesses with the capital and the know-how can lead and be better, but it means stepping away from a traditional (and environmentally toxic) mindset of growth and profit. By prioritizing transparency, fostering a culture of "Do No Harm," and embracing genuine sustainability, businesses can not only shape a more ethical future but also ensure their own long-term success.

The time to act was yesterday. But every day from now counts. It's time for businesses to lead the way by committing to a future where sustainability and success go hand in hand. ■

Dr. Pardis Shafafi is a political anthropologist and Global Responsible Business Lead at Designit, an international design firm headquartered in Copenhagen, Denmark. Based in Oslo, Norway, Dr. Shadafi is a prolific author and speaker whose commentary has appeared on the BBC, Al Jazeera, The Economist, NRK, and Zetland.

DR. PARDIS SHAFAFI

WINTER 2025

BELA OF THE BALL

Explore the best of the Business Ethics Leadership Alliance

BELA Asks

You've got questions, we've got answers! Submit your E&C question to the BELA concierge service, and our internal experts will provide an answer and helpful resources with further information. Meanwhile, tune each week as BELA Chair Erica Salmon Byrne thematically responds to a high-level question.

Listen in on some of the top "How To" episodes:

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SUBSTANTIATE CLAIMS

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Toolkits & Foundational Resources

Ethisphere Essentials are foundational resource packages on topics that ethics and compliance teams must address on a continuing basis. While they can be used by programs at any maturity level, they are geared toward organizations that are looking to build the foundations of their ethics and compliance program.

The most recent resource package is an all-in-one guide on **Speak-Up Culture** that addresses the topic in four sections:

1. An introduction to speak-up culture
2. Creating clear, consistent, and transparent processes
3. Providing easy to access tools and information
4. Integrating ethical behavior & comms by managers and leaders

BELA Members can access the new guide here.

Not a BELA Member and want to check out a sample of Ethisphere Essentials compliance policy templates?
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Integrity in a Box

September 2024

VERIZON

Integrity Discussions Toolkit

This comprehensive toolkit includes tips for managers to have E&C discussions and conversations with their teams, guidance and best practices, scenarios, "spot the issue" examples, and how to report a concern.

TTEC

Determining Readability of Policies

This short guide shows policy drafters how to check readability scores, use active voice, and simplify language to make policies more easily understood by stakeholders of all backgrounds, experiences, and education levels.

ANON. BELA MEMBER

Conflict of Interest & Outside Activity Policy

This policy defines conflicts, disclosures, and prohibited activities. It also shares details on G&E, personal relationships; outside employment; Board participation; financial interests; and contractors & suppliers.

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ETHISPHERE
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WINTER 2025

BACK MATTER

See You Later, Alligator

Exit interviews are a common HR tool used to gain insight into a departing employee's job satisfaction. Many companies also use exit interviews to gather insights on the effectiveness of their ethics and compliance program, and the overall state of their culture, as shown by this data from Ethisphere's benchmarking platform, The Sphere.

88%

of World's Most Ethical Companies honorees ask about the departing employee's **working relationship with their manager**

68%

of World's Most Ethical Companies honorees asked if the employee was aware of/concerned about unethical events. That figure drops to only **57% for all companies**

35%

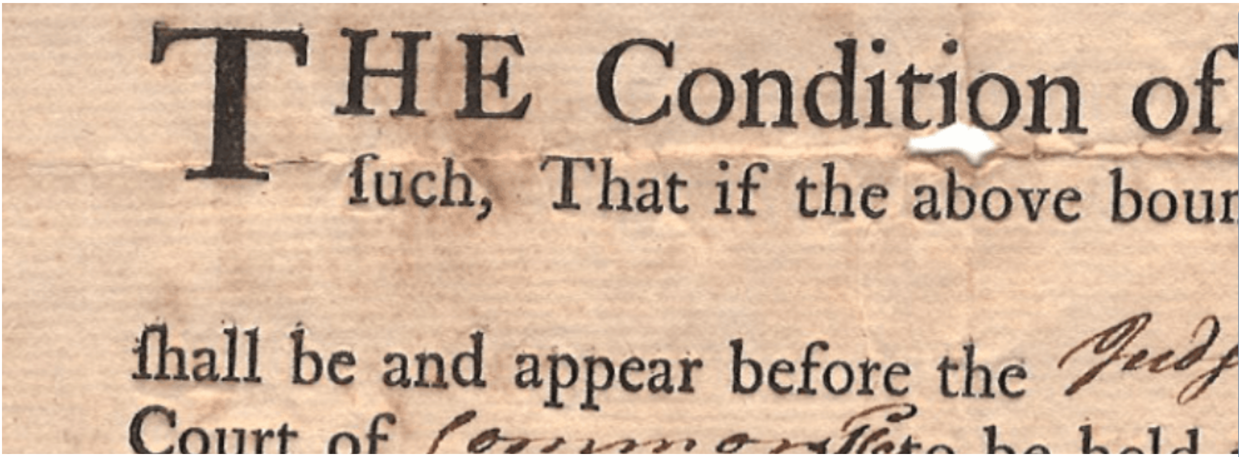
of all organizations ask exit interview questions specifically structured to assess the departing employee's **organizational justice** perceptions

50%

of all organizations ask about the departing employee's perception of the organization's **diversity, equity, & inclusion**

> **Build a process to share the responses with the E&C team.**
>
> *Leslie Benson, Ethisphere*

in



Eleazar's Story

by BILL COFFIN | Editor-in-Chief, *Ethisphere Magazine*

Eleven years ago, I began researching my family history and ran into a dreaded "brick wall:" determining the identity of my great-great-great-great grandfather. Theories abound, and one I decided to chase was a fellow named Eleazar Coffin, who lived in Bucks County, PA and Hunterdon County, NJ, in the years shortly after the American Revolution. I'm pretty sure Eleazar is our guy, but since we don't yet have firm evidence of it, I keep researching him. And as I did, I discovered he had been busted for counterfeiting in 1794.

"If somebody owed me twice my annual salary, I'd call the sheriff on them, too.

As far as I can tell from various court documents, in May 1794, Eleazar gets hauled into court by the county sheriff to pay an outstanding debt of £35 to someone named Joshua Anderson. £35 doesn't seem like a lot, but bear in mind that the average annual U.S. salary at the time was only £14. If somebody owed me twice my annual salary, I'd call the sheriff on them, too.

In July 1794, Eleazar and an accomplice, Phillip Bevan, are indicted for milling fake silver coins and are ordered to pay £35 plus another £70 interest. It sure looks like Eleazar tried to pay off Joshua Anderson in fake money, even though the New Jersey state currency bore the warning, “To Counterfeit is Death.” Defrauding Joshua Anderson (and the public) is lowdown, but roping in some jamoke to help you do it is even more so.

In September 1794, Coffin and Bevan tell the court that there is no way they can pay what they owe, so in October 1794, the court ups that amount to an astounding £300. At more than 21 times the average salary, a personal fine of that size on a fraud-minded deadbeat appears to be “never show your face around here again” kind of money. And I think Eleazar took the hint, because there is no further official record of him in New Jersey or Pennsylvania after that. No census data, no land records, no obituary, no nothing. I suspect he changed his name and went to ground to evade his creditors.

When I relayed all of this to my wife, she referenced someone in our family with a history of sketchy behavior and says “so *that's* where they get it from.” As always, she makes a strong point.

We are entering challenging times as a community that is dedicated to business integrity. A CEO was shot dead in broad daylight and people cheered about it online. Companies are proclaiming the closure or rollback of their DEI offices. Public leaders are finding brazen new ways to signal their bad faith. Trust in public institutions remains rock-bottom, but trust in businesses in general has taken its first big step down in recent memory.

It all feels like a collective objection to a truth that we hold to be self-evident: that building strong ethical frameworks also builds sustainable value. Thankfully, Ethisphere has, over the years, gathered no small amount of data to prove that point, including the vaunted Five-Year Ethical Premium that shows how companies that create best-in-class ethics programs outperform their peers.

But the figure I'm going to keep going back to is £35, the sum that launched Eleazar's descent into erasure. There's probably a reason why his kids never kept any record of him, or why I imagine local authorities were probably glad to see the back of him. There are always scofflaws who cut corners, flaunt rules, and violate the legal, social, and personal promises that bind us together. Some are folks who think there's nothing wrong with paying a bribe to make their figures. Others sit in positions of great authority. None of them realize how self-destructive their methods are.

The truth is, as unruly and disquieting as our immediate future promises to be, it is worth remembering that business integrity activity actually went *up* in 2016 as organizations knew that strong ethics made better long-term business sense than the alternative. That has not changed.

People are always going to be messy and complicated. Eleazars are always gonna Eleazar. And as long as that remains so, then the value—and need—for people who make it their business to advance business integrity will never truly come into question.

Now if you'll excuse me, I need to deal with some knucklehead who wants me to get in on creating an $ELEAZAR cryptocurrency.

See you next issue. ■

> "There are always scofflaws who violate the legal, social, and personal promises that bind us together. None of them realize how self-destructive their methods are.

in

ARCHIVE

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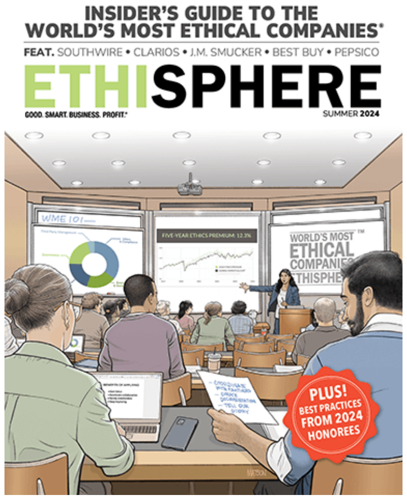

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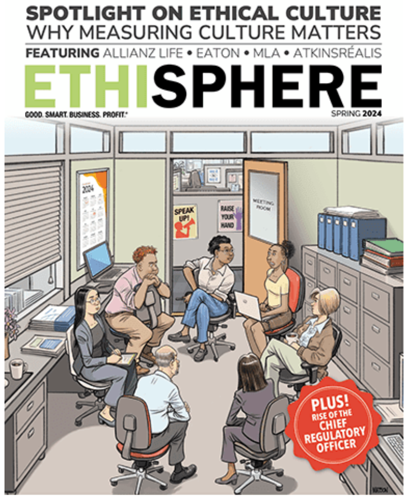

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Curtis Leicht
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Earning the Trust of Our Community

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ABOUT THIS PUBLICATION

Ethisphere Magazine is the flagship publication of Ethisphere, providing thought leadership and insights from across the ethics economy on the latest trends, challenges, opportunities, and best practices within the ethics and compliance profession. *Ethisphere Magazine* publishes quarterly. To submit articles for publication, please click here for our editorial guidelines.

4400 N. Scottsdale Rd., Ste 9 PMB 9-706, Scottsdale, AZ 85251
info@ethisphere.com | magazine.ethisphere.com