



Ethics & Compliance Considerations

In a Remote Working Environment

► 2021 ECI WORKING GROUP PAPER



January 2021

SPONSORED BY:



informed360



This report is published by the Ethics & Compliance Initiative (ECI).

All content contained in this report is for informational purposes only. ECI® cannot accept responsibility for any errors or omissions or any liability resulting from the use or misuse of any information presented in this report.

Ethics & Compliance Initiative®

ISBN: 978-1-7923-6216-3

All rights reserved. Printed in the United States of America. For additional copies of this report, permission, and licensing contact ECI: **703-647-2185** or research@ethics.org.

ECI
2650 Park Tower Drive, Suite 802
Vienna, VA 22180

Tel: 703.647.2185 | FAX: 703.647.2180
www.ethics.org | research@ethics.org

ABOUT THE ETHICS & COMPLIANCE INITIATIVE

The Ethics & Compliance Initiative (ECI) empowers organizations to build and sustain High Quality Ethics & Compliance Programs (HQP®). ECI provides leading ethics and compliance research and best practices, networking opportunities and certification to its membership.



Acknowledgements:

We are grateful to the following members of our Working Group for their many hours of effort in compiling this report:

Saubiya Kidwai
GlaxoSmithKline

Sylvain Mansotte
Whispli

Alicia Olmstead
Dell Technologies

James Middleton
Vault Platform

Aaron Bangor
AT&T

Lonnie Morris
The Chicago School
of Professional
Psychology

LeAnn Barclay
Plattenburg

Elitsa Nikolova
Novartis

Dave Berman
Lyft

Cristina Potter
SAIC Corporation

Nicole Canton
Lockheed Martin
Corporation

Karthik Saravanan
Biocon Biologics
India Limited

Ginnette Ciesla
Lockheed Martin
Corporation

Olga Sergeieva
Colgate Palmolive

Ellen Daly
Lockheed Martin
Corporation

Kevin Smiley
Lockheed Martin
Corporation

Joanne Darbost
Vedex Consulting

Sonni Torres
Con Edison

Christopher Dorsey
National Grid

Smita Upadhyay
Archer Daniel
Midland Agro

Denise Drennan
Lockheed Martin
Corporation

Talib Uz Zaman
SEED Private
Limited/Business
Integrity Initiative,
UK Government

Geronimo Gonzalez
BP

Isabela Hollander
Pires

Wendy Wheeler
Koch Ag & Energy
Solutions (a Koch
Industries company)

Patricia Kidwingira
UNICEF

Nechelle Kopernacki
Ernst & Young

ECI Staff
Nadine Ferlazzo
Aaron Hollinger, PMP

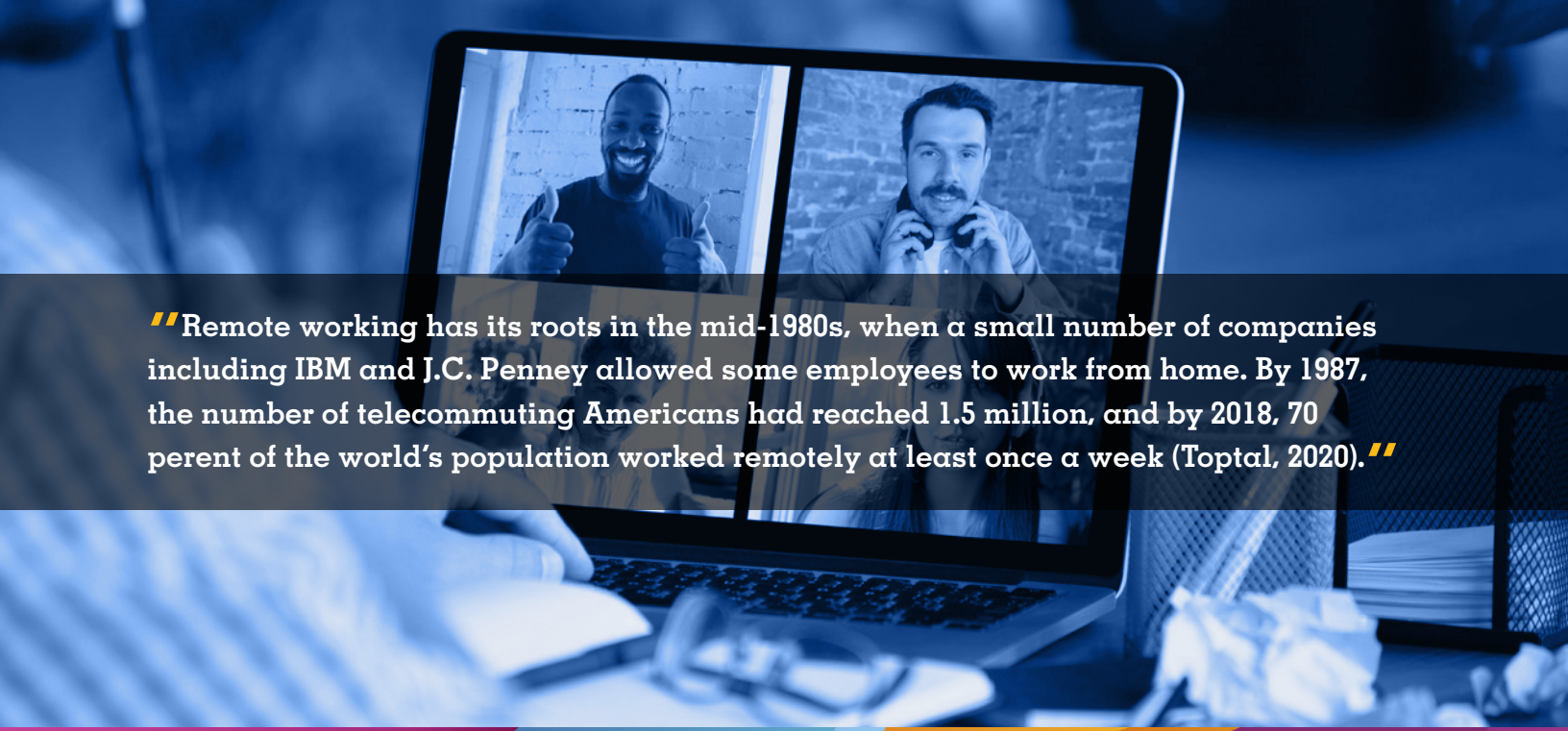
Rohit Kumar

Dave Levin
Lockheed Martin
Corporation

ETHICS & COMPLIANCE CONSIDERATIONS IN A REMOTE WORKING ENVIRONMENT

Table of Contents

Introduction	2
Methodology	3
Principle 1: Ethics and Compliance Is Central to Business Strategy	4
Benefits	4
Challenges	4
Best Practices and Recommendations	5
Principle 2: Ethics and Compliance Risks are Identified, Owned, Managed, and Mitigated	7
Benefits	7
Challenges	9
Best Practices and Recommendations	11
Principle 3: Leaders at All Levels Across the Organization Build and Sustain a Culture of Integrity	13
Benefits	13
Challenges	14
Best Practices and Recommendations	15
Principle 4: The Organization Encourages, Protects and Values the Reporting of Concerns and Suspected Wrongdoing	19
Benefits	19
Challenges	20
Best Practices and Recommendations	20
Principle 5: The Organization Takes Actions and Holds Itself Accountable When Wrongdoing Occurs	23
Benefits	23
Challenges	23
Best Practices and Recommendations	24
Conclusion	26
Toolkit	27
Works Cited and Consulted	31



“Remote working has its roots in the mid-1980s, when a small number of companies including IBM and J.C. Penney allowed some employees to work from home. By 1987, the number of telecommuting Americans had reached 1.5 million, and by 2018, 70 percent of the world’s population worked remotely at least once a week (Toptal, 2020).”

Introduction

How does a company create a sense of connection to its purpose and values with new employees who have never met any of their colleagues in person? Can misconduct investigations be effectively conducted solely through video interviews? Are there unique risks that need to be addressed when a company has a large remote workforce or supply chain? These questions drive to the core of ethics and compliance and represent some of the challenges faced when a company decides to either move to, or expand an already existing remote working environment (RWE) program.

Remote working has its roots in the mid-1980s, when a small number of companies including IBM and J.C. Penney allowed some employees to work from home. By 1987, the number of telecommuting Americans had reached 1.5 million, and by 2018, 70 percent of the world’s population worked remotely at least once a week (Toptal, 2020). Initial concerns that remote working would be less productive and hard to manage were offset by the benefits of business flexibility, cost savings, and a labor pool no longer defined by borders. While the number of fully remote companies has been somewhat small, the COVID-19 pandemic created a tipping point forcing most companies

to pivot and find ways to continue doing business outside of their traditional office space. For companies that had already implemented remote working, this change was an exercise in expanding an already existing program and did not create major disruption. For the many companies who had no experience in the remote working realm, this change created shockwaves that rippled throughout every part of their organization.

While the pandemic is not the focus of this paper, it was the catalyst that forced many companies to closely examine their policies, processes, risks, and culture beyond cubicle walls. Companies that expected to transfer their traditional ways of doing business to the remote environment found challenges and questioned remote working’s efficacy. On the other hand, companies that embraced a more transformational mindset and implemented changes to meeting structure, expectations, and relationships have found unexpected gains (Miller, 2020).

Recent surveys now show that 98% of American workers would like the option to work from home for the rest of their career, and nearly two-thirds of those seeking employment said that having a remote option was a key consideration when choosing a job (Dans, 2020). As companies evolve to fulfill this growing demand, they are challenged with assessing the impact a large

remote workforce will have on the company's internal identity and culture. Since Ethics and Compliance (E&C) programs are the foundation of a company's culture, it makes sense that there will be unique impacts to a company's program as its remote work force expands.

In 2016, ECI's Blue Ribbon Panel released the *Principles and Practices of High-Quality Ethics & Compliance Programs* report. The objective of the report was to focus on five critical principles of a high-quality program (HQP) and the practices for each that would best help guide practitioners in taking their programs far beyond the "check the box" minimum. The five principles highlighted in the report are:

1. Strategy: Ethics & compliance is central to business strategy;
2. Risk Management: Ethics & compliance risks are identified, owned, managed, and mitigated;
3. Culture: Leaders at all levels across the organization build and sustain a culture of integrity;
4. Speaking Up: The organization encourages, protects, and values the reporting of concerns and suspected wrongdoing; and
5. Accountability: The organization takes action and holds itself accountable when wrongdoing occurs (Ethics & Compliance Initiative, 2016).

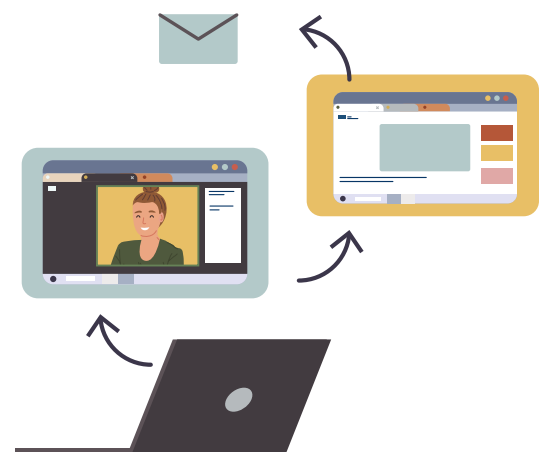
The *Ethics & Compliance Considerations in the Remote Work Environment Working Group* used the five principles outlined in the Blue Ribbon Panel Report as a framework to explore the impact of remote working on an E&C program. Both benefits and challenges are identified for each of the five principles, along with best practices being employed by a variety of companies. A tool kit of real-world examples of those practices in action is also provided.

"The survey consisted of 28 questions, including those related to company demographics, and was administered to the full ECI working group community with an open response period of September 2-9, 2020."

Methodology

The working group was divided into sub-teams, each assigned to focus on a different HQP principle. Each sub-team conducted a review of literature and website resources related to the impact of remote working on their principle. Additionally, a survey was prepared by members of the working group and survey specialists from ECI, with questions designed to correlate directly to the five principles. The survey consisted of 28 questions, including those related to company demographics, and was administered to the full ECI working group community with an open response period of September 2-9, 2020. The survey received 108 responses that spanned 78* companies across 22 industries. Follow up interviews were conducted with practitioners to get details about their best practices and how they are implemented.

Throughout the report, percentages may not sum to 100% due to rounding. Individual percentages that are less than 0.5% are rounded down and percentages greater than 0.5% are rounded up.



*The survey was administered anonymously and participants did not have to disclose their company to participate. As such, this is an approximate number of companies.

Principle 1: Ethics and Compliance Is Central to Business Strategy

DEFINITION OF PRINCIPLE 1

“Leaders and E&C personnel partner to ensure that ethics and compliance is an integrated and essential element in the successful operation of the organization in its message and actions externally.” — Blue Ribbon Panel Report

Integrity is no longer a competitive advantage in business strategy, but is rather a baseline expectation of how organizations should conduct business. ECI's Blue Ribbon Panel Report highlights that in organizations with high-quality E&C programs, the function is central to business strategy. They are integrated with business and strategic objectives, are given adequate resources and access needed to make a meaningful impact, have an independent voice to leaders, and are continuously improving

Through our survey results and literature review, we have concluded that remote work, while an evolving and impactful phenomenon to organizations, minimally impacts an E&C team's role as a strategic business partner in general, its access to leadership, or its ability to continuously improve. Results from our survey showed that 82% of respondents had some form of a remote work program in place prior to the COVID-19 pandemic. After moving the majority of their workforce to work remotely due to the pandemic, the majority indicated there had been no impact on the ability of senior leadership to communicate ethics-related messaging (85%) and their E&C program remained visible and strong (78%); however, only 45% indicated they had participated in key decision making related to remote work. While the impact of remote working may be low on E&C's role related to business strategy, the following are some benefits, challenges and best practices related to maintaining a place at the table as remote working increases.

	BENEFITS	CHALLENGES
Principle 1: Ethics and Compliance Is Central to Business Strategy	<ul style="list-style-type: none">• Better collaboration• Meaningful metrics• Positioned to influence	<ul style="list-style-type: none">• Not having a seat at the table• Changes to Board reporting

BENEFITS

BETTER COLLABORATION

Increased use of technology allows better collaboration among stakeholders. Easily scheduled remote “check in” meetings with employees and business unit leaders allow stronger feedback loops and the E&C team to be more involved in early decision making.

MEANINGFUL METRICS

Organizations with data analytics tools in place benefit from metrics related to resources now being tapped by the remote workforce. This allows the E&C team to see what is and isn't working as it seeks to connect with all facets of the organization and improve its program.

POSITIONED TO INFLUENCE

E&C professionals with existing relationships with business leaders are positioned to provide valuable guidance as the organization reviews the impact of an expanded RWE.

CHALLENGES

NOT HAVING A SEAT AT THE TABLE

If an organization does not generally include E&C as a major stakeholder in strategic business discussions, it is unlikely that a shift to remote working will result in there now being a seat at the table. Additionally, the lack of a common physical workplace, where accidental run-ins may occur, creates an “out of sight out of mind” mentality,

where again E&C professionals may have a harder time gaining the trust of senior leaders who give them a seat at the table.

CHANGES TO BOARD REPORTING

If board reporting is conducted virtually, there's a potential that the quality of the interaction could suffer if attention isn't given to ensure the right technology, along with inclusive behaviors, being used to deliver the presentation and engage in meaningful discussion.

BEST PRACTICES AND RECOMMENDATIONS

What can organizations do to ensure E&C professionals are central to business strategy in a predominantly RWE?

METRICS

Metrics gathered in various systems may be impacted by an increased remote workforce and need tweaking. For example, metrics used in performance management reviews and in setting business targets may need to be adjusted to safeguard against unconscious bias toward, or against, virtual employees. Also, allegation case data should be analyzed to determine shifts in trends.

SENIOR LEADERSHIP SUPPORT

Reinforce the importance of E&C being present in the business with senior leaders and seek their support and resources needed to provide communications and training to effectively support the remote environment, such as:

- Policies (e.g., timekeeping, social media expectations, collaboration, etc.) and Code of Conduct updates reflect remote work requirements, including expected behaviors to support values regardless of the environment.

- Tip sheets become an important tool to emphasize changes and call out expected behaviors.

BUSINESS CONTINUITY

Continued focus on business continuity plans that support remote work. Review the plans regularly and revise them to support the business, including regulatory alignment.

CODE OF CONDUCT AWARENESS

A recent article on business ethics stated, "Placing integrity at the heart of business strategy reinforces an organization's commitment to compliance and makes it front and center" (Kapoor, 2020). This supports the best practice to rely on the organization's Code of Conduct to focus and align organizational ethical behavior in all areas of the business. The physical workspace has constant reminders of business strategy and goals; in an RWE, those reminders are replaced with personal and private belongings, reflective of the workforce. Companies need to be creative to ensure employees feel connected to their organization's vision, strategy, and goals. Participants in our survey offered the following ideas for making sure the Code of Conduct is continually present for employees:

- Using virtual drop-in sessions to make sure people know their E&C team members;
- Participate in department meetings to reinforce E&C's presence;
- Work with IT to make sure E&C measures are being considered as part of cyber security practices to protect data privacy;
- Implement ethics-based case studies that allow staff to 'practice' making the right decisions when faced with business dilemmas.

In addition to drawing awareness to the Code of Conduct within the workforce, it should play a central role in business goals and strategies. E&C

"Integrity is no longer a competitive advantage in business strategy, but is rather a baseline expectation of how organizations should conduct business."

teams should review and confirm that the five elements below are being fully implemented:

- Vision—communicated by senior leadership, included in the Code of Conduct, and reinforced by “tone at top”;
- Mission—led by leaders with the expectation that everyone has accountability for execution;
- Strategic goals—E&C perspective is key to the formulation of goals (i.e., “seat at the table”);
- Objective—increase E&C presence within the RWE (e.g., check-in meetings; E&C check-ins via “quizzes” aligned with recognition for participation);
- Measures of success/key results—conduct mini-pulse surveys to bring awareness to available E&C resources and understand progress of E&C initiatives.

GET A SEAT OR MAKE THE TABLE

Getting a seat at the table is critical for E&C teams to help their organizations navigate the unique risks that accompany a remote working program. Becoming a valued stakeholder can sometimes be challenging. Look for new strategic internal business relationships that share similar concerns. If there isn't a stakeholder group yet formed to address remote working strategies, consider having the E&C team spearhead the effort.

PREPARE THE E&C TEAM

Ensure the E&C team is equipped to support remote business partners by giving attention to the following:

- Team structure, roles, and responsibilities—reviewing capacity/utilization to effectively support business partners across all business areas;
- Values, norms, and guiding principles—ensure the Code of Conduct is revised to reflect the RWE (e.g., online behavior, labor charging policy, performance management) and leverage the Code to reinforce expected behaviors;
- Communication—“failure labs” (identify challenges to E&C initiative implementations and share ideas and solution in a “safe” and “learning” space);
- Learning—technology platform/application (e.g., polls, video conferencing best practices, etc.) training to enable comfort with using, including training for self-awareness related to generational and cultural difference and how to incorporate this awareness to encourage cross-collaboration.

“Getting a seat at the table is critical for E&C teams to help their organizations navigate the unique risks that accompany a remote working program.”



Principle 2: Ethics and Compliance Risks are Identified, Owned, Managed, and Mitigated

DEFINITION OF PRINCIPLE 2

“Risk assessment is a foundational activity that involves and leverages every employee in early understanding and mitigation of risk, and E&C programs have an important role to play in those efforts.” — **Blue Ribbon Panel Report**

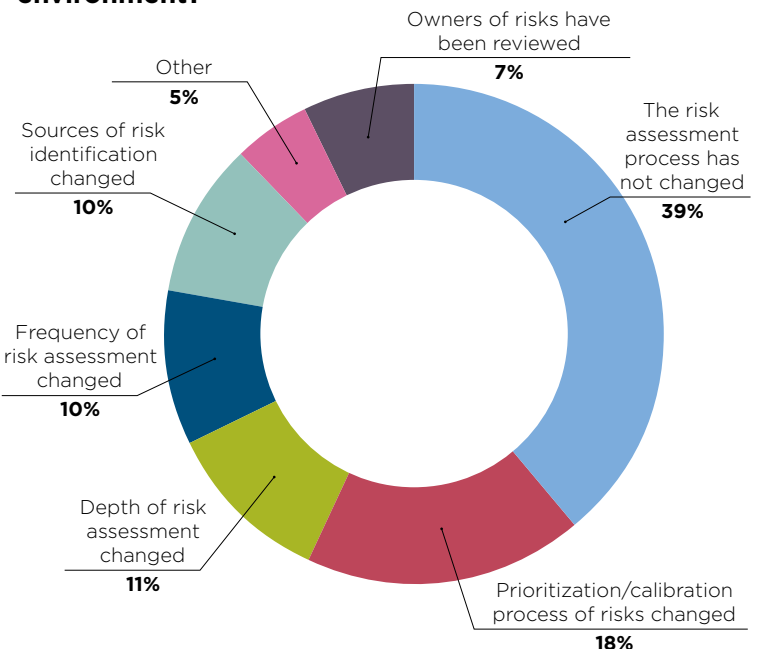
Each organization has a unique risk profile. The E&C program is a key component of the risk management process. High-quality programs prioritize risk management by assigning responsibility to leaders across the organization for continuously identifying and mitigating risks within their operations, by prioritizing early issue spotting, and providing guidance and support to employees on handling key risks (Ethics & Compliance Initiative, 2016). The RWE brings both benefits and challenges to risk management.

	BENEFITS	CHALLENGES
Principle 2: Ethics and Compliance Risks are Identified, Owned, Managed, and Mitigated	<ul style="list-style-type: none">• Efficient collaboration and broader participant pool• Quicker feedback• More communication channels• Enhanced data and analytic capability	<ul style="list-style-type: none">• Security concerns• Reduced employee engagement• Potential conflicts of interest• Third party exposure• Front line risks• Compliance staff retention

BENEFITS

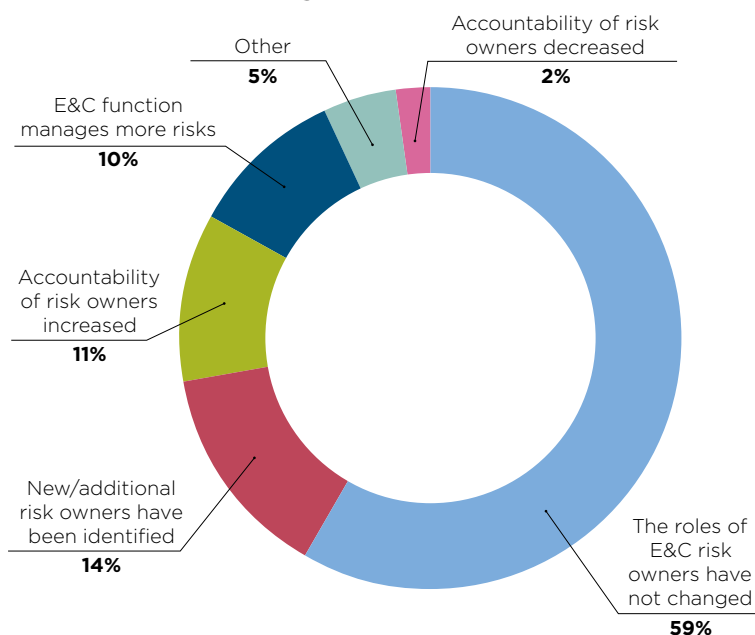
In a recent industry survey, 56% of compliance professionals reported the transition to remote working had gone better than expected (SCCE, 2020). That complements the 39% of our survey respondents who indicated their risk assessment program did not change as they shifted to remote work. A majority of respondents to our survey also said risk owners had not changed (59%) and the process for remediating risks had remained the same (52%). While the overall process may not have changed for many companies, some did find themselves needing to change their prioritization process, the frequency, or the depth of their risk assessments.

How has your risk assessment program changed due to the remote work environment?

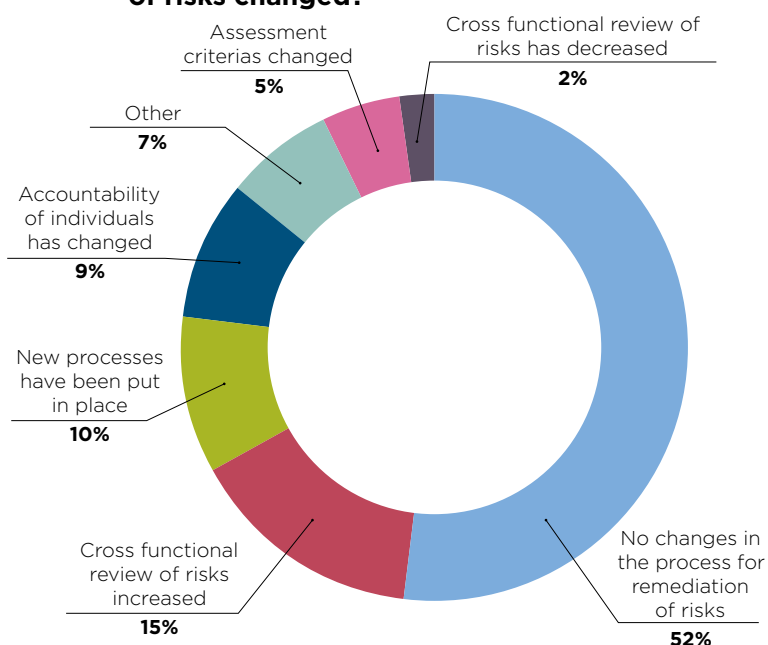


“In a recent industry survey, 56% of compliance professionals reported the transition to remote working had gone better than expected (SCCE, 2020).”

How have roles of E&C risk owners changed?



Has the process for the remediation of risks changed?



EFFICIENT COLLABORATION AND BROADER PARTICIPANT POOL

Another aspect that changed for many was the shift to conducting risk assessment sessions virtually. Survey participants noted that with

some additional preparation and discipline during the virtual meetings, the outcomes of the risk assessment sessions were better than the previous in-person format.

The access to more advanced tools and better-developed interpersonal connections were cited as additional positive outcomes of remote working. As an example, one organization shared that their annual Ethics Program Assessment was completed virtually rather than by travelling to different sites, and all recommendations were able to be presented to the executive leadership team at once. Going virtual also worked well for rolling out their updated annual ethics training course, delivering an entirely online and self-paced user experience.

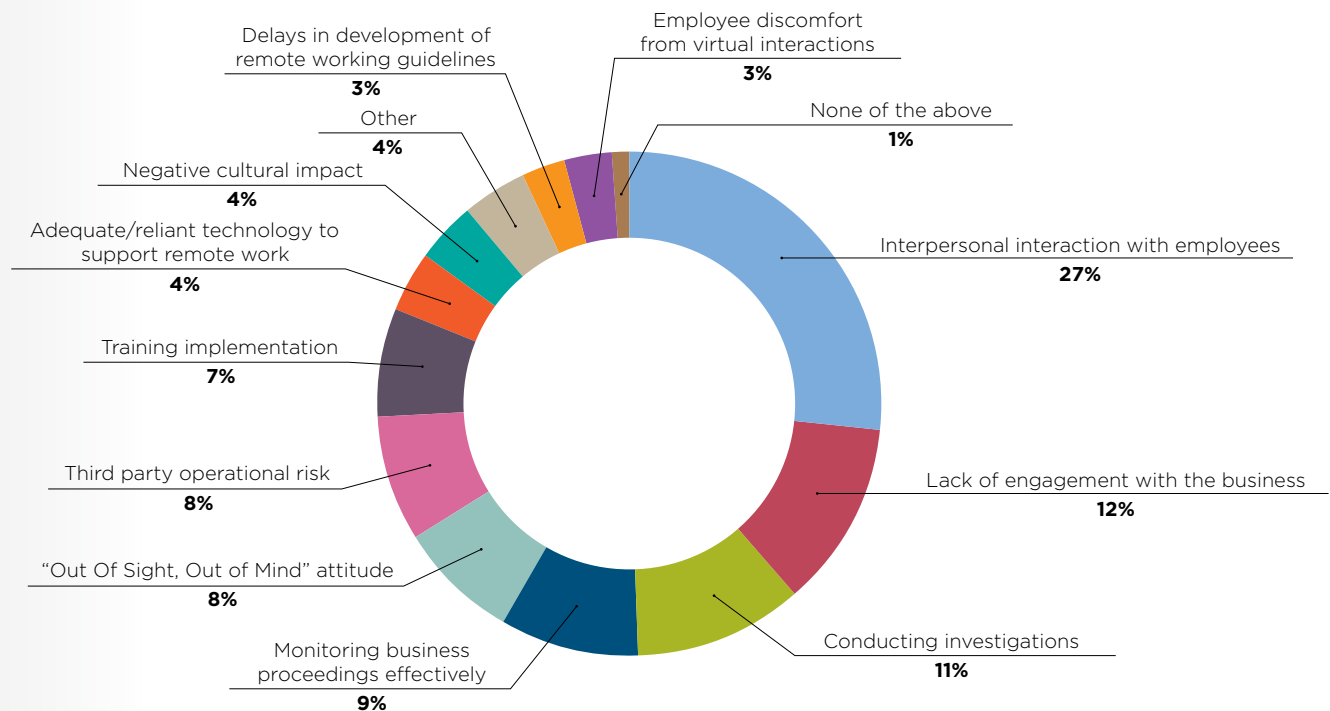
In addition, multiple responding organizations reported they believed risk reviews were more open, egalitarian, informative, and productive because of the use of virtual collaboration tools, rather than being limited to the number of people who can fit around a conference table.

QUICKER FEEDBACK

Remote collaboration is also useful when conducting interviews with subject matter experts and/or working with compliance staff as part of the formal risk assessment process or during mitigation activities. When carried out remotely, virtual collaboration eliminated previous barriers associated with time and cost of travel. There was also some indication that remote interviews may encourage more frank disclosure/reporting of E&C concerns because participants feel safer in a known environment (i.e. their home). It is one reason attributed to the 35% increase in whistleblower tips to the SEC in mid-2020 (Sun, 2020). These same benefits also apply to dialogues with the general employee base, to get a more representative gauge of current culture and extant concerns through focus groups, town halls, or other formats.

Whether identifying, assessing, managing, or mitigating risks, remote working makes virtual

What are the major challenges that the E&C function in your organization has faced while working remotely?



collaboration with any resource easy, whether inside or outside the compliance department or the organization itself. This helps remove bias toward those physically near and better known. Drawing from a pool of resources not limited to a specific geographic area also enables recruiting, hiring, and advancing a larger, more diverse pool of compliance talent.

MORE COMMUNICATION CHANNELS

Greater adoption of digital channels allows wider and/or more targeted communications to E&C stakeholders and the employee/contractor base. Moreover, it puts communications with third parties (who share or pose significant risks) on a more equitable level with internal communications.

ENHANCED DATA AND ANALYTIC CAPABILITY

Lastly, an organization that supports a predominant RWE is likely to be heavily invested in technology platforms and tools. Data from these solutions can also be used for analysis by compliance staff, enabling more robust

and objective risk identification, assessment, and tracking mitigation results. In turn, such quantitative management of risk helps develop increased maturity of the organization's compliance and ethics program.

CHALLENGES

An organization's E&C program may be presented with different obstacles when operating predominantly in an RWE, which make its risk assessment and mitigation processes more difficult. Our survey revealed a wide range of concerns organizations face, from operational issues to technology threats and third-party exposure.

SECURITY CONCERNS

Cybersecurity, including associated privacy/data protection concerns, which are already a top concern for most organizations, is of particular concern in the RWE. Research has found that 70% of large businesses believe their remote working arrangements in response to



the COVID-19 pandemic have made them more vulnerable to cyberattacks. For example, 35% of employees use devices for both work and personal use, and 24% are sharing or storing sensitive information in unsanctioned cloud applications (AT&T, 2020). With ransomware, malware, phishing and other external threats on the rise, companies are urgently putting protective measures in place such as:

- Extending protections and good cyber hygiene to numerous locations beyond the direct control of the organization, including employees' personal home networks and devices;
- Monitoring behaviors that put sensitive data at risk when physical presence is not possible;
- Ensuring new virtual collaboration/sharing tools are vetted and integrated into the organization's cybersecurity program, not used only ad hoc by staff;
- Educating staff about new and changing threats and the need for them to change their behaviors, such as employees sharing a work device with family members, using less secure but free cloud storage and other consumer-

grade services, and more targeted tactics like spear-phishing and whaling.

These steps take time, planning, and expertise. Doing them hastily can lead to greatly increased risk. Care also needs to be taken to ensure alignment with an organizations' supplier network, as vulnerabilities can easily spread among networks.

REDUCED EMPLOYEE ENGAGEMENT

Both independent research and our survey found that reduced face-to-face interaction and its associated "water cooler" conversations, different or disrupted formal communication channels, less day-to-day visibility to risk stakeholders, and greater distractions at home can erode interpersonal connections at work. The resulting reduced flow of information about risks and associated mitigations can potentially slow reporting activity and decrease the employees' confidence in their safety to share concerns.

POTENTIAL CONFLICTS OF INTEREST

Lack of direct oversight of behavior, having more productive tools at home, and other factors have led to companies' greater concern about employees starting businesses or taking on gig economy work that could create conflicts of interest.

THIRD PARTY EXPOSURE

Regular meetings, due diligence assessments, and other interactions may traditionally rely heavily on on-site interactions to identify and/or monitor risks. The potential for a geographically dispersed workforce in an RWE can present a barrier to managing exposure from third parties unless these interactions move to virtual forums.

FRONT LINE RISKS

A very real concern, and perhaps the most logical barrier to managing a high-performing E&C program, is that direct physical oversight of compliance risks is a far less viable strategy for mitigation. Whether safety inspections of shop floors, clean desks in a call center, visits to third parties for due diligence assessments, or other scenarios where compliance controls rely on physical presence, a remote workforce may not be able to leverage these tried-and-true methods.

COMPLIANCE STAFF RETENTION

Lastly, converse to the ability to take advantage of a larger and more diverse talent pool with more potential employers, it may be more difficult to retain compliance staff as companies relax the requirements of being at a particular physical location.

BEST PRACTICES & RECOMMENDATIONS

What can organizations do to thrive in a predominant RWE and still improve their formal risk assessment and management processes?

FOCUS ON RESULTS

Extra diligence is required to make sure the same E&C principles, goals, and plans are still

carried out and/or adapted to new business processes. For example, some organizations have adopted a "results-oriented work environment" (ROWE) that lends itself very well to remote work. In this setting, organizations focus on whether employees are getting their work done and the integrity of their work, not on when or where it happens. Research has found examples where productivity, communication, quality, and service levels all increased after the ROWE program was implemented (Steen, 2013). Also, an organization's ability to identify, own, manage, and mitigate E&C risks is not dependent on where people work. It is the nature of the work and the knowledge and skills of the staff conducting it that matter.

REVIEW SECURITY AND DATA PRIVACY CONTROLS

In our survey, nearly 20% of respondents said the RWE has impacted the prioritization and calibration of risk management in their organization. The data also showed cybersecurity/data privacy to be a key concern, with suggestions that organizations should look to identify whether:

- Security measures are sufficient to handle the number of staff working remotely;
- Procedures for complying with data privacy obligations are sufficient in an RWE;
- Company privacy policies reflect additional processing brought about by remote working;
- Employees are aware of their rights and the company's rights with respect to personal data and use of company resources such as laptops and phones.

COMMUNICATE

Any workforce needs to be effectively engaged and communicated with constantly. This is especially true for a distributed RWE. Our survey showed that 37% of the respondents indicated they had to come up with new ways of communicating to connect better with their remote workforce. All levels of leadership need to communicate authentically with staff, and to keep them informed and engaged about E&C

activities, as well as to provide all parties the opportunities to maintain, strengthen, and build connections with colleagues within and outside the compliance function. Communication requires ongoing cultivation, as in any relationship. Leaders must demonstrate their credibility, competency, and believability as part of their leadership characteristics, to achieve ethical norms in a predominantly remote organization.

JUST-IN-TIME TRAINING

With the remote environment, in-person training is not the norm, and there are fewer places to easily turn to or identify when training is needed or when to apply it. Most information-based training needs to be more just-in-time, triggered by circumstances that suggest a need for specific information. Training should also be on-demand to complement each employee's unique personal circumstance. This is facilitated by the RWE's extensive use of technology where data analytics can be used to develop and refine the circumstances and behavioral benefits of such training methods.

REVIEW THE RISK ASSESSMENT PROCESS

Even if the overall formal risk assessment processes do not significantly change, a predominant RWE suggests several areas to which an organization should pay particular attention:

- The organization should review the overall risk assessment processes and all mitigation controls to identify and adjust, as necessary, any that rely on in-person observations, monitoring, etc. An organization's policies, standards, and procedures should be similarly reviewed.
- Additional mitigation measures need to be implemented to safeguard sensitive customer, employee, and company data, including information technology and security solutions and staff training. Conflicts of interest and third-party due diligence are also risk areas that deserve additional review/scrutiny. Research concluded that virtual meetings resulted in more input and in-depth discussions than traditional face-to-face interactions.

- Further develop quantitative key risk indicators to use as part of the regular risk assessment process and ongoing monitoring of mitigation efforts. This greatly supports a remote workforce and increases the maturity of an organization's E&C program. Whether in a predominant RWE or not, organizations should strongly consider conducting virtual risk assessment meetings. Research has found they were better than traditional face-to-face meetings, because they generated better inputs and discussion.

The survey responses and group research clearly indicate risk assessment programs managed in predominantly RWEs are performing well. Although the focus and tools used for the assessments may be new, overall process and risk owners appear to have remained constant and, while there are certainly new challenges, the remote environment provides worthwhile advantages.





Principle 3: Leaders at All Levels Across the Organization Build and Sustain a Culture of Integrity

DEFINITION OF PRINCIPLE 3

Leaders across the organization build and sustain a culture of integrity, a daily habit and expectation of openness. Leaders walk the talk of integrity as a value and the organization consciously builds the capacity and confidence of every employee to speak up when something does not seem right.”

— Blue Ribbon Panel Report

Culture is the largest influencer of business conduct, and a strong ethical culture is essential for protecting and sustaining the organization. HQP programs have clearly communicated values and standards, and incentivize leaders and support employees to act with integrity and to hold them accountable when they do not (Ethics & Compliance Initiative, 2016). The RWE brings a unique set of benefits and challenges to maintaining and strengthening culture.

	BENEFITS	CHALLENGES
Principle 3: Leaders at All Levels Across the Organization Build and Sustain a Culture of Integrity	<ul style="list-style-type: none"> • Sense of community and connectedness • Artifacts of existing values and culture • Work-life balance • Flexibility 	<ul style="list-style-type: none"> • Self-isolation • Poor team communication • Lack of motivation • Distractions • Disrupted cultural norms • Lack of boundaries

BENEFITS

SENSE OF COMMUNITY AND CONNECTEDNESS

A culture of integrity requires organizational unity. Community and connectedness in remote work thrives when workers bond around similar priorities, interests, and attitudes. This requires highly involved, highly organized, conscientious leaders who employ strategies that compensate for the lack of physical proximity (Eissa et al., 2012). Communication is important for community and connectedness (Plavin-Masterman, 2015). The importance of face-to-face communication should always be considered. Even if an employee is entirely remote, he or she should still be able to put faces to names. When possible, use video conferencing software to hold meetings. Managers and employees should have regular check-in meetings to encourage communication, to exchange feedback, and to monitor progress and assess whether employees need any new training. Casual check-ins, like virtual happy hours, can enhance camaraderie (Saltsgaver, 2020).

ARTIFACTS OF EXISTING VALUES AND CULTURE

Existing codes of ethics, codes of conduct, and value statements are foundational components for a culture of integrity. Leverage these values for the remote workforce to remind employees of

the founding ideals, stories, and commitments that shape how [they] think about work, how things get done and who [they] are (Chatman & Gino, 2020; Howard-Grenville, 2020). This will drive pre-existing, collective appreciation for integrity even when people are physically disconnected (Lee, 2009). Leaders who emphasize organizational culture and values can transcend modality by regularly identifying elements that represent organizational integrity as they transpire. Highlighting integrity in decision making, identifying integrity applied in problem solving, and encouraging employees to do the same, results in a strong work place culture that supports community and encourages connectedness. (Wong, 2020).

WORK-LIFE BALANCE

Cultures of integrity are stronger when employees experience a sense of balance between work and home. This is critical for the remote workforce, since there may not be a physical distinction. The beauty of working from home is that the remote employees can choose when they work. Employees can start working at 7 a.m. or 10 a.m.—whenever suits their productivity rhythms and preferences. As long as employees attend meetings and accomplish their goals, tracking hours isn't necessary. Employees are able to work when their motivation is at its peak, rather than struggling through times when they are disinclined to work (Jackson, n.d.).

FLEXIBILITY

Flexible attitudes and approaches can preserve ideals of integrity as employees shift to remote work. New remote habits will form. Those habits will spill into work interactions. Flexible attitudes will help employees stay focused on organizational core values and then adapt to how those translate into new activities, behaviors, and rituals (Jackson, n.d.).

“Social isolation makes it harder for employees to engage regularly in activities and conversations that promote shared values and beliefs.”

CHALLENGES

SOCIAL ISOLATION

Social isolation can be a threat to cultures of integrity. Physical distance may diminish individual motivation and strain team or organizational loyalty. Buffer's *State of Remote Work* survey (Buffer, 2020) established that many remote workers struggle with loneliness. We're sociable creatures, and we need a degree of social interaction to get us through the day. For most of us, our co-workers are an important part of our social circle. We spend eight hours a day alongside them, we support each other through challenging times, and we motivate and encourage one another. When employees don't see their co-workers on a regular basis, they may feel like they are missing out. Social isolation makes it harder for employees to engage regularly in activities and conversations that promote shared values and beliefs. It may become more difficult to galvanize collective energy for difficult decisions and challenging operational shifts (Lee, 2009).

POOR TEAM COMMUNICATION

Poor communication can challenge cultures of integrity. Physical distance may lead to miscommunications and misunderstandings, and virtual behaviors may become, or be misinterpreted as, aggressive or even disrespectful (Lee, 2009). Without regular, in-person contact, leaders may be less aware of employee progress or concerns.

LACK OF MOTIVATION

Not everyone thrives as a remote employee. Dedication and self-motivation are needed to keep working when you know you don't have a manager looking over your shoulder or urging you on. Without the buzz and chaos of an office, remote workers have to rely on their own internal drive to keep pushing through the day. Like all employees, those working remotely need to know what needs to happen every day and what the most important tasks are so they can attack them head-on (Arun, 2020).

DISTRACTIONS

Distractions can be a significant problem for remote workers. At home there are countless small distractions that threaten to disrupt the flow of work. Distractions are a particular issue for people who are prone to procrastination. The temptation, for them especially, is to put off work until the house is clean or the office is tidy (Arun, 2020). There will always be an excuse to delay work—but experienced remote workers have learned to focus on work even if there are household chores that are undone.

DISRUPTED CULTURAL NORMS

Shifting to remote work can disrupt the static nature of organizational culture and the normative nature of organizational ethics (Howard-Grenville, 2020). Employees grow attached to workplace traditions because they represent organizational integrity and normalcy. Employees forced to work remotely may experience resistance as they seek to cling to cultural elements that made them comfortable in their positions, on their teams, and within the organization at large (Baumgartner, 2020).

LACK OF BOUNDARIES

One report (Eltringham, 2019) cited a 2019 survey in which 40% of remote employees said that “unplugging after work hours” is their biggest challenge. When your office is in your house, you can work all hours of the day, so it’s harder to draw a firm line and step away from the desk, especially for perfectionists or high performers. Work does not end. They feel compelled to keep

going, but their continuous working can cause problems. Employees need downtime. They need to disconnect and give their brains time to rest so their judgment is sound. They need to sleep (Oesch, 2018), to eat, to exercise. Making work a priority at all times isn’t realistic or desirable, yet some employees have a hard time saying “no,” which means work-life balance becomes nonexistent (Meager & McLaclan, 2020).

BEST PRACTICES & RECOMMENDATIONS

What can organizations do to go beyond maintaining their current culture and use remote working to thrive?

GO PUBLIC WITH YOUR COMPANY VALUES

Take your culture thoughts public. Publish your company values or thoughts in the public space. In the survey we conducted, 73% of respondents indicated this as an organizational best practice, indicating they include their company values on the company’s public website. A well-known example is the Netflix Culture: Freedom and Responsibility. This was published in 2009 and has garnered more than 12 million views. This is a great way to highlight the culture you represent and strive for (Burke, 2020).

PUBLISH NEWSLETTERS

No. 29, a New York-based communications agency, drew on core values of sustainable consumption and ethical business when its founders launched a weekly newsletter after



working from home became the new normal, involving their entire team in its creation. Not only does it advance their mission, it also makes their team feel engaged and valued, which are fundamental to producing consistent and high-quality work (Tramuta, 2020). Our survey supported this as a best practice, with 70% of respondents indicating that company-wide newsletters and other communications are commonplace in their organizations, with frequencies ranging from a couple of times a week to monthly.

PROMOTE CONNECTION

INSEAD business school may not have been able to predict the shuttering of the institution's global campuses, but its leadership counted on its core value of innovation to help employees adapt. New behaviors emerged from top leadership to address the particularities of the current work environment. All employees now focus on acting together, prioritizing, and staying connected to service goals (Tramuta, 2020).

CREATE AND PRIORITIZE BOUNDARIES

Remote workers have a tendency to work past normal business hours. Ideas for helping them set boundaries include:

- Encourage employees to work their contracted number of hours each week.
- Encourage employees to remove their work inbox from their phones and to silence work communication platforms after they are finished for the day.
- Help employees prioritize their work to complete the most important tasks first. If less important work remains at the end of the day, they will feel more comfortable leaving it for the next day.
- Encourage employees to stick to a daily routine — one that suits them.
- Encourage employee to have a dedicated physical space for work that is separate from a family hub, such as the kitchen, if possible, so they can physically leave work at the end of the day.

- Emphasize the importance of work/life balance and cultivating relationships with friends and family. Be realistic about what can be achieved. Too many tasks may lead to feelings of failure or disappointment. Smaller task lists can lead to great feelings of accomplishment that can in turn motivate performance going forward. For example, the 1-3-5 rule (The Muse, n.d.): Each day, plan to do only one difficult task, three moderately difficult tasks and five smaller tasks.
- Without the boundaries of a commute in and out of an hour, employees must create their own commuting practices that establish work and home boundaries; e.g., a walk outside at the end of the day can replace a commute.

KEEP A FINGER ON THE PULSE

Leaders who are in tune with their remote employees will notice small changes that could be red flags for potential issues of concern or misconduct. Having regular check-ins, asking questions, and listening not only build relationships of trust, but also help the leader understand team dynamics and respond quickly to emerging issues. 85% of our survey participants described using feedback surveys to gather information from employees in an effort to monitor behavior and understand organizational culture concerns. A smaller number of those surveyed also encouraged employees to share how they integrated company values in their daily work via email.

“Having regular check-ins, asking questions, and listening not only build relationships of trust, but also help the leader understand team dynamics and respond quickly to emerging issues.”



FOCUS ON PURPOSE AND VALUES

Hire and promote people who are resilient, adaptable, and exhibit grace under fire. Curate and communicate examples of how the organization is adhering to its values through new practices. Model expected behaviors (Chatman & Gino, 2020).

Help employees connect personal values with work objectives and organizational goals. Employers must develop a culture that reinforces the important role each employee plays within their organization. Encourage employees to examine or reconsider how their role ties back to the greater organization, but remember that it's the company's responsibility to make this connection crystal clear. Improve role-fit by encouraging employees to focus on the work they're most passionate about and where they feel they provide the most value.

CHECK IN WITH EMPLOYEES REGULARLY

Perform quarterly employee temperature checks. Through these reviews the company can find out how each individual feels about the business, the values, and the current direction in which the business is heading. Do these quarterly rather than annually to ensure the feedback cycle is short and actions are taken rapidly. Send a survey for feedback: Give employees the opportunity to share what they do and don't like about the current culture and ways to improve it.

CREATE A MENTOR OR BUDDY SYSTEM

Regular contact with even just one trusted friend or mentor can do wonders for a remote employee's sense of belonging. Remote work models mean you can even pair employees from different offices in different locations. This significantly expands the reach of your company's network of close relationships, giving everyone a chance to understand different teams and maybe even share different skills (Bell, n.d.).

BRING EMPLOYEES TOGETHER

Hold virtual team-building events designed to bring the employees together (leveraging technology). This can be done via virtual trivia, virtual charades, drawing games, and similar activities that are fun. Remote teams that have fun together stay together. Creating social connections in remote working environments is high on the list of priorities for the majority of our survey participants. There are a number of software applications that will help you achieve this, such as: "Go Game," "Let's Roam," Quizbreaker," and others (Bell, n.d.). Create social interactions; create periodic face to face or video interactions; establish a physical location for virtual employees when they venture into the office; demonstrate individual care for each team member; create an ethic of care—meet with each team member to discuss personal and professional goals; develop individual plans. Consider these ideas: (Jackson, n.d.)



- **Fun chat channels:** Utilize Slack and Microsoft Teams to start channels for employees to bond over mutual interests such as movies, pets, or fitness.
- **After-hour virtual socials:** Start a video-chat happy hour, game night, paint night, or even do a virtual cooking class.
- **Lunch break wellness activities:** Take time at lunch (or breakfast, depending on the time zone) and try yoga, meditation, Pilates, or Peloton classes together to encourage healthy habits. Hold events throughout the year to keep the spirit of your values alive and bring people from different departments and locations together virtually.
- **Hold all-hands meetings:** Update the entire organization on important events and milestones. Start a Slack channel for employees to use during the meeting to ask questions and add commentary.
- **Start company-wide contests:** Begin weekly virtual background competitions, host trivia nights, or even start work from home bingo that includes fun prizes.
- **Company retreats:** Bring everyone together, in person, once or twice a year. Take time to focus on team bonding and the company values without the pressure of work.
- **Use of virtual environments employees can use to visualize, organize and complete their work:** Software technologies like Monday.com make it easy for remote employees to visualize, organize, and complete their work. Remote work software helps employees stay connected to fulfilling work goals and desires that have nothing to do with physical space.

Motivated and driven to pursue goals they can now track on a daily basis; remote employees naturally feel more connected to company missions (Bell, n.d.).

- **Weekly One-on-Ones:** Designate time for managers to meet individually with employees via video to establish trust, build connections, and celebrate individual accomplishments.
- **Video Meetings:** Promote teamwork and reinforce values when you see your colleagues face-to-face. Give each meeting a theme such as presentation skills, negotiation, or grammar 101 to learn from fellow employees.

COMMUNICATE OFTEN

Start a weekly round-up. Create a weekly email for employees to share how they integrated the company values into their workflow. Establish communication norms to ensure clarity, including chat best practices, response time frames, and email etiquette. Setting communication standards will prevent people from getting barraged with messages, reduce interruptions, and make communication easier. Develop a company-wide newsletter. Share the happenings, goals, and achievements of different departments to bring the entire organization together.

INCORPORATE DIGITAL RECOGNITION

Establish digital peer-to-peer recognition. Let employees nominate co-workers they feel exemplify company values and award weekly kudos to those individuals. 73% of our survey participants acknowledged digital peer-to-peer recognition as an important way to help employees preserve and promote a culture of integrity in RWEs.



Principle 4: The Organization Encourages, Protects and Values the Reporting of Concerns and Suspected Wrongdoing

DEFINITION OF PRINCIPLE 4

“The organization encourages, protects and values reporting of concerns and suspected wrongdoing. The organization’s processes and actions are designed to demonstrate to employees that reporting is valued and to ensure retaliation for reporting is detected, punished and prevented going forward, so chilling effects are mitigated.” — **Blue Ribbon Panel Report**

The foundational elements that exist in HQPs regarding promotion of a speak-up culture and encouraging the reporting of concerns are not significantly different in a remote environment than in a more office-based environment. However, the mechanisms by which key elements are executed may be different, and accomplishing the same high-quality programs may require enhanced efforts when a large portion of the employee base is remote.

As the ECI Blue Ribbon Panel Report notes, the greatest E&C risk to an organization is an environment where employees are unwilling, unable, or fearful to make management aware that wrongdoing is taking place. As the

	BENEFITS	CHALLENGES
Principle 4: The Organization Encourages, Protects and Values the Reporting of Concerns and Suspected Wrongdoing	<ul style="list-style-type: none"> Increased comfort in speaking up Increased use of online reporting options 	<ul style="list-style-type: none"> Low reporting option awareness Limited peer learning opportunities Reduced reporting to management

workplace environment has shifted to a greater volume of remote workers, it is essential to recognize that an organization may need to perform additional work to ensure that the employees continue to feel empowered to raise concerns. Additionally, our survey responses indicate that two areas highly impacted by a shift to remote working are lowered employee engagement due to competing work-life priorities (16%) and decreased transparency of remote activities (11%), both of which can impact an organization’s speak-up culture.

BENEFITS

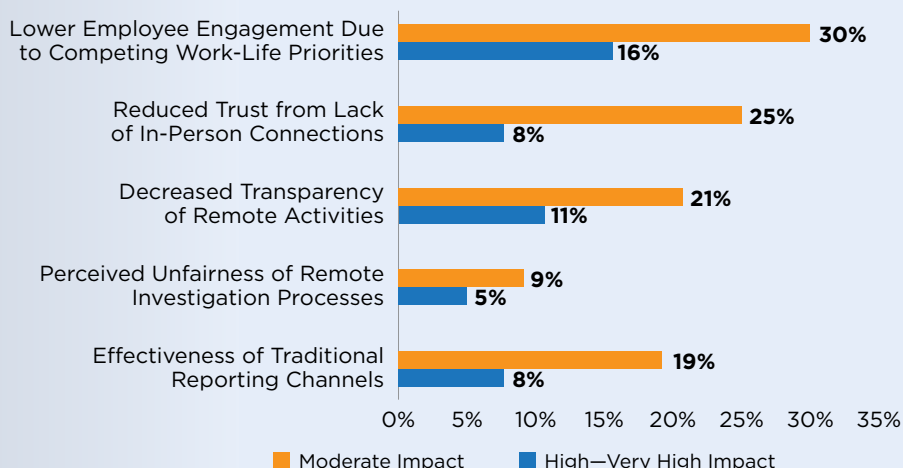
INCREASED COMFORT IN SPEAKING UP

Reporters may feel an increased level of privacy and be more comfortable speaking up outside the office environment (Ethics & Compliance Initiative, 2020).

INCREASED USE OF ONLINE REPORTING OPTIONS

More extensive use of technology and online information centers in an RWE may increase the likelihood that online reporting solutions are utilized.

Impact of Remote Work Environment Barriers on Reporting of Concerns and Suspected Wrongdoing



CHALLENGES

LOW REPORTING OPTION AWARENESS

E&C programs for certain companies may lack telework/remote work policies and procedures that articulate the variety of ways to report concerns (NavexGlobal, 2020).

LIMITED PEER LEARNING OPPORTUNITIES

The absence of in-person office discussions may limit informal conversation/learning regarding the value placed in the organization for individuals to report concerns.

REDUCED REPORTING TO MANAGEMENT

The volume of issues reported to management is likely to go up during times of volatility and with more time to reflect due to working from home. Concerns reported directly to management may be less likely to be acted on in organizations with a large remote workforce, as the transparency to more formal E&C oversight may be lacking. Managers may not be properly trained on how to ensure remote employees report misconduct remotely, and a perceived lack of transparency may deter employees from reporting wrongdoing at all (Sun, Tips to SEC Surge as Working From Home Emboldens Whistleblowers, 2020).

BEST PRACTICES & RECOMMENDATIONS

What can organizations do to ensure an RWE doesn't negatively impact employees' willingness to report suspected wrongdoing?

SPEAK UP AWARENESS

During periods of significant change within an organization, the rate of observed misconduct also rises. In the recently released Global Business Ethics Survey® from the Ethics and Compliance Initiative (ECI), it is suggested that COVID-19 may be having a similar impact. According to the study, globally, more than one in every five employees feels pressure to compromise their organization's ethics standards, policies, or the law. Employees

who feel under pressure are about two times more likely to observe misconduct in their workplace than those who don't feel under pressure, which would suggest that companies feeling the economic pinch pass the pressure on in their work environments (Ethics & Compliance Initiative, 2020).

Organizations must continue to be more vigilant in communicating and advertising the channels available to employees to report concerns and should look beyond traditional methods such as posters, tabletop cards, etc. Companies should utilize existing electronic communication channels, internal social media/chat channels (i.e., Yammer, etc.), and should look to utilize user friendly and anonymous reporting Apps to enhance employee/company communications (Steele Compliance Wave, 2020)

To keep the expectation and mechanisms for reporting concerns at the forefront with a remote workforce, E&C departments should consider the development and roll out of short promotional videos and tip tools that departments can utilize during virtual group meetings to remind employees of their options for reporting and the overall importance, business benefits, and obligations of doing so.

Companies should also utilize real or realistic case studies to highlight the value of employees reporting issues, such that the issues can be addressed before they escalate further (Steele Compliance Wave, 2020).

EMPHASIS ON NO RETALIATION

Hand in hand with emphasizing the importance of raising concerns is communicating the organizations stance on retaliation. Since employees are working remotely, it is possible that employees may be less fearful of retaliation from the organization and/or colleagues, and more willing to raise concerns. That said, companies would be hard pressed to over communicate the subject of non-retaliation. Organizations must also recognize that retaliation may take on different



forms in RWE. All these factors have led to the best practice recommendations highlighted above (NavexGlobal, 2020).

FREQUENT CHECK-INS

Department leaders should be encouraged to have much more frequent team check-ins, allowing more frequent reminders and opportunities for their teams to engage and raise questions and concerns.

MANAGEMENT TRAINING

As a supplement to the materials to support encouraging raising issues, E&C departments should develop strategies to assist companies in re-training supervisors/managers about handling/triaging concerns and recognizing retaliation, which may be more challenging to spot when the organization is largely remote (i.e., looking for subtle signs that an employee is experiencing a new stressor). E&C professionals should also recognize the changing landscape and engage with professional E&C organizations and legal firms specializing in these topics to stay current and obtain examples of contemporary issues that have arisen in their industry space (NavexGlobal, 2020).

TOP LEVEL TONE

Top level leaders set the tone for the organization, and typically garner the most interest and attention from employees. As Robert Chestnut says in *Intentional Integrity*, “The tone at the top of your organization is critical to building a high-integrity culture.” (Chestnut,

2020). Top-level leaders should communicate through direct videos, zoom meetings, or other live or pre-recorded messaging to employees about the company values and expectations and the importance of contributing to and sustaining a culture of integrity.

PULSE SURVEYS

With employees being remote, it is important to be forthcoming and seek active engagement to uncover any potential risks that could hurt them or the company. One way to achieve this is for companies to perform frequent pulse surveys with an option to engage in an anonymous two-way conversation, if the answer requires a follow-up. The use of pro-active feedback mechanisms signals to employees that their input is valued, and helps identify any changing trends or emerging issues that may exist with many employees working remotely. Feedback obtained through the surveys should be made public whenever possible, and companies should actively communicate changes in policies that are necessary to keep up with a changing workforce’s needs.

EMBEDDED REPORTING TOOLS

When an issue needs to be raised up to management, compliance, legal, or HR, there is typically already a level of discomfort. Therefore, any mechanism that minimizes that discomfort may increase the likelihood that the employee will report the concern (Ethics & Compliance Initiative, 2020). One area of emerging technology solutions focuses on the concept

that if employees are allowed to use anonymous and independent communication mechanisms that are embedded in their day-to-day tools (like Outlook, MS Teams, Slack, etc.), they may be more comfortable speaking up about issues of potential concern.

- These solutions also provide avenues of more “continuous conversation” with employees, vs. the traditional concept of employees reporting a concern to HR/E&C/Legal through a web form or a hotline and having to wait for a formal response.
- With this novel approach towards more continuous communication, the technology platforms offer the ability for real-time “chats” between a reporter and a respondent, in a fashion that can be anonymous or non-anonymous, depending on the sensitivity of the topic and the level of trust between the two parties.
- Unlike traditional “formal” reporting avenues, these new solutions offer on-the-go anonymous “live chat” and/or “pulse surveys” and can be integrated with existing common-use technologies such as Microsoft Teams or Slack, to allow an instant line of discussion from a core daily tool.

One best practice outcome from deployment of such technologies is the more frequent notice and therefore earlier detection of brewing concerns. This technology can be leveraged to obtain general employee cultural feedback, which can overlap or be a leading indicator of compliance and ethics concerns. The theory is that if employees are more used to providing regular feedback that may not quite reach the level of “concern” but does relate to discomfort or a work-oriented challenge, they will be more comfortable bringing forward issues of true concern (i.e., they have muscle memory and the hurdle to coming forward is lower). Partnerships between Whispli and Veolia, or between Vault Platform and Airbnb represent key current innovations in the use of these technologies aimed to reduce anxiety and increase the likelihood that an employee will speak up if an issue exists. These technologies also will require change on the part of legal, E&C, and HR professionals, who must gain new skills to appropriately engage in a more real-time environment, without over-promising outcomes or generating new risks.



Principle 5: The Organization Takes Actions and Holds Itself Accountable When Wrongdoing Occurs

DEFINITION OF PRINCIPLE 5

“The organization takes action and holds itself accountable when wrongdoing occurs. The organization handles wrongdoing in alignment with its values by responsible, timely and thorough action that transparently deals with those responsible and focuses on prevention going forward.” — **Blue Ribbon Panel Report**

Remote work environments pose new subtleties to known types of issues and behavioral risks, which require targeted knowledge development of managers and triage teams to identify and properly address. Examples include the areas of general respectful workplace, harassment/cyber-bullying, work-time fraud, conflicts of interest and misappropriation of company assets.

BENEFITS

ADDITIONAL AWARENESS METHODS

Increased adoption of technology-based communication and training solutions in a remote environment may ease the challenge of sharing lessons learned with employees on various E&C matters and the outcome of investigations.

CHALLENGES

LIMITED INFORMAL LEARNING

The absence of in-person office discussions may limit informal conversation/learning regarding whether the organization acts on reported concerns (i.e., peer learning). Norms of behavior may morph within a more remote workforce, as employees are commonly influenced by what they see demonstrated, even if it may conflict with what they view as corporate expectations.

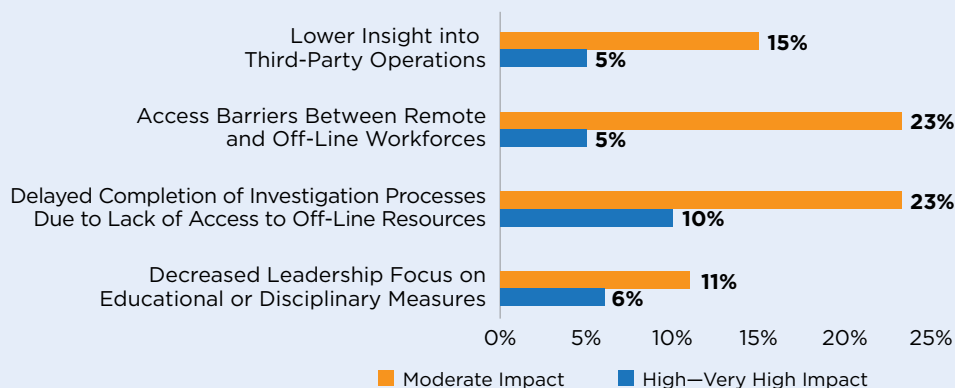
	BENEFITS	CHALLENGES
Principle 5: The Organization Takes Actions and Holds Itself Accountable When Wrong-Doing Occurs	<ul style="list-style-type: none">• Additional awareness methods	<ul style="list-style-type: none">• Limited informal learning• Challenging investigations and uncertain outcomes

Interactions between employees that would traditionally be visible to others in an office setting instead occur as a remote exchange between only two or a few individuals.

CHALLENGING INVESTIGATIONS AND UNCERTAIN OUTCOMES

New forms of old problems may arise in the remote environment (i.e., harassment), and investigation resources and methodologies may be poorly equipped to recognize the validity of these new types of issues. Also, in a remote environment it may not be possible to physically visit a location in order to perform in-person interviews or an investigation. Investigations are likely to be conducted remotely; therefore, the interviewer cannot easily read the body language and expressions of interviewees. Our survey showed that a subset of respondents have experienced either high or very high impact of RWE challenges in exercising accountability when wrongdoing occurs, with the most common being delayed completion of investigation processes due to lack of access to off-line resources (10%). It is also more difficult in a remote environment to confirm that supervisors have followed through on any actions recommended as a result of reported concerns and the related investigation outcomes.

Impact of Remote Work Environment Barriers on Reporting of Concerns and Suspected Wrongdoing



Companies may need to deploy innovative solutions to execute investigations in situations where travel is hindered, and issues exist in a location where no qualified investigators are present (NavexGlobal, 2020). This particular situation has been prevalent during the recent COVID pandemic but may also continue as more organizations allow more home-based remote employees, resulting in a much more dispersed set of employee locations. One novel approach

BEST PRACTICES & RECOMMENDATIONS

What can organizations do to ensure the integrity of the investigation process and that employees are properly held accountable in an RWE?

INNOVATIVE INVESTIGATIONS

Companies must determine innovative methods to remotely investigate allegations, especially in situations where it is difficult to corroborate behavior with observers. As a best practice, companies should provide supervisors, managers, and those tasked with conducting investigations relevant training on new types of concerns or emerging risks that may be unique or more prevalent with a remote workforce. Education on conducting remote work investigations, and use of new technologies for investigative purposes should occur (NavexGlobal, 2020). Companies should take advantage of courses/training being offered by external organizations and law firms that specialize in this type of investigation. To best address challenges in remotely collaborating around an investigation, some tools, such as Vault Platform and Facilitate Pro, enable secure collaboration among multiple stakeholders involved in one investigation or to share best practices in general.

identified was to leverage a seasoned, trusted business leader as a proxy for the legal and E&C team to execute local-language interviews in support of an investigation. An effective outcome relies on the ability of the investigation resources to effectively coach a proxy on effective observation and interview technique, documentation of information, and communication of factual information without insertion of opinion or biases

PROVIDE TRANSPARENCY IN THE INVESTIGATION PROCESS

Where necessary, organizations should update investigation policies and the investigation process guidance that are provided to employees (NavexGlobal, 2020). These updates should acknowledge the changes and potential delays but also reinforce that issues are still taken seriously and investigated thoroughly. Being transparent on the investigation process helps to demystify the process, which leads to greater trust and in turn should impact willingness to report.

DOCUMENT INVESTIGATIONS THOROUGHLY

With changes to the investigation process due to inability to travel or otherwise perform discussions in person, the investigation quality may come under greater scrutiny. This potential scrutiny increases the importance of being diligent in properly documenting the steps taken during the investigation.

REVIEW POLICIES

Various internal policies create the framework upon which to build organizational accountability. Companies should evaluate if the RWE impacts compliance- and integrity-related policies, and if so, update or broaden the policies to account for the change. One policy to consider is the company harassment (and/or bullying) policy, particularly whether it includes virtual/electronic forms/examples of harassment. Companies should ensure the policy doesn't limit applicability in any way. Likewise, companies must be ready to generate solutions to new types of workplace concerns, such as broadened employee assistance programs. Companies should also review, update and broaden investigation and disciplinary policies that are potentially impacted by the RWE including the methods used to communicate outcomes to relevant employees (GitLab, 2020).

SHARE ACTIVITY REPORTS

Companies should actively promote the value they place on employees bringing forward concerns and build trust through publishing an annual E&C report which includes E&C activities for the year such as key reporting and misconduct trends (with new types of risks particularly highlighted).

MAXIMIZE CASE MANAGEMENT TOOLS

There are also several new technologies available to either enhance, replace, or complement the traditional reporting or case management systems. Platforms like Whispli have enabled companies of all sizes such as Commonwealth Bank and Grammarly to configure their case management system on the go to suit their evolving needs. These deployments include custom workflows and automations and the ability for case managers to collaborate securely in various languages with internal resources and/or external third parties such as EY, PwC, or KPMG. These progressive software solutions are seen as best practice to handle investigations swiftly and effectively in a remote environment. The use of an Application Programming Interface

(API) to interface the reporting platform with other applications such as a BI tool can also enhance the quality of the investigations and the reporting of findings to the employee population.

LOOK FOR EMERGING TRENDS

Companies should revisit reporting metrics, look for changes in trends that might identify new and emerging risks, and communicate the trends and risks more frequently with employees. This should include case studies of internal investigations which frame the underlying issue, the steps the company took to investigate the matter and the outcome/discipline of the matter. An example would be reporting on the volume of COVID-19 concern or cyber-bullying, and/or the frameworks being used to protect employees from these new risks. These actions create transparency, increase organizational learning and reinforcing accountability regardless of whether one is working remotely or in the office. Clarity around organizational justice becomes more important if some employees of an organization's workforce are remote while others are not, as companies must avoid the appearance of different outcomes (Steele Compliance Wave, 2020).

REMEMBER THE BASICS

In relation to processes, partnerships and experiences driving Principles 4 and 5 in the RWE, respondents to the survey have shared a strong message on the importance of sustaining overall culture and practices supporting Principles 4 and 5, while ensuring its appropriate transition from a face-to-face to a digital environment. Amongst these practices, the following have been highlighted:

1. Keeping company values at the forefront of leadership communication
2. Consistently communicating reporting methods
3. Conveying performance indicators of reporting channels
4. Sharing lessons learned from investigation outcomes
5. Tailoring training efforts to current external trends



Conclusion

The COVID-19 pandemic has played a pivotal role in accelerating remote working practices across industries. This acceleration has created benefits and challenges for both employees and employers. For E&C, the RWE has impacted some elements of the ethics and compliance program more than others. Business strategy involvement and risk assessment are areas at the business level where processes lend themselves equally well to both a remote and traditional working environment. For these two areas, companies can continue embedding ethics and compliance by ensuring the E&C function has a firm seat at the table, focusing on different ways to communicate the company's Code of Conduct, and leveraging technology, data, and analytics to modernize the company's risk management practices. Checklists such as the one provided in the Toolkit section can help companies evaluate their RWE.

Elements of the ethics and compliance program that require more individual accountability and ownership are more heavily affected by the RWE. Building and sustaining a culture of integrity, and ensuring the organization has mechanisms for speaking up and investigating wrongdoing, are not the same across remote and traditional working environments. These elements of ethics and compliance programming require relentless and focused attention at all levels of the organization where the workforce is distributed, and the private

and professional lines may blur. For these areas, companies can leverage technology to engage with employees and communicate the company's shared purpose and values. Additionally, technology can play a greater role in embedding an RWE speak-up culture, which can be further enhanced by examining and communicating emerging trends of misconduct.

“Remote working is here to stay, and E&C can play a strong enabling role for companies to propel the company vision and goals.”

Remote working is here to stay, and E&C can play a strong enabling role for companies to propel the company vision and goals. As E&C adjusts to this new paradigm, organizations must continuously evaluate their program and how it is meeting the changing needs of their workforce and take a leadership role in identifying emerging trends and finding solutions to not only maintain, but strengthen their organization's culture.

TOOLKIT

	TOOL	BENEFIT
1	Checklist for Evaluating Remote Work Environments	A checklist that covers most common risk areas impacted by remote working.
2	Quarterly Calls With Senior Leaders	A senior leader-led quarterly meeting designed to level set and support leaders in behaviors and holding others accountable (BP)
3	Ethics & Compliance Heroes	A recognition program used internally by employees to identify co-workers who exemplify ethics and integrity in their daily work. (BP)
4	Koch Leader Connect	Top level management communications to encourage new ways of employee/leadership engagement. (Koch Leader Connect)
5	GitLab Remote Playbook	A company handbook tailored specifically toward the remote working environment. (GitLab The Remote Playbook)
6	Technology Solutions	<p>Anonymous two-way communication reporting tools such as mobile apps and web platforms with live chat and/or voice messages capabilities to increase ease of reporting.</p> <p>Regular anonymous pulse survey with two-way communication to trigger engagement on specific E&C topics and get in front of issues early.</p> <p>Virtual hotline with opportunity to take the conversation online to submit evidence and to keep an audit trail to streamline investigation execution.</p>

“Building and sustaining a culture of integrity, and ensuring the organization has mechanisms for speaking up and investigating wrongdoing, are not the same across remote and traditional working environments.”



TOOLKIT 1: CHECKLIST FOR EVALUATING REMOTE WORK ENVIRONMENTS

Through our research we found a common list of potential risks any company should consider in a remote working environment. These common risks were made into the checklist below to serve as an aide in the risk review process.

CHECKLIST: Evaluating Remote Work Environments	Confirmed
1. Cybersecurity	
a. Security measures are sufficient to handle the number of staff working remotely.	
b. New virtual collaboration/sharing tools are vetted and integrated into the organization's cybersecurity program.	
c. Staff is educated about new and changing threats and the need to change their behaviors, such as employees sharing a work device with family members, using less secure but free cloud storage and other consumer-grade services, and more targeted tactics like spear-phishing and whaling.	
d. Behaviors that put sensitive data at risk when physical presence is not possible are monitored.	
2. Data privacy	
a. Procedures for complying with data privacy obligations are sufficient in a remote working environment.	
b. Company privacy policies reflect additional processing brought about by remote working.	
c. Employees are aware of both their rights and the company's rights with respect to personal data.	
3. Engagement of employees	
a. Ways and formats of communication and interaction with employees are re-assessed and mitigated to address challenges of a remote work environment.	
b. A need for specific information in a remote environment is addressed with just-in-time training.	
c. Reporting activity is tracked, and any changes are monitored and addressed as necessary.	
4. Mitigation of compliance risks that previously included in-person oversight:	
a. Conflict of interest	
i. procedures and/or policies reflect expectations of the company in remote work environment; for example, clear and direct language regarding the usage of company resources (gadgets, tools and time) for other work	
b. Third party due diligence	
i. new formats of meetings/reviews are mirrored in the process	
ii. the process includes review of remote work environment policies and procedures developed to address remote work environment risks	
c. Audit, Investigation process	
i. formats of meetings/reviews are reviewed to address remote work environment reality	
ii. new challenges, for example, uncontrollable environment, recording without consent, sharing of confidential information, are addressed with tools and training	

TOOLKIT 2: QUARTERLY CALLS WITH SENIOR LEADERS

BP Global Projects holds quarterly E&C leadership calls with all senior level leaders. Each quarter, the head of the business function hosts a one-hour conference call to discuss the latest E&C themes and present recent cases/examples of ethical breaches or relevant details pertaining the E&C agenda. This quarterly communication serves as a reminder to all senior level leaders to uphold their E&C responsibilities and set an ethical tone for the rest of staff. This practice has been particularly important as the workforce operates remotely.

BP's senior level leadership calls are consistent with recommended best practices to preserve a culture of integrity. This enables leaders to focus on E&C priorities, regularly check in with team members, drive focus on E&C values, and bring employees together.

TOOLKIT 3: ETHICS & COMPLIANCE HEROES

BP Global Projects sponsors an internal program for *E&C Heroes*. On a quarterly basis, BP Global Projects staff is encouraged to nominate individuals who exhibited BP's values and behaviors in daily operations. All nominees are featured as *E&C Heroes* in a quarterly communication by the head of the business function. Each hero receives a gift of appreciation and a public thank you for carrying forth the organizational values. Even as the workforce operates remotely, line managers still capture ways to identify all those who display these values via their remote interactions—this program helps to enhance the culture of integrity among staff. The E&C Heroes program is a great example of preserving a culture of ethics through strategic reinforcement of values and community recognition. These are hallmarks of principle three.

TOOLKIT 4: KOCH LEADER CONNECT

Top level management communications to encourage new ways of employee/leadership engagement (Koch Leader Connect)

A graphic titled "Leader Connect" with "Leader" in dark blue and "Connect" in green with a white checkmark inside the 'o'. Below the title is a white box with the heading "Connect with Koch Leadership and Voice Your Thoughts" and a Koch Internal Communications logo. The text inside the box describes the Leader Connect line, provides contact information (toll-free number and email @kochind.com), and includes a note about the line's purpose and a disclaimer. The graphic is set against a light blue background with a subtle grid pattern.

Leader Connect

Connect with Koch Leadership and Voice Your Thoughts

 Koch Internal Communications

Here at Koch, we are listening and learning how we can be better, and do better. That's why we created Leader Connect – a new, open, and direct line of communication between our leadership team and employees.

If you have a question or idea about anything related to our business philosophy or company culture, we encourage you to speak up by calling the Leader Connect line* toll free at 1-800-XXX-XXXX or by sending an email to XXXX@kochind.com. We will review your message and a Koch leader will then reach out to you for a one-on-one discussion.

Your feedback, your concerns and your voice are important to us as we strive to maintain a work environment where everyone feels safe, valued and heard. We also encourage you to talk with your supervisor, business lead or HR manager about ideas, questions or concerns.

We want to hear from you.

*International calls can be made to +1 800-XXX-XXXX

Note: Leader Connect is not a replacement for conversations with supervisors, business leaders, HR managers or the company Guideline. The Guideline provides employees a method to elevate critical issues such as discrimination, harassment, retaliation, or other compliance concerns. Please visit www.koch.com for the proper country phone number and to submit concerns.

TOOLKIT 5: GITLAB REMOTE PLAYBOOK

Work policies and procedures may need to be modified to address issues that emerge in the remote environment. This company handbook was tailored specifically towards a remote workforce. (GitLab The Remote Playbook)

<https://about.gitlab.com/resources/ebook-remote-playbook/>

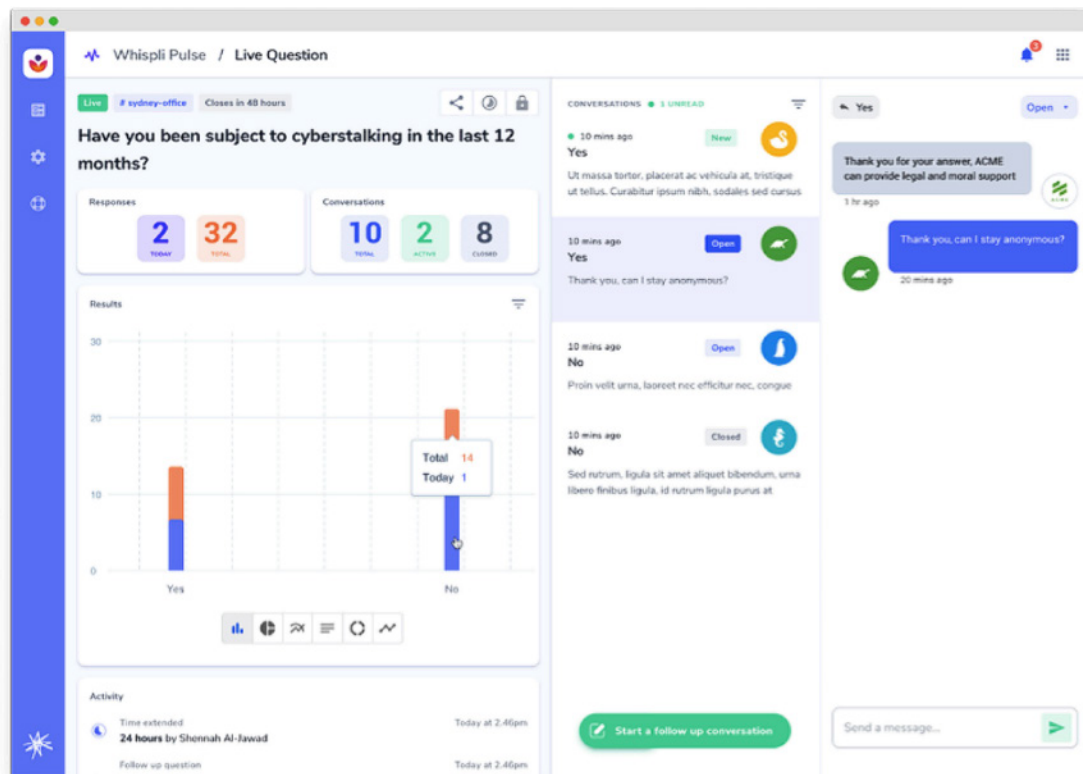


TOOLKIT 6: TECHNOLOGY SOLUTIONS:

Some technology solutions lend themselves to the remote working environment, including:

- Anonymous two-way communication reporting tools such as mobile apps and web platforms with live chat and/or voice messages capabilities.
- Regular anonymous pulse survey with two-way communication to trigger engagement on specific E&C topics (see screenshot below as an example showing responses and anonymous chat).
- Virtual hotline with opportunity to take the conversation online to submit evidence and to keep an audit trail.

Below is the Case Manager view where pulse surveys are being managed and anonymous two-way conversations can be started from, as noted in b. above.



Works Cited and Consulted

INTRODUCTION:

Dans, E. (2020, June 6). "Working From Home: It's Now A Thing," *Forbes*: <https://www.forbes.com/sites/enriquedans/2020/06/06/working-from-home-its-now-athing/?sh=585545f65d54>

Ethics & Compliance Initiative. (2016, April). "Principles and Practices of High-Quality Ethics & Compliance Programs," Ethics & Compliance Initiative: <https://www.ethics.org/blue-ribbon-panel-report/>

Miller, C. C. (2020, July 31). "Remote Work Isn't Working? Maybe Your Company Is Doing It Wrong," *New York Times*: <https://www.nytimes.com/2020/07/31/upshot/remote-work-tips.html>

Toptal. (2020, 06 01). *The History of Remote Work*, Toptal: <https://www.toptal.com/insights/rise-of-remote/history-of-remote-work>

PRINCIPLE 1:

Kapoor, G. (2020, July 23). "Placing Integrity at the heart of business strategy - The importance of acting ethically in the Covid-19 era." *Corporate Compliance Insights*.

PRINCIPLE 2:

Armstrong, J., & Bywater, A. (2020, September 30). "The Compliance Issues from the Pandemic-WFH, RTW & Hybrid Working." *Corporate Compliance*: https://assets.corporatecompliance.org/Portals/1/PDF/Resources/past_handouts/webconferences/september30slidedeck.pdf

AT&T. (2020, August 4). "AT&T Survey Shows 70% of Large Businesses Believe Remote Working Makes Them More Vulnerable to Cyberattacks." AT&T: <https://about.att.com/story/2020/cybersecurity.html>

Barnard-Bahn, A. (2020, September 28). "Five ways the pandemic has changed compliance—perhaps permanently," *Compliance Week*: <https://www.complianceweek.com/opinion/five-ways-the-pandemic-has-changed-compliance-perhaps-permanently/29526.article>

Cherry, E. (2020, September 2). "Three Compliance Vulnerabilities Affecting Remote Workforces and How to Address Them," *smarsh*: <https://www.smarsh.com/blog/thought-leadership/three-compliance-vulnerabilities-affecting-remote-workforces-and-how-to-address-them/>

Coker, J. (2020, September 16). "#GartnerSEC: Understanding a Changing Threat Landscape in Light of #COVID19," Retrieved from Infosecurity Group: <https://www.infosecurity-magazine.com/news/gartner-changing-threat-landscape/>

Ethics & Compliance Initiative. (2016, April 1). "Principles and Practices of High-Quality Ethics & Compliance Programs," Retrieved from ECI: <https://www.ethics.org/blue-ribbon-panel-report/>

Kapoor, G. (2020, July 23). "Placing Integrity at the heart of business strategy - The importance of acting ethically in the Covid-19 era," *Corporate Compliance Insights*.

SCCE. (2020, 6 30). "Compliance and the COVID-19 Pandemic," Society of Corporate Compliance and Ethics: <https://www.corporatecompliance.org/sites/corporatecompliance.org/files/2020-06/2020-COVID-19-survey-report%20%282%29.pdf>

Steen, M. (2013, August 1). "The Ethics of Working from Home," Markkula Center for Apply Ethics: <https://www.scu.edu/ethics/focus-areas/business-ethics/resources/the-ethics-of-working-from-home/>

Sun, M. (2020, June 1). "Tips to SEC Surge as Working From Home Emboldens Whistleblowers," *The Wall Street Journal*: <https://www.wsj.com/articles/tips-to-sec-surge-as-working-from-home-emboldens-whistleblowers-11591003800>

Wright, I. (2020, April 30). "IRM Survey: Risk Management Response to the Pandemic," Institute of Risk Management: <https://www.theirm.org/media/8903/irm-covid-response-survey-initial-report-final.pdf>

.....

PRINCIPLE 3:

Arun, T. (2020, April 23). "The top 5 challenges for sudden transition to remote work," *Zoho*. <https://www.zoho.com/people/hrknowledgehive/the-top-5-challenges-for-a-sudden-transition-to-remote-work.html>

Baumgartner, N. (2020). "Build a culture that aligns with people's values," *Harvard Business Review*. <https://hbr.org/2020/04/build-a-culture-that-aligns-with-peoples-values>

Bell, A. (n.d.) "9-steps & ideas for building a strong remote work culture in virtual teams," *Snack Nation*. <https://snacknation.com/blog/remote-work-culture/>

Buffer. (2020, February). "The 2020 state of remote work: Top insights and data from one of the largest remote work reports," <https://lp.buffer.com/state-of-remote-work-2020>

Burke, M. (2020). "How to grow a positive company culture with a remote team," 6Q. <https://inside.6q.io/how-to-grow-a-positive-company-culture-with-a-remote-team/>

Chatman, J., & Gina, F. (2020, August 17). "Don't let the pandemic sink your company culture." *Harvard Business Review*. <https://hbr.org/2020/08/dont-let-the-pandemic-sink-your-company-culture>

Dani, S. S., et al. "The Implications of Organizational Culture and Trust in the Working of Virtual Teams," *Proceedings of the Institution of Mechanical Engineers* 220 (2006): 951-9. *ProQuest*. 29 Sep. 2020.

Eissa, G., Fox, C., Webster, B. D., & Kim, J. (2012). "A framework for leader effectiveness in virtual teams," *Journal of Leadership, Accountability & Ethics*, 9(2), 11-22

Eltringham, M. (2019, October 22). "Remote workers struggle most to switch off from work," *Workplace Insight*. <https://workplaceinsight.net/remote-workers-struggle-most-to-switch-off-from-work/>

Garza Mitchell, R. L. (2009). "Ethics in an online environment," *New Directions for Community Colleges*, (148), 63-70

Grabowski, M., & Roberts, K. H. (1999). "Risk mitigation in virtual organizations," *Organization Science*, 10(6), 704-721

Howard-Grenville, J. (2020, June). "How to sustain your organization's culture when everyone is remote," *MIT Sloan Management Review*

Jackson, J. (n.d.). "How HR can help maintain company culture with remote workers," *Lucidchart*. <https://www.lucidchart.com/blog/how-to-maintain-company-culture-with-remote-workers>

Lee, M. R. (2009). "E-ethical leadership for virtual project teams," *International Journal of Project Management*, 27, 456-463.

Meager, K., & McLachlan, J. (2020, March 5). "How relevant is the concept of a 'work-life balance' today?" *Training Industry*. <https://trainingindustry.com/articles/professional-development/how-relevant-is-the-concept-of-a-work-life-balance-today/>

Mukkerjee, D., Renn, R. W., Kedia, B. L., & Mukherjee, D. (2012). "Development of interorganizational trust in virtual organizations," *European Business Review*, 24(3), 255-271.

Oesch, T. (2018, January 15). "Sleep: A health and safety training issue," *Training Industry*. <https://trainingindustry.com/articles/compliance/sleep-a-health-and-safety-training-issue/>

Plavin-Masterman, Miriam L. "Are Walls Just Walls? Organizational Culture Emergence in a Virtual Firm," *Journal of Organizational Culture, Communications and Conflict*, vol. 19, no. 2, 2015, pp. 43-68.

Tramuta, L. (2020, June 15). "Four ways to preserve company culture as work from home continues," *Bloomberg Businessweek*.

The Muse (n.d.). "A better to-do list: The 1-3-5 rule," <https://www.themuse.com/advice/a-better-todo-list-the-135-rule>

Saltsgaver, R. (2020, March 26). "No office, no problem: How to build connection and camaraderie while working remotely," *Lessonly*. <https://www.lessonly.com/blog/no-office-no-problem-how-to-build-connection-and-camaraderie-while-working-remotely/>

Wong, K. (2020, May 7). "Organizational culture: Definition, importance, and development," *Achievers*. <https://www.achievers.com/blog/organizational-culture-definition/>

PRINCIPLE 4/5:

Chesnut, R. (2020). *Intentional Integrity: How Smart Companies Can Lead an Ethical Revolution*, New York: St. Martin's Press.

Ethics & Compliance Initiative. (2020, September 24). "E&C Reporting Trends: Understanding the Impact of our Current Environment," Virtual Webinar.

Ethics & Compliance Initiative. (2020). "Global Business Ethics Survey--Pressure in the Workplace: Possible Risk Factors and Those at Risk," ECI Ethics & Compliance Initiative: <https://www.ethics.org/wp-content/uploads/Global-Business-Ethics-Survey-2020-Report-1-Final.pdf>

GitLab. (2020, September). "The Remote Playbook," GitLab: <https://about.gitlab.com/company/culture/all-remote/>

NavexGlobal. (2020). Coronavirus Comeback Kit: A Risk & Compliance Buyer's Guide, NavexGlobal: https://www.navexglobal.com/en-us/campaigns/pandemic-buyers-guide-series/managing-distributed-workforce?utm_source=blog&utm_medium=website&utm_campaign=blog-resource

Steele Compliance Wave. (2020). *Communicating Compliance During COVID and Beyond*. Steele Compliance Wave: <https://www.compliancewave.com/communicating-compliance-during-covid-and-beyond-wp-lp>

Sun, M. (2020, June 1). "Tips to SEC Surge as Working From Home Emboldens Whistleblowers," *The Wall Street Journal*: <https://www.wsj.com/articles/tips-to-sec-surge-as-working-from-home-emboldens-whistleblowers-11591003800>

[illegible]



Ethics & Compliance Considerations

In a Remote Working Environment

► **2021** ECI WORKING GROUP PAPER

Ethics & Compliance Initiative
2650 Park Tower Drive, Suite 802
Vienna, VA 22180

ETHICS.ORG

