



Amii Barnard-Bahn provides some best practices on how to effectively manage your company's culture.

Measuring corporate culture



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Q: I have a quick one for you: What's the best way to measure culture at a company? We conduct yearly surveys, but we don't see much year-over-year changes. Is "culture" more of an anecdotal metric? - Sharon

Amii: Organizational culture, defined as "the habits of people and how they behave," can be measured by professional diagnostic tools that survey the beliefs, attitudes, and behaviors prevalent in that system of people.

There are a lot of ways to look at and define ideal types of workplace culture but, in general, in a thriving company, culture is the engine that drives (or hinders) corporate strategy.

In compliance and ethics, when we talk about measuring corporate culture we are usually talking about "ethical culture"—a subset of overall organizational culture. As part of our Federal Sentencing Guidelines for Organizations (FSGO) mandate and professional calling, we labor to measure the degree to which our organizations can be deemed ethical in order to prevent, detect, and deter organizational wrongdoing.

There is no one "right" way to measure ethical culture, but current best practices include data collection around the following:

- » Strong ethical tone from the top
- » Employees treated fairly
- » Personal development taken seriously
- » Management trusted to do the right thing
- » Employees supported to do the right thing
- » Confidence in raising concerns
- » Health and safety taken seriously
- » Customers treated fairly
- » Suppliers treated fairly
- » Environment and local community respected

Methods of data collection include periodic surveys, in-person focus groups, ongoing auditing and monitoring, and Net Promoter Score/exit interviews (for employees, customers, and suppliers).

Tools for collecting and assessing data are becoming more evolved. Here are two examples: Emtrain, which aims to transform workplace culture through compliance training that integrates behavioral risk factors into its platform, uses scenarios to foster a group dialogue and extracts insights that help leaders see cultural hotspots before they become crises.

Another company, Humaxa, is integrating cognitive neuroscience into its instant messaging platform, enabling "real time" concerns escalation. The platform uses an AI chatbot assistant that aims to address employee retention and performance by communicating with workers, predicting which actions will make people stay and perform their best and offering to initiate those actions—things like group knowledge sharing, 360-degree feedback, mentoring, and recognition.

Going back to your original question—what are you doing with the results you are getting from surveys to impact culture? Do you have a realistic view of the culture you have and want? Are you asking the right questions? If yes, then maybe you will want to explore some of the new tools available to see if you get more actionable results.

Q: There have been some recent examples (think WeWork) of a fast-growing startup that clearly has a backwards culture when it comes to ethics. It's almost as if the business is growing faster than the compliance function. I work at a startup and, while I am not officially a compliance officer, I am a "Compliance Champion" with instructions to make sure compliance messages are delivered in a regular basis. Is that enough, or does the message need to be delivered in a more formal, official capacity in order for it to really catch

on and be effective? - Anonymous

Amii: It's been said that culture is set by the first 30 employees at an organization—so I'm thrilled to hear that your company has included compliance as part of its initial build. In a startup, the primary focus is on sales, revenue, product, and hiring—and then scaling. Too many companies back into compliance later as a required “add-on” accessory, and it shows (e.g. WeWork). As we all know, it's critical to bake in compliance before you need it.

You've asked if what you're doing is enough. This depends on your company's risk profile, size, geographic footprint, growth, and so many other factors. Left to its own devices, the business will grow faster than compliance—so plan now to have regular checkpoints on whether you're keeping pace. Here are three questions that may be helpful guideposts:

1. Do employees know what is expected of them?
2. Do employees know where to go if they have a question about what is expected?
3. Do employees feel comfortable coming forward if they have a concern?

As your organization grows, word of mouth and informal procedures will no longer be efficient or sufficient to ensure consistency, fairness, and responsiveness. You need to work to stay ahead of this. And at that point, you'll need to consider formalizing infrastructure to support a budding program.

Q: As far as training employees goes, what do you think is the right mix between in-person training and e-learning? We don't have the resources to do it all in person ... so I guess my question is which training topics are most critical to conduct training on in person rather than over a computer? - Jo

Amii: When designing a training plan, start with the end in mind. What is the learning outcome you want to achieve?

Topics that require peer-to-peer learning or interaction are best done in person. Think through your compliance training curriculum and, if possible, consult with an instructional design or professional trainer from your HR department to evaluate the options and discuss the best delivery method for the specific training. Consider what is best learned online vs. in the classroom.

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Here is a framework to help guide you in designing an effective training plan:

Benefits of e-learning:

- » Available on demand, 24/7
- » Chunkable content—can be bite-sized in 15-minute increments
- » Cost-effective
- » On-demand content which can be paused or replayed
- » Consistency (recording provides consistency that is of value to regulators)
- » Trackable for compliance records
- » Training examples: time management, sexual harassment, anti-bribery

Benefits of in-person instructor-led training (can be virtual or face-to-face):

- » Heightened attentiveness by attendees
- » Employees learn from each other in peer group discussion, collaboration, problem solving, and role play
- » Excellent follow-on for e-learning, where employees discuss how to apply the standardized knowledge learned as a pre-requisite e-learning module
- » Training examples: leadership development, change management

As you mentioned previously, live training for all compliance topics is generally no longer a practical or a desirable option due to such factors as cost, scheduling, and disparate resources. E-learning helps to solve many of the administrative headaches that arise in serving remote workers, multiple time zones, and overtime costs for hourly shift work such as distribution and call centers. You should invest your in-person training dollars for team behaviors that need to change. ■

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