



## Challenges of Organizational Restructures: Keeping Ethics at the Forefront



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### Agenda

- Objectives
- Challenges of Organizational Restructures
- What Can Employees Do?
- What Can Leaders Do?
- What Can Ethics and Compliance Do?



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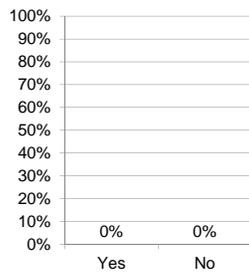
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### Polling Question

Have you been part of an organizational restructure?

1. Yes
2. No



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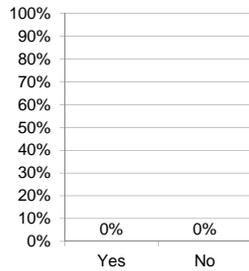
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## Polling Question

Have you led an organizational restructuring effort?

1. Yes
2. No




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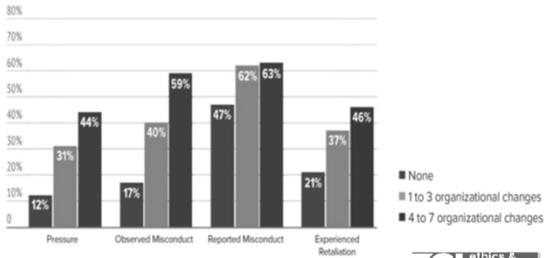
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## The More Things Change ... the More you Need to Worry



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## Organizational Change and Ethics & Compliance Risk

- Employees in organizations that have been acquired are far more likely to feel pressure to compromise standards
- Employees in organizations that had merged with another organization or were acquired by an organization are most likely to observe misconduct.
- Employees in organizations that have implemented cost-cutting measures are least likely to report misconduct when observed.
- Employees in organizations that have been acquired are far more likely to experience retaliation.
- Overall, the single greatest risk area is within organizations that have recently been acquired.
- Ethics risk is compounded with increased organizational change; the more change, the more risk.

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## Challenges of Organizational Restructures

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### Challenges of Organizational Restructures



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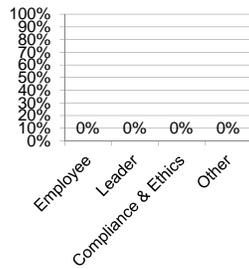
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### Polling Question

Who has the most impact to ensure a successful organizational restructure

1. Employee
2. Leader
3. Compliance & Ethics
4. Other



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# Leader Impact

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## What Can Leaders Do?

- **Build Trust**
  - Solicit Input
  - Ensure employees can express concerns
  - Consistency and sincerity are keys
- **Remain transparent**
  - Explain why we are doing this and who is going to be impacted
- **Communication**
  - Address employee concerns/frequent/concise

Feedback is a Gift

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## What Can Leaders Do?

- **Understand impact to employees**
  - Remain positive
  - Acknowledge negative impact to employees
  - Watch for attitude and morale shifts
    - Are employees embracing the change?
- **Solicit input**
  - Gather input and obtain buy-in

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## Employee Impact

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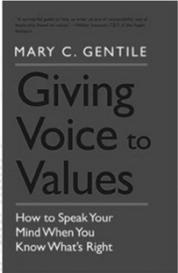
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### What Can Employees Do?

- Engage Voicing our Values Techniques
  - Reframe the Issue\*
    - Turn a negative into a positive
  - Ask Questions\*
    - Listen to message being delivered
  - Talk to Others\*
    - Reframe from gossip
  - Obtain Data\*
    - Seek guidance from Leadership
- Remained Focused
- "Co-worker Sensitivity"

\* Gentile, Mary. Giving Voice to Values. 2010



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## Ethics and Compliance Impact

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## What Can Ethics and Compliance Do?

- Take account of the human impact of organizational change, and add ethics and compliance to the priority list when two organizations become one.
- Convert organizational change into an opportunity to reach out and educate (new and existing) employees about the organization's values and code.
- Provide opportunities for employees to raise concerns and answer questions about planned changes, as well as the organization's code, values, policies and procedures and how they apply to employees' specific circumstances.

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## What Can Ethics and Compliance Do?

- Have a seat at the table
  - Be involved in the decisions from the beginning
  - Ensure company values and policies are being adhered to
- Identify warning signs
  - Increased contacts to Ethics/Compliance
- Pulse the organization
  - Engage with employees
- Coordinate to shore consistency in the process
  - Need to make sure we are consistent in the delivery/implementation – esp. for larger organizations (easy to get off track)
- Support leaders and employees

decide what is right  
medical  
principles  
is right and what is wrong  
issues/standards/objective  
UNETHICAL: Is it really  
animals in zoos? —ethi  
/ ad \*

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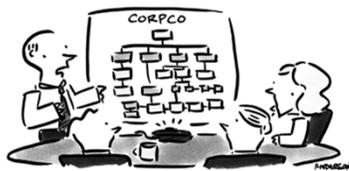
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"Due to the recent downturn we're completely restructuring everything just below me."

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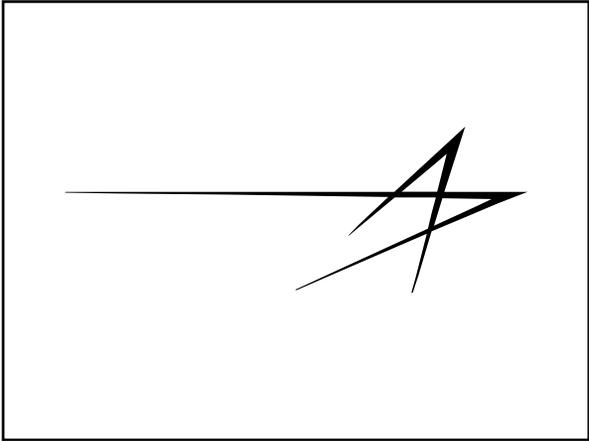
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