

# SCCE Compliance & Ethics Forum

April 27, 2018  
Tampa, FL

## CRISIS OF TRUST: The Value in Difficult Conversations Dr. Marsha Ershaghi Hames

**LRN** *Inspiring Principled Performance*



Time Magazine, 2010



Time Magazine, 2017

## Steve Wynn Resigns From Company Amid Sexual Misconduct Allegations



### Every member of USA Gymnastics' board of directors has resigned

The USAG announced the resignations on the deadline set by the United States Olympic Committee in response to the crimes of Larry Nassar.

By Chris Greenberg | @ChrisGreenberg | Jan 31, 2018, 4:15pm EST



### More Than 60 Advertisers Have Dumped Bill O'Reilly's Show After Sexual Harassment Allegations

By Angela Abrams  
April 1, 2017  
Fox News has said it stands by O'Reilly



### Oxfam's deputy CEO resigns over sex crimes scandal

### Credit Suisse launches investigation into sex assault claims

### 2 U.S.A. Swimming Officials Resign Amid Accusations of Ignored Abuse

By NATE STEVENSON | FEB 26, 2018



### Did Michigan State fail to stop Larry Nassar like Penn State did with Jerry Sandusky?

By Eric Lipton, CNN  
Updated 2:52 PM ET, Thursday, February 1, 2018



RELATED COVERAGE  
Olympic Swimmer As Former Coach of Son  
Larry Nassar Sentenced  
Your Death Wish?  
USA Swimming Outlines Plan to  
Minimize Abuse  
April 26, 2017

### Four Directors Will Leave Wells Fargo's Board

By STACY COWLEY | MARCH 2, 2018



TECHNOLOGY  
MARK ZUCKERBERG  
RECOGNIZES THAT  
FACEBOOK DIDN'T DO  
ENOUGH TO PREVENT ITS  
MISUSE -



### Starbucks Coffee @Starbucks · Apr 14

We regret that our practices and training led to the reprehensible outcome at our Philadelphia store. We're taking immediate action to learn from this and be better. A statement from ceo Kevin Johnson:



### Starbucks ceo: Reprehensible outcome in Philadelphia event

The basis for the call to that led to the arrest of two men in a Philadelphia and it should never have been made, wrote ceo Ke...

Bloomberg Markets Tech Pursuits Politics Opinion Businessweek

### Nike's Head of Diversity Leaves During Review of Corporate Culture

By Matthew Townsend  
April 26, 2018, 2:19 PM EDT Updated on April 26, 2018, 4:02 PM EDT



**#SHIFTHAPPENED**



2017 Word of the Year  
**complicit**

Source: Dictionary.com

## CULTURE IS A KEY DRIVER OF IMPACT

**Regulators have long identified culture as a driver of Compliance & Ethics strategy.**



US Federal  
Sentencing  
Guidelines

"... undertake an appropriate assessment of corporate efforts to create an organizational culture that encourages a commitment to compliance with the law and ethical conduct..."



UK Serious  
Fraud  
Office

"Culture needs to be set from the top. Members of the corporation need to know that the corporation is committed to ethical standards... and that executives... are role models for ethical business conduct"



The  
Department  
of Justice

"... A corporation is directed by its management and management is responsible for a corporate culture in which criminal conduct is either discouraged or tacitly encouraged."

## THE TIME FOR BUILDING RELATIONSHIPS IS NOT IN THE MIDDLE OF A CRISIS



**Setting the tone** of a speak-up culture within the company often starts with leaders.



**Employees report misdeeds 71% of the time** when they believe top management is committed to ethics.



**Front-line management are the gatekeepers of culture.**

They are in the most **INFLUENTIAL** position to foster an environment for employees to raise concerns and speak out.

- **57% of people will go to their direct supervisor** when they observe misconduct



**Do they LISTEN UP?**

- **Less than 2%** of managers are formally trained around active listening
- Average manager interrupts employees **within 17 seconds** when someone is speaking.



Follow

FULL INTERVIEW: "I personally apologize..." Starbucks CEO Kevin Johnson one-on-one with @RobinRoberts in his first interview after two black men were handcuffed at a Philadelphia store.

FULL STORY: [abcn.ws/2HB91Lq](http://abcn.ws/2HB91Lq)

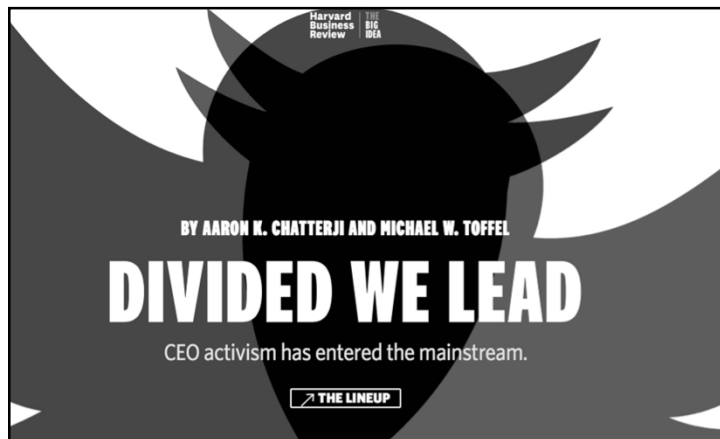


CEO expresses the need to have the **uncomfortable dialogue**:

*"I'd like to have a dialogue with them so that I can ensure that we have opportunity to really understand the situation and show some compassion and empathy for the experience they went through, finally as we're working to solve this, I'd like to invite them to join me in finding a constructive way to solve this issue."*

Remember:

- ✓ Regular Training can transfer situational awareness and guidelines.
- ✓ Simplifying policies into tangible, actionable guidelines has impact.
- ✓ Workforce needs simulated practice **APPLYING** guidelines.



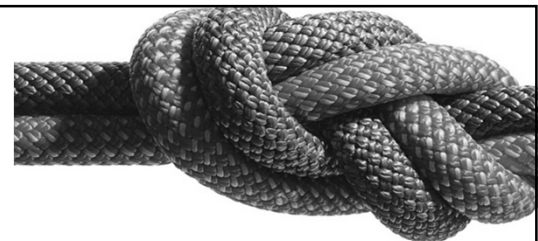
Harvard  
Business  
Review

LEADERSHIP

## How to Be an Inspiring Leader

by Eric Garton  
APRIL 25, 2017

Harvard  
Business  
Review



ORGANIZATIONAL CULTURE

## The Neuroscience of Trust

by Paul J. Zak

MOTIVATING PEOPLE

## Employees Who Trust Their Managers Are More Likely to Trust Their CEOs

by Ashley Fulmer  
JULY 06, 2017

# SPARK DIFFICULT CONVERSATIONS

## RESPECT IN THE WORKPLACE

A Zero-Tolerance Stance on Sexual Harassment for Supervisors

**DO SOMETHING**

Respond to the heightened need for accountability and vigilance and a culture of sexual harassment in the workplace.

**NO TOLERANCE**

Reinforce how to behave as a supervisor to foster a climate of no tolerance for sexual harassment in the workplace.

*Power implies an even greater responsibility to act in an ethical manner*

## POWER

**PROVIDE**

Safe space and avoid time for stress and respond to allegations and concerns.

**ENSURE**

the office climate and culture, setting how time is maintained and addressing inappropriate behavior.

**WARNING SIGNS**

be mindful of verbal and nonverbal cues, interrupting and rewording inappropriate behavior.

**ENSURE**

that your behavior is an example and model a zero tolerance stance and reporting, consistent with company policy.

**RESPOND**

**EMPHATIC, CLEAR, DEFINITIVE** action, setting, consistent with company policy.

**LEAD**

- No hidden or mixed motives
- Understand supervisors role
- Be an positive approachable leader
- Speak up—encourage zero tolerance for inappropriate behavior
- Know your responsibility as a leader

**LISTEN UP**

- Be approachable with an open-door policy
- Listen up—time and attention (avoid interrupting)
- Take allegations seriously
- Report concerns accurately and timely
- Accessible policy and a reporting mechanism

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## Bullying Harms Everyone

**What is bullying?**

Occurs regularly  
The bully is aware of being bullying  
The bullied person  
The bully is aware of being bullying

**What are the impacts?**

Decreased productivity  
Increased turnover  
Increased absenteeism  
Decreased morale  
Increased stress  
Decreased engagement

**What can I do to prevent bullying in the workplace?**

**SPEAK UP**

Be vocal about the negative impact of bullying they are subject to or witness. Resolution is rapid and enables our values & policies.

**CONTACT HR**

**LISTEN**

It is critical that managers who need to listen to complaints that employees bring to them. Display most courage, speaking up can be hard, but it is the right thing to do to prevent bullying.

**CALL OUR HELPLINE**

**71%** of employees say they are currently bullied

**20%** have been subject to bullying in the past

**21%** have witnessed bullying

**23%** are aware of bullying

**28%** are unaware of bullying

Source: Workplace Bullying Institute

**Who are the bullies?**

**11%** are managers

**89%** are not managers

Bullying is not aligned with our values

Treat everyone with...

- Dignity
- Respect
- Civility

Bullying impacts...

- Performance
- Morale
- Everyone

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## ALLY

An ally is a person who supports victims of harassment in the workplace and stands up for what's right. Here are a few ways to convey that you're an ally.

**Listen actively**

- Avoid assumptions
- Don't talk over the person sharing
- Give your full attention

**Avoid rationalizing bad behavior**

- Don't explain away someone's bad behavior
- If you feel you're making excuses, you probably are
- Try to listen and support

**Be consistent**

- It's not enough to simply refrain from laughing
- Tell the bullies their jokes are not welcome
- Stand up for the person being harassed

**Speak up!**

- Being offended isn't enough
- Harassment needs to be reported
- If you see it or hear it, speak up

**Educate yourself!**

- It's not the victim's responsibility to teach you what's right
- How can you take your understanding to the next level?
- Seek out information that can help you be an ally

**Be respectful**

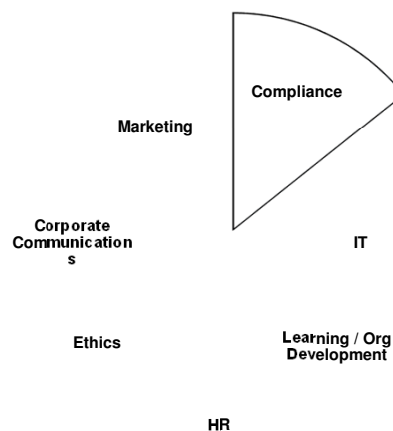
- Saying you're an ally isn't enough
- Limited interaction isn't enough
- Invest your time and energy into understanding

Your actions and reactions when you witness and respond to incidents of sexual or other harassing behaviors in the workplace will earn trust over time. Colleagues will identify YOU as an ally.

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## REACH ACROSS THE TABLE: Collaborate Cross Functionally



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## The Demand for Moral Leadership



Think that their companies would make better decisions if they followed the Golden Rule (i.e. "Treat others as you would have them treat you.")



Think that their colleagues would do a better job if managers at their company relied more on moral authority as opposed to their formal power



Think that their organizations would be more successful in taking on their biggest challenges if their leadership had more moral authority

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## LEADERS NEED TO MODEL #WALKTHETALK

1. Set the Tone
2. Practice having *uncomfortable conversations*
3. Be accessible
4. Be an active LISTENER
5. Take Action



### The Value in Difficult Conversations

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