

Integrity Survey

XYZ Corp

June 2023

Survey Summary

- 554 online (27 hardcopy) responses.
- 77% response rate – the highest we have ever seen

The overall picture is positive. The Compliance team have done a great job imparting **knowledge**, especially compared to similar globalised and demographically broad organisations. The knowledge score is the best yet.

Improving **accountability** requires continued transparency from leaders and managers to demonstrate that everyone is equally accountable. This, coupled with improving employee understanding of the speak up and investigative process, should see an improvement to the 55% of employees who agree, “Leaders and managers are held accountable for their actions.”

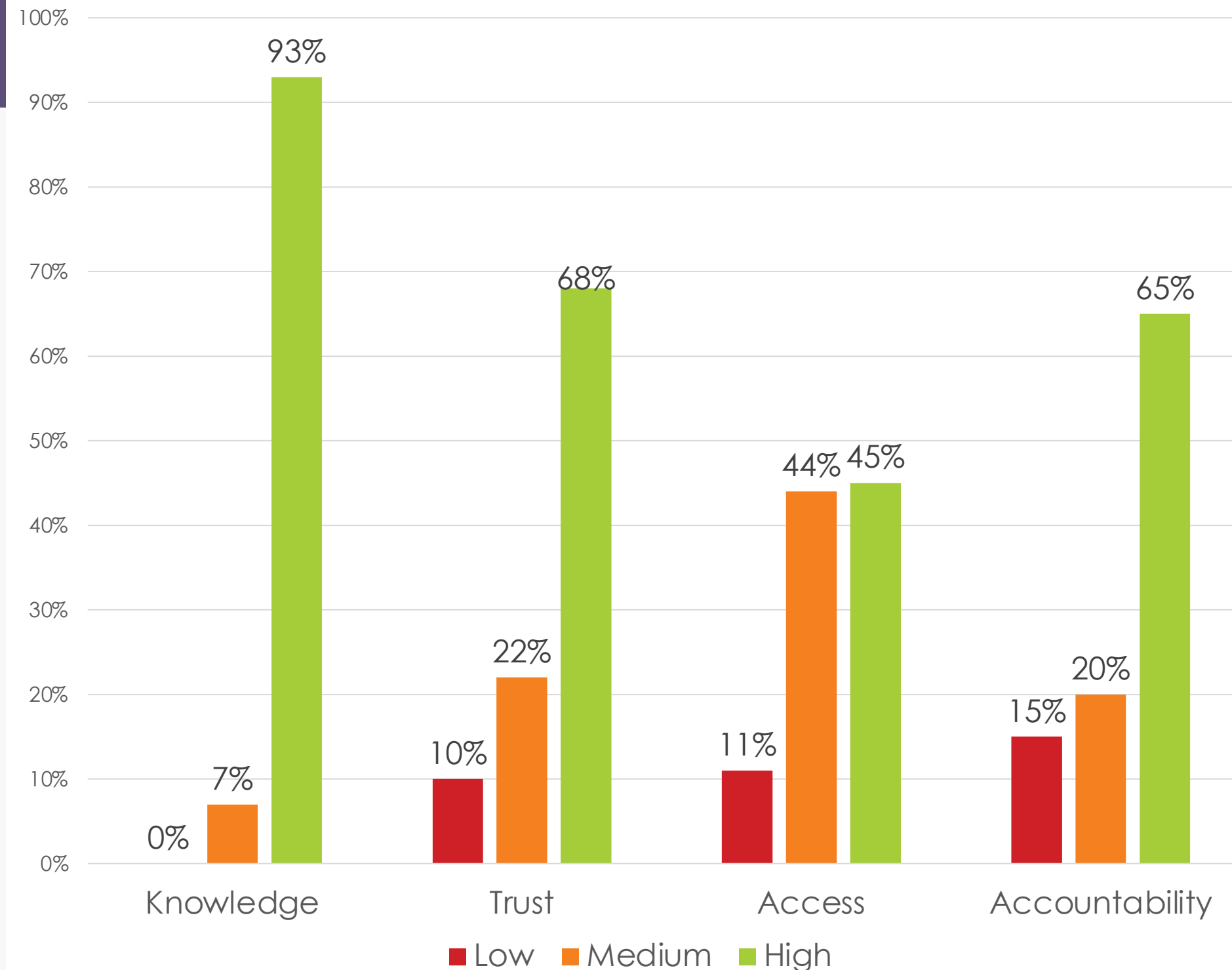
The **trust** scores are consistent with other comparable organisations around two key questions – “I feel safe making mistakes” (64% agree) and “I feel comfortable taking risks” (51% agree). The concern is that the latter score is low in some areas where sensible risk-taking is (often) required for innovation (Technology, Customer, and Operations). Simulated risk-taking, discussing risk and ethical challenges, and the abovementioned management commitment to discuss these issues will improve matters.

A weaker **access** result is common in fast-growing and internationalising organisations, building compliance, but it should be a priority. However, some very positive signs exist, including 88% of respondents saying they have identified someone they could speak to about an ethical challenge; this typically hovers below 70% in similar organisations.

Potential next steps

Training (function-specific), sharing leadership stories (e.g., handling ethical dilemmas), communications (speak-up and investigations), and team-level discussion of ethical issues appear as priority actions.

Confidential

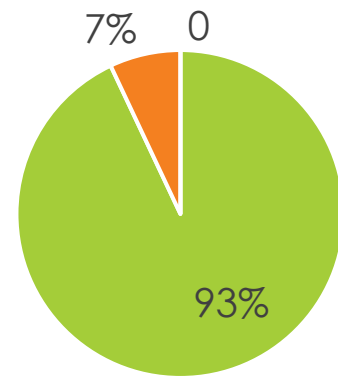


Knowledge

Key Results & Recommendations

HIGHLIGHT

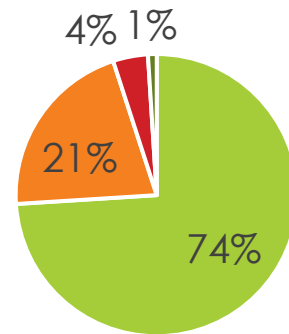
I have the knowledge and skills to do my job ethically



■ Agree ■ Neutral ■ Disagree

HIGHLIGHT

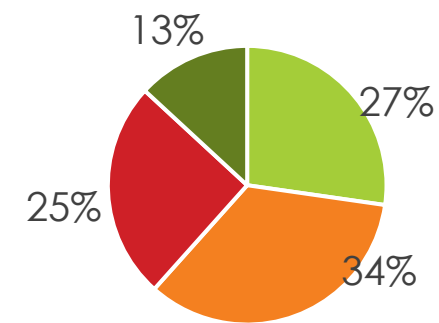
Even if there is no specific policy, I know the guiding principles to make an ethical decision



■ Yes ■ Some idea ■ Not sure ■ No

FOCUS AREA

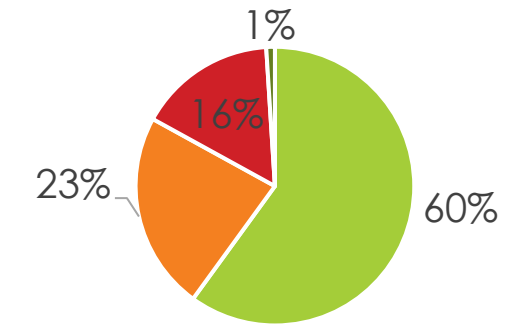
I understand the investigation process that is followed after someone makes a report



■ Yes ■ Some idea ■ Not sure ■ No

FOCUS AREA

My team members know what is expected from an ethics & compliance perspective



■ Yes ■ Some idea ■ Not sure ■ No

Comments & analysis

- Understanding of compliance appears higher in XYZ Corp than in comparable organisations. The question, "I have the knowledge and skills to do my job ethically," with a 93% agreement, is the highest score we have seen.
- There are some areas where knowledge is lacking, notably in Germany and France. For instance, 50% of respondents in Germany and 38% in France answered "No" or "Not sure" to the question, "I understand the investigation process that is followed after someone makes a report."

Recommendations

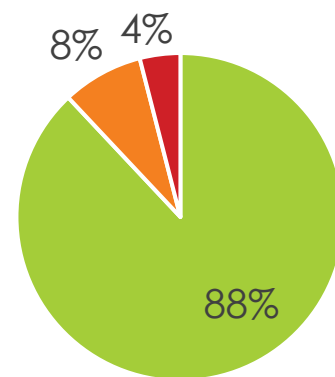
- Continue the focus on localising content – noting that regions, where English is less established, had lower knowledge scores.
- Share learnings and case studies from (anonymised) speak-up and investigative matters. The transparency will increase trust that you follow up on these matters.
- There is greater individual confidence in understanding ethical expectations than team confidence, which is common, but suggests compliance should remain a regular discussion topic at the team level. This is not a critical issue; at this stage, more one to watch.

Trust

Key Results & Recommendations

HIGHLIGHT

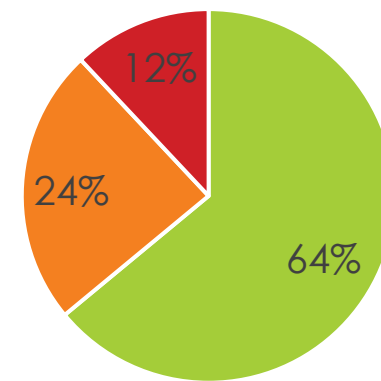
I can raise questions and concerns easily with my manager



■ Agree ■ Neutral ■ Disagree

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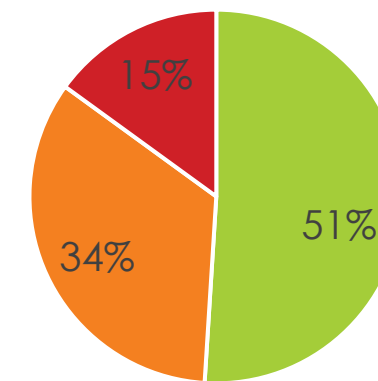
I feel safe making mistakes



■ Agree ■ Neutral ■ Disagree

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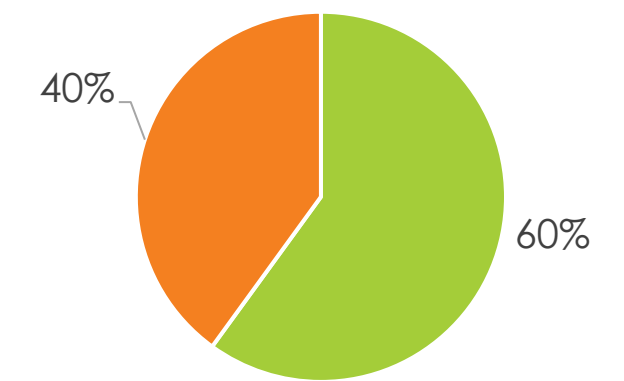
I feel comfortable taking risks



■ Agree ■ Neutral ■ Disagree

FOCUS AREA

My team discusses ethical decisions



■ Yes ■ No ■

Comments & analysis

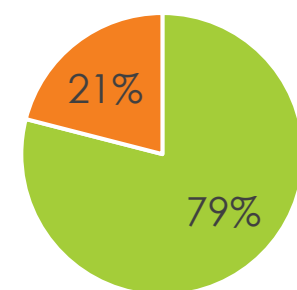
- That questions and concerns can be raised easily put XYZ Corp ahead of most organisations, and this sentiment is strongest with the newest joiners (94% and 92% agreeing in the < 3 months and 3 months -1 Year groups).
- Feeling safe while making mistakes is typically a low-scoring question. It was 44% (agreeing) in Production North America (59% in Production Bordeaux), which makes sense (as mistakes may have safety/quality consequences).
- Comfort talking risks in departments/functions where (sensible) risk-taking can correlate with innovation – Technology (49%), Customer (52%), Operations (54%) – suggests that risk may need increased discussion and attention.

Recommendations

- Create safe spaces to test and discuss risks and ethical decisions and make low-stake 'mistakes'. Integrate into regular team-level discussions.
- In the 1–3 year group, 43% said their team doesn't discuss ethical decisions; in 3 years or more, it was 47% (in the UK, 43%, France 38%). Noting the organisational changes may improve this picture, but it may still be worthwhile to remind middle managers of the need to discuss risk issues as a team.
- As 94% of the <3 months group (36% in France) trust XYZ Corp will follow up on the issue when they speak up; it may make sense to look at how this trust has been built to replicate with longer-serving but more cautious employees.

HIGHLIGHT

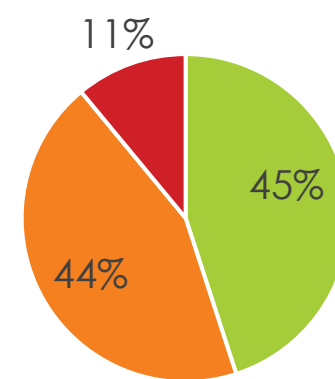
At XYZ Corp, I have identified someone I could speak to if I have an ethical concern



■ Yes ■ No

FOCUS AREA

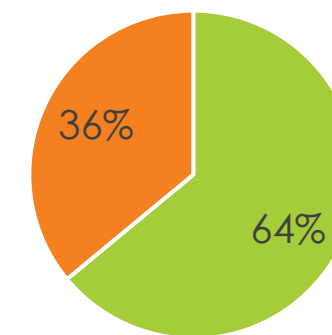
Our training includes scenarios and content relevant to my role



■ Agree ■ Neutral ■ Disagree

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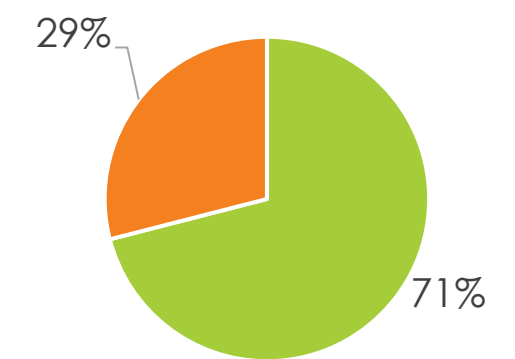
I am provided with tools to raise my ethical concerns anonymously



■ Yes ■ No

FOCUS AREA

I know how to reach the ethics & compliance team



■ Yes ■ No ■

Comments & analysis

- In most organisations, fewer than 70% of people have identified someone they can speak to with an ethical concern. XYZ Corp's score of 79% is positive as compliance is (often) more about culture than controls.
- Training needs work. People & Places (50%), Legal (67%), and Production North America (69%) were the most positive. Finance (29%), IT (30%), Operations (41%), Technology (43%), and Customer (49%) indicates a disjoint, where training doesn't speak to high-risk functions.
- 50% of people in Germany and 39% in the 3-year+ group do not feel they have the tools to report ethical concerns anonymously.

Recommendations

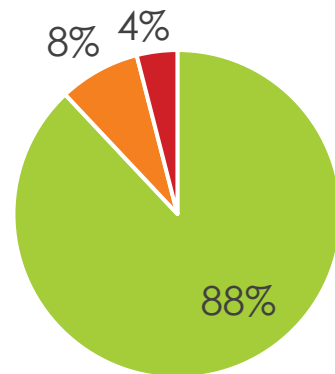
- Operational roles may benefit from different ways to access content and support (e.g., mobile-enabled summaries, cheat sheets, checklists, etc.).
- Include more department-specific scenarios in communications and training. Sanitised investigative case studies and realistic dilemmas resonate the most.
- The ongoing socializing of the reporting platform will improve matters. Emphasising what happens (explaining the investigative process), anonymity provisions and considerations and how XYZ Corp prevents retaliation.
- As 33% of the 3 months – 1 year group (and 50% in France) don't know how to reach compliance, the abovementioned initiatives should remedy this issue.

Accountability

Key Results & Recommendations

HIGHLIGHT

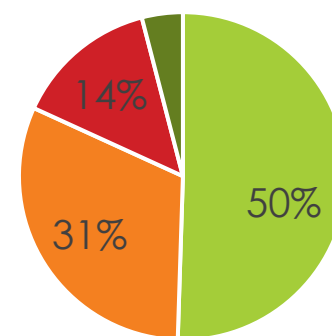
I never feel pressured to do something illegal or unethical



■ Agree ■ Neutral ■ Disagree

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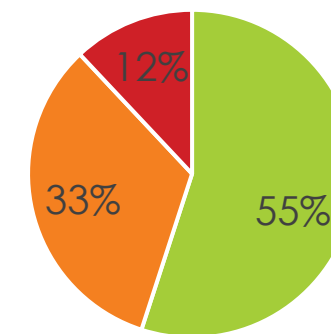
Our policies are realistic and easy to follow



■ Yes ■ I think so ■ I don't know ■ No

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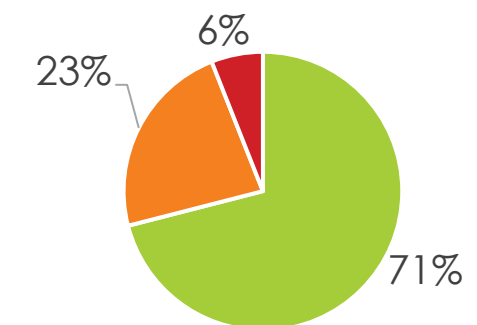
Leaders and managers are held accountable for their actions



■ Agree ■ Neutral ■ Disagree

FOCUS AREA

XYZ Corp Management demonstrates a commitment to honesty and integrity



■ Agree ■ Neutral ■ Disagree ■

Comments & analysis

- XYZ Corp is doing very well (versus comparable companies) in removing the pressure to compromise ethics. This is especially true with newer employees.
- Work is required to demonstrate a commitment to integrity and ensure that leaders and managers are held accountable, where some scores trend lower than other organisations. The scores for accountability for actions were weakest in high-risk and central functions – People & Places (35%), Finance (43%), Operations (44%), 3 years+ (44%) and the Netherlands (48%). The low scores at the headquarter level are consistent with other surveys.

Recommendations

- XYZ Corp's ongoing move from legacy policies to a bespoke compliance program, will help make them easier to follow (especially if feedback is sought).
- To improve perceptions of leadership accountability typically requires transparency around any issues, a robust investigative capacity, and insight into what behaviors are rewarded (e.g., include questions around commitment to integrity in 360° reviews for management appointments and promotions).
- Do targets and strategic goals involve discussion of the ethical implications? Research shows we compromise our ethics most when under pressure to hit targets. Explore ways to integrate compliance discussions into strategy setting.

Comments

A summary of notable comments participants provided with the questions are included below.

1

Trust

Taking risks

- *Still feel there is room for improvement in XYZ Corp in this area. We should do more and when you do more there is risk. Doing nothing feels risk free too often, so risk in doing things isn't always supported outside my own department"*
- *I don't feel safe from potential backfire tho*

Making mistakes

- *Still sometimes it doesn't feel that safe although it is improved significantly the last 12 months*
- *Yes, because I never saw any consequences.*
- *It is hard to sense wat is expected and live up to it.*
- *I do not know what would be considered a mistake in my role.*

2

Accessibility

Training includes scenarios and content relevant to my role

- *I remember the onboarding training to be very external focused (speaking to customers, clients, partners etc.) I think it would be beneficial to have a training specifically focused on marketing examples (and of course other teams as well). for example: use of tools, email communication with external sales people trying to sell their software solution or when they enquire information about ""who to get in touch with"". would be more relevant than an example of travelling abroad for a important business deal"*
- *My training happened 2 years ago, back then it had absolutely nothing to do with my role unfortunately.*
- *I joined XYZ Corp in 2019, at that moment the training did not include this information*

3

Accountability

Incentivized to behave ethically

- *I don't think I should be incentivized.*
- *I got thanks from [Compliance Officer] when I followed the process ... that felt like an incentive to do so next time*
- *I don't believe I should be incentivized to behave ethically. I should behave ethically regardless.*
- *Why should you need to be?*

Pressure to do something illegal or unethical

- *Has changed drastically under new management.*
POSITIVE CHANGE

Leaders and managers' accountability

- *There are steps in the right direction, but think we can improve.*
- *My 10th manager just started*