



1922-2022

Building On Our First 100 Years

100

CENTENNIAL CAMPAIGN

The Ethics & Compliance Initiative is comprised by the Ethics Resource Center (ERC) and the Ethics & Compliance Association (ECA).

CELEBRATING OUR PAST, ENVISIONING THE FUTURE:

Messages from Our Leaders



The Ethics & Compliance Initiative (ECI) helps organizations grow and thrive by doing the right things in the right way. As the chair of the Ethics Research Center, the parent organization of the ECI, I am honored to help lead the organization as it embarks on a second century of making a difference.

Over the last 100 years, ECI has helped build and shape the ethics and compliance field. ECI was instrumental in developing the first codes of conduct and ethics offices for critical US government agencies and leading corporations. It led the way in making the case that integrity outcomes are just as important as financial outcomes and that they are essential to the long-term viability of our capital markets. More than just establishing a function, ECI recognized E&C as a profession with a knowledge base of its own, it then worked with key figures in government and business to define the role and the domain of the chief ethics and compliance officer and to articulate and measure program effectiveness. **ECI always has been at the forefront, offering new insights and defining best practice.**

Our work already has had a tremendous impact on organizations and for employees. **We celebrate the successes of the past, but they also remind us of the difference we have yet to make, not only in shaping the business landscape, but also for the world we share.**

I am proud to be a part of ECI's storied history, and I look forward to helping define and frame our next 100 years.

Larry Thompson

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Chair, Ethics Research Center Board of Directors

Former Deputy Attorney General, U.S. Department of Justice

“ECI was instrumental in developing the first codes of conduct and ethics offices for critical US government agencies and leading corporations.”



In 1932, relatively early on in our organizational history, there was a heated argument going on in legal circles about the nature and purpose of companies: Did they exist exclusively to further the financial interests of their stockholders or were they also beholden to a larger group of stakeholders, including their employees, communities, and society at large?

At times in the last hundred years, the pendulum has swung back and forth on this issue. But we have come to see this as a false dichotomy, and the most appropriate definition of corporate purpose has emerged. **What is good for employees, for communities, for society, and for the planet also is what is good for financial health and success. Doing what is right and is sustainable is also doing what is smart, prudent, and savvy.**

I am honored to have been in a leadership role at the ECI for 22 years and I am excited for the future that awaits us. During my tenure as CEO, our industry has changed dramatically. We've gone from articulating our role to defining effectiveness, proving impact and demonstrating our value as business leaders. But, just as the role of business has grown and expanded, **ECI is also at a critical juncture: Will we seize the opportunity before us to change and thrive? What are the areas in which we can continue to advance research and practice?**

We look back with gratitude for all those who supported ECI's first 100 years. And **we look to the future with hopeful anticipation of the good we have yet to do and of those individuals and organizations who will support our work and our mission.** We invite you to join us: Help make ECI's next 100 years possible.

Patricia Harned

Patricia J. Harned, Ph.D.

Chief Executive Officer

“We’ve gone from articulating our role to defining effectiveness, proving impact and demonstrating our value as business leaders.”

CELEBRATING THE PAST: 100 Years of Making a Difference

Throughout its history, ECI has been a **leader in identifying the practices that now are inherent to effective corporate ethics & compliance programs around the world.**

Our Impact: ECI's key contributions and accomplishments

- Assisted with the creation of the first *Standards of Ethical Conduct for Employees of the Executive Branch* of the U.S. Federal Government and supported the creation of the first corporate ethics office;
- Served as the first reporting agency to the Defense Industry Initiative;
- Convened the first association for professionals responsible for ethics & compliance (E&C) in their organizations;
- Established a standard and identified metrics for assessing high-quality and institutional culture strength;
- Developed the first codes of conduct in organizations like General Dynamics, SHRM, the World Bank, and Fannie Mae;
- Fielded the most rigorous longitudinal survey of employees around the world, yielding benchmarks that have changed corporate practices;
- Generated and maintain the global benchmark on workplace ethics;
- Developed analytics to predict higher risk for noncompliance; and
- Provided expert testimony to government leaders including the U.S. Sentencing Commission and U.S. House of Representatives Office of Congressional Ethics and guidance to numerous boards and C-suite executives.

MILESTONE MOMENTS IN ECI HISTORY

- 1922** Created American Viewpoint, the organization that would eventually become ECI, to promote American values.
- 1924** Published *The Spirit of America*, explaining founding principles of America.
- 1936** Published and distributed *Liberty and the Constitution* for use as a textbook in public schools
- 1951** Published a series of textbooks on American values for use in junior high schools
- 1976** Published *The Ethical Basis of Economic Freedom*, with the first-ever commentary on “Codes of Ethics and how they work”
- 1977** Incorporated the Ethics Resource Center to promote ethical conduct in business.
- 1989** Assisted in writing the Code of Conduct for U.S. Government Service.
- 1992** Established first association for professionals tasked with oversight of E&C in their organizations.
- 1994** Fielded first study of workplace ethics from the employee perspective; *Ethics in American Business*.
- 2000** Implemented a second study of workplace ethics from the employee perspective, launching the longitudinal *National Business Ethics Survey* (NBES).
- 2003** Launched European Business Ethics Forum with British and French associations.
- 2010** Convened thought leaders to define the role and responsibilities of CECO's in *Leading Corporate Integrity: Defining the Role of the Chief Ethics & Compliance Officer*.
- 2011** Codified E&C expertise through the Leadership Professional in E&C certification.
- 2012** Released a report of an independent Blue Ribbon Panel entitled *The Federal Sentencing Guidelines for Organizations at Twenty Years: A Call to Action for More Effective Promotion and Recognition of Effective Compliance and Ethics Programs*.
- 2014** Formed the Ethics & Compliance Initiative through a strategic alliance between the Ethics & Compliance Association and the Ethics Research Center.
- 2015** Expanded NBES to capture the perspective of employees in 13 countries through the *Global Business Ethics Survey*®.
- 2016** Convened blue-ribbon panel to identify hallmarks of a highly effective E&C program.
- 2017** Developed predictive analytics model to identify and monitor shifts in organizational culture that are indicative of non-compliance risk.
- 2018** Designed the High Quality Program Measurement Framework to provide evidence of advancement in E&C programs.
- 2019** Launched the largest, first-of-its kind culture and climate survey about discrimination, harassment and bullying across the entertainment industry.
- 2020** Launched the first E&C working group on Racism, Discrimination and Abuse of Power.
- 2021** Fielded a confidential survey about the applicability of compliance guidance documents issued by the U.S. Department of Justice.

ENVISIONING OUR NEXT 100 YEARS:

Grounded in Integrity, Building a Sustainable Future

ECI celebrates our first 100 years at a critical time for business organizations. It is no longer enough for an organization to make a profit. Now more than ever organizations must demonstrate a commitment to responsibility in both their internal operations and external impact. As ECI sees it, corporate integrity will become central to business success.

ECI is excited to spend its next 100 years promoting corporate integrity and ensuring sustainable and thriving organizations. We look forward to building on past accomplishments and employing cutting-edge technologies to develop new tools to inform decision-making and promote corporate integrity. There is a need for reliable global research and better analytics to help organizations monitor and anticipate the risk. We are working on several initiatives to address that need.

Expand Our Flagship Research, the Global Business Ethics Survey

Business leaders around the world rely on our Global Business Ethics Survey® (GBES) to identify emerging issues as well as the practices that are most effective in strengthening ethical culture and mitigating risks. As we look to the future, we will expand GBES to;

- Provide additional insight into the global state of corporate integrity by significantly increasing the number of countries in which we field the survey, with particular emphasis on nations' with higher risk areas and in emerging markets.
- Develop metrics that business leaders, investors, customers, and consumers can use to gauge environmental, social, and governance (ESG) risk and the extent to which ESG commitments are aligned with employees' observations of actual corporate responsibility.
- Expand our research to garner the insights and experiences of a broader stakeholder base, including investors, customers, and consumers.

Assess Risk & Prevent Wrongdoing Using Predictive Analytics

The Analytics Lab is a collaborative research and development effort between ECI and interested corporations to test and refine a predictive analytics model that can identify and monitor shifts in organizational culture. The automated model draws on external and internal information that is indicative of non-compliance risk in order to generate real-time data visualizations and reveal periods of non-compliance risk in the past, present and future.

Eventually, the Analytics Lab could evolve into a dashboard indicating higher and lower risk for noncompliance that companies can use to monitor their internal and external environments. The Analytics Lab will allow companies to adjust their allocation of resources based on a more accurate risk analysis and address significant risk areas—before wrongdoing occurs.

Advance Corporate Integrity to Build a Sustainable Future

For several years, investors' emphasis on stakeholder capitalism¹ has resulted in a call for increased corporate responsibility with regard to the environment, social change, and governance (ESG). Companies are tasking personnel with oversight of ESG, but no organization has emerged to provide networking opportunities, idea sharing, and resources to these professionals. Moreover, ESG is not yet well-defined, and competing measurement frameworks have invited criticism about its motives and capacity to make a difference.

Currently, the concept of ESG is connected to E&C to the extent that companies see ESG as a compliance issue; a company is at risk if it takes bold steps to position itself as a good corporate citizen without having its "house in order." This risk-only mindset overlooks a key insight: **effective ESG activities should demonstrate the company's commitment to integrity and align with corporate values and standards for business conduct.**

ECI already is known for;

- Convening thought leaders from multiple sectors and business specialties to define an emerging field;
- Effectively advocating for appropriate authority for E&C professionals;
- Developing and field-testing metrics which can be expanded to contribute research on ESG risks/benefits;
- Codifying and creating training to foster professional expertise; and
- Bringing together practitioners to share resources, solve problems and identify emerging issues.

By building on our history as a both a research organization and a professional association, ECI is uniquely positioned to be a leader in connecting ESG to corporate integrity, values, culture, and compliance. We intend to expand our research and our High-Quality Program framework to help organizations define and attain best practices in ESG. We intend to accomplish this task by equipping our members with insights from research, benchmarks, and best-practice recommendations as developed by practitioner-driven working groups.

¹ As articulated in the Davos 2020 Manifesto. See: <https://www.weforum.org/agenda/2019/12/davos-manifesto-2020-the-universal-purpose-of-a-company-in-the-fourth-industrial-revolution>.

MEET THE CHALLENGE:

Be Our Partner as We Embark on Our Next Century

Only a small portion of the ECI's work is funded through membership fees. We are largely reliant on contributions to fund our work, and to that end we need partners to realize our vision. Corporate partners of all sizes and sectors play an essential role in ECI's success. They help promote corporate integrity around the world, highlight ethics and compliance issues, and align themselves with ECI's mission, while enjoying the partner and sponsor benefits.

We invite you to engage with ECI and its wide circle of leaders, diverse constituencies, and the broader business community on a national and international level.

Next-Century Partner Funding Levels

VISIONARY

\$100,000 or more for each of three years

TRAILBLAZER

\$50,000-\$99,999 for each of three years

INNOVATOR

\$25,000-\$49,999 for each of three years

SUPPORTER

\$10,000-\$24,999 for each of three years

ENHANCER

\$10,000 or more for one year

We are seeking significant financial support to expand our work, further our mission, and make possible our next 100 years of leadership in E&C. Your financial philanthropic support will advance our work and enhance ECI's programs. We invite you to be a Next-Century Partner at the Visionary, Trailblazer, Innovator, Supporter, or Enhancer level.

The generous commitment of our Next-Century Partners will be recognized in ECI's research reports, publications, media releases, and events, including the projects listed in the following page.

Global Business Ethics Survey®

Fielded 16 times since its inception in 1994, GBES is the international benchmark on the state of E&C in business. GBES reports have yielded earned media in the form of podcasts, articles, and other interviews collectively reaching an audience of up to 38 million.

EthicsStat®

Drawn from ECIs research, client/member surveys, and other data sources, EthicsStats provides short summaries of research findings and insights, inspire conversation within a compliance team, and inform senior executives and boards on key issues involving E&C. EthicsStat is publicized broadly, including via our *Daily Brief*, which has approximately 4,000 subscribers.

ECI Live

Multiple times each year, ECI brings together industry experts and E&C practitioners for free, interactive webinars highlighting from our research. Nearly 700 E&C professionals attended our ECI live events during the first half of 2021.

Also, **your logo will be included on ECI's website and its data portal**, both of which have significant reach. For example, our Jobs Board page alone had over 110,000 visits in the first half of 2021.

We look forward to partnering with you as we plan for our next 100 years!

Please Contact ECI CEO Patricia J. Harned at
Ethics & Compliance Initiative at pat@ethics.org or 571.480.4422

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Current Chair/Vice-Chair of the Ethics Research Center Board of Directors

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US Department of Justice
Of Counsel
Finch McCranie LLP

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Charlie Whitaker
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Compliance and Chief Compliance Officer
Altria

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Former Acting Attorney General
US Department of Justice
Partner
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Notable Past Chairs of the ERC Board

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Merck & Co.

Ray Gilmartin
Former Chief Executive Officer
Merck & Co.

Michael Oxley
Former Member of the US House of
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Notable Past Members of the ERC Board

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of the United States

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US Department of Justice

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² Current and former Board members are listed in alphabetical order.