



Positioning Ethics and Compliance as a Strategic Leader in Times of Stress or Crisis

► 2021 ECI WORKING GROUP

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ECI ethics & compliance
initiative™

**“A good way to overcome stress is
to help others out of theirs.”**

—Dada J. P. Vaswani

Positioning Ethics and Compliance as a Strategic Leader in Times of Stress or Crisis

ETHICS AND COMPLIANCE INITIATIVE, OCTOBER 2020 – OCTOBER 2021

In October 2020, the Coronavirus pandemic was arguably at its peak. The “normal” stressors of life and work seemed to pale in comparison as this unexpected crisis loomed over the globe. The Ethics and Compliance Initiative (ECI) tasked a working group to explore how Ethics and Compliance (E&C) professionals could be strategic leaders in times of stress and crisis.

The pandemic was one of the most significant stressors addressed; however, the group also considered other stressors in the workplace, including but not limited to: mergers and acquisitions; changes to product lines; regulatory or legal actions against a company; impact of penalties and monitoring; negative media coverage; and organizational and structural changes within an organization.

The Working Group formed two subgroups to explore various stressors and crises that could impact the work environment—Internal Factors and External Factors. Both groups explored the nature of different crises and made observations about the manner in which E&C professionals might impact the organization during these crises.

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Ethics & Compliance Initiative®

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ABOUT ECI

The Ethics & Compliance Initiative (ECI) is a best practice community of organizations that are committed to creating and sustaining high-quality ethics and compliance programs. With a history dating back to 1922, ECI brings together ethics and compliance professionals and academics from all over the world to share techniques, research, and, most of all, exciting new ideas.



POSITIONING ETHICS AND COMPLIANCE AS A STRATEGIC LEADER IN TIMES OF STRESS OR CRISIS

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“Perception is very important in understanding the impact of stress on us as individuals and as a corporate body.”

Introduction and Definition of Terms

The Working Group (WG) has established working definitions of stress and crisis. Stress is defined as *“mental, physical, or emotional responses to actual or perceived environmental conditions.”* Clearly, these environmental conditions include those in our personal and professional lives. Perception is very important in understanding the impact of stress on us as individuals and as a corporate body. For example, in the early stages of the pandemic, one might have heard about the virus and watched news coverage about its proliferation well before the virus became “real” and impacted us personally or in the workplace. Whether “actual” or “perceived,” we began to sense stress creeping into our living rooms and board rooms as the crisis evolved.

Crisis is defined by the WG as *“a time of intense challenge, when important or difficult decisions must often be made in response to the circumstances or environment.”* The value of crisis management plans became more evident in the workplace—and some organizations were arguably better prepared than others. Business continuity plans may or may not have included sufficient measures or details about how to respond to a

pandemic or other crisis. Certainly, living through a time of crisis will prompt many organizations to establish plans where none previously existed or edit crisis response plans based on what worked—and what didn’t work—during the crisis.

There is a saying that crises often occur in groups. Many of us were dealing not only with the pandemic, but possibly also with social unrest, polarizing political elections, and travel restrictions in our countries. For example, in the United States, a presidential election was taking place early in the pandemic, causing demonstrations and protests. There were many news stories alleging use of excessive and deadly force by law enforcement, resulting in movements such as Black Lives Matter and other social awareness organizations, including those addressing racial issues, immigration, and sexual orientation. World events, like “Brexit” or the wildfires in Australia, impacted our work environments. The proliferation of new collaboration tools in the workplace, including Slack™, Confluence™, Zoom™, or other platforms, allowed many of us to vicariously experience the effects of world events on our colleagues working globally. As COVID-19 travel restrictions were put in place, social distancing became a term of art, and safety protocols impacted every work environment.

While all of us had to adapt—including E&C professionals—there were some precepts that became perhaps more foundational and important than ever. The WG identified and evaluated these precepts and arrived at eight key characteristics, addressed in the following sections.

CULTURE OF TRUST

The WG represented diverse and comprehensive experience in the E&C profession. The teams discussed the importance of culture. Culture is defined as *“the customary beliefs, social forms, and material traits of a racial, religious, or social group. Also, the characteristic features of everyday existence (as diversions or a way of life) shared by people in a place or time.”*¹

Perhaps a more intriguing definition of culture was cited by an eight-year-old girl, quoted in a July 22, 2014, article entitled, “The Best Definition of Culture I’ve Ever Heard.”² When asked to define culture, the fifth grader responded, *“Culture is...um...it’s kind of like the uh...the personality of the group?”*

The WG explored the reality many workplaces faced during the pandemic: the organization’s pre-pandemic culture was the foundation upon which success or struggle took root. Organizations already fostering a culture of trust, strong relationships, and a speak-up culture adapted more easily to the challenges of the pandemic (and other stressors). Those companies with a weaker culture found themselves on a shakier platform from which to face pandemic-related operational challenges.

Trust is fundamental to a strong culture. Cultures based on trust instilled more confidence in employees regarding crisis-related corporate decisions, operational changes, and other demands. This doesn’t mean employees didn’t have strong personal feelings about mask mandates, social distancing requirements, or other municipal (and company) directives; however, a strong culture with familiar core

“The WG explored the reality many workplaces faced during the pandemic: the organization’s pre-pandemic culture was the foundation upon which success or struggle took root.”

values was ultimately more resilient and adaptive than companies with a less robust culture.

THE EDELMAN TRUST BAROMETER

Employees look for trustworthy leaders and trustworthy solutions in times of stress and crisis. An online survey conducted by the Edelman Trust Barometer in 28 countries with 33,000+ respondents conducted between October 19 and November 18, 2020, indicated that while many countries showed that trust was on the rise, the United States, United Kingdom, France, Nigeria, Russia, Japan, and South Korea were all seeing trust trending downward.

The 2020 Edelman Trust Barometer survey demonstrated that along with a growing trust gap with leadership, trust has been declining in every sector studied. People have been looking for trustworthy leadership and solutions and rejecting those they deem as not worthy of their trust.

The credibility of CEOs is at an all-time low in several countries, notably Japan (an 18 percent decline) and France (a 22 percent decline). Such steep declines underscore the need for ethical and trustworthy CEO leadership—now more essential than ever in light of today’s challenges.

COLLABORATION AND IMPORTANCE OF RELATIONSHIPS

WG members observed that strong relationships with functional partners and operational leaders enhance an organization’s ability to adapt to crisis-related stress. Even in organizations where

relationships are already well-established, there are still occasions in which functional partners operate in silos, which is not conducive to collaboration. For example, when responding to an emerging crisis, colleagues in one department may neglect to consult with colleagues in another department (e.g., Human Resources might provide guidance or direction to employees without first collaborating with Legal or E&C professionals). This could result in HR providing isolated (versus coordinated) guidance about a policy or protocol question.

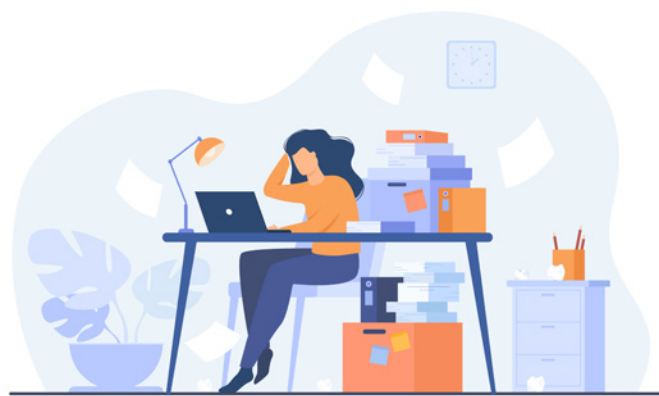
Strong collaborative partnerships are built on a foundation of trust, just as strong corporate culture is based on trust. Stronger, well-discussed decisions are made by adaptive leaders, built on a foundation of established, enduring interpersonal and inter-functional relationships.

ADAPTIVE LEADERSHIP

Adaptive leadership has become an important management framework that can assist organizations navigating change in the face of crisis. With crises and stress come new challenges, along with the baggage of preexisting issues. A “one size fits all” management style will falter when compared to the growth/flexibility mindset needed to embrace crises and take the team to a new “normal” way of operating.

The article, “What is Adaptive Leadership?”⁴ cites the work of Ronald Heifetz and Marty Linsky. Adaptive leadership was defined as “*the act of mobilizing a group of individuals to handle tough challenges and emerge triumphant in the end.*” They described two general types of challenges encountered in the workplace during crisis: 1) technical problems; and 2) adaptive problems.

Technical problems are more “expected” in our work environments, and we tend to employ subject matter experts at handling such problems. On the other hand, *adaptive problems* are not as easy to conquer and involve the softer skills required in the workplace. These problems require



leadership to evaluate “What is our current problem?” The adaptive leader helps the team work together to resolve crisis-related challenges.

The authors cite four principles of adaptive leadership, and the WG developed a summary of each tenet as follows:

- **Emotional intelligence** – awareness of leaders’ own feelings and those of others leads to a unique ability to foster trust and build relationships.
- **Organizational justice** – ability to introduce changes commensurate with company mission and policy, accommodating others’ views and ideas.
- **Development** – ability to demonstrate a growth or learning mindset to apply a different approach to problems if the prior approach didn’t work.
- **Character** – demonstration of transparency and creativity. An ability to acknowledge when one isn’t always “right” and a different approach is needed.

For more information about adaptive leadership, visit <https://www.readyresponsiveresilient.org/adaptive-leadership>.

OPERATIONAL RESILIENCE

Organizations spend considerable resources to develop business continuity and disaster plans; however, such plans typically focus on data recovery and system restoration—software and hardware. Emergency plans tend to focus on

facilities, production issues, and processes. This leads to some important questions:

- How is the organization taking care of its people, the employees?
- Are there sufficient communication channels to provide guidance on next steps and timelines?
- Are employees expected to “stand down” for a time?
- Are employees being given sufficient resources and support?

Prior to a crisis, clear communication channels should already be established within an assessment framework. Decisions should be made during the “calm before the storm,” including whether communications funnel through a “contact tree” or whether there will be a means of communicating within the organization via text messages, phone calls, or email messages. In addition to communicating within the organization, a key consideration is how an organization plans to communicate outwardly with clients, customers, stakeholders, and the media. It is critical to determine ahead of any crisis who will speak on behalf of the company and to ensure that any corporate messages have the input and consensus of relevant functions within the organization.

Despite the most thorough pre-planning, variables that were completely unexpected will inevitably surface. Assessments should be conducted throughout the crisis to re-evaluate operational plans and contingencies. Anticipated communication may require editing or rework, depending on the evolving critical incident—whether it is a pandemic, natural disaster, or other stressor impacting the organization. It is important to take “temperature checks” of the employees being depended upon to move the organization forward in the face of crisis. Are they doing well? Do they need encouragement? Incentives?

Post-event assessments are crucial. Systems may be found to have been inadequate, and perhaps gaps were found in long-standing practices and processes. Crisis management planners will undoubtedly improve future incident response plans based on information and data derived from dealing with the actual crisis. It is hard to imagine an organization with a fail-safe crisis plan that requires no changes after the crisis. Unforeseen issues occurring during and after a crisis are identified and reviewed post-crisis.

Whether before, during, or after the crisis, the same multi-functional stakeholder team should meet to conduct assessments and improve processes based on lessons learned.

For more information about operational resilience, visit <https://www.readyresponsiveresilient.org/operational-resilience>.

PERSONAL/ORGANIZATIONAL RESILIENCE

In times of stress and crisis, organizations normally consider operational resiliency as a badge of honor and the goal of effective crisis planning. However, it is equally important to consider the people (employees) and internal organizations impacted by the crisis. These people include executives, administrative and program support personnel, and production operations personnel, as well as customers, suppliers, and other stakeholders who keep the organization moving forward. For this reason, it is important that organizations think in terms of personal or organizational resiliency. The WG considered the importance of equipping personnel—especially leaders—to be effective and mindful of the following concepts:

- Authenticity – Employees know when someone, especially a leader, is not being forthcoming with them. Leaders should be transparent about how the organization is

being portrayed in the media and about litigation/regulatory actions. It is crucial that employees hear the good or bad news from their leaders before they hear it on the news. Employees should be provided appropriate information about the crisis, after leaders have consulted with appropriate functional entities (including Human Resources, E&C, Security, and Legal). Leaders are respected and valued when they acknowledge the feelings and responses of employees weathering the crises right alongside the company. **Leaders who express humility and vulnerability are more likely to earn the trust and respect of their employees.**

- Acceptance of uncertainty – Leaders should be well-versed in understanding all aspects of the issues emerging from the crisis. Leaders may ask, “Has our company seen this before? Did we learn any lessons from the past that can be applied to the current situation?” **Correlating and communicating similar relatable situations from past experience can reassure the workforce.**
- Growth Mindset – Leaders and employees can reframe the situation presented by the crisis and view it as an opportunity rather than a threat. New processes, protocols, or policies may emerge from lessons learned. Leaders can instill confidence with employees by imagining together what the future may look like once the crisis has ended. **Employees will derive a sense of ownership when given the opportunity to assist leaders in root-cause analysis, evaluation of new processes, or execution of after-action plans to mitigate potential future issues.**
- Proactive Approach – Organizations should anticipate employee reactions to the crisis and how the company is responding. Leaders should be transparent if they don’t have all the answers. **Maintain relationships and be transparent, and this will build trust, enabling leaders to effectively navigate through the crisis.**

Author Kezia Farnham penned an article called, “Operational Resilience vs. Business Continuity: Do you Need Both?” In this article, the differences between business resilience and business continuity were explored.

The WG offers an analogy that may be useful in understanding the difference between “business continuity” and “organizational/operational resilience.” If one considers business continuity as the “car,” that car is planned, produced and ready to move forward. Or is it? The fuel that allows the business continuity car to move forward would be operational/organizational resilience.

Resiliency is the “gas” that allows the continuity plan (the car) to move forward and make progress. Resiliency is the energy, power, and commitment to ensure that operations continue and business continuity plans are engaged in the face of crisis. Thus, resiliency can be viewed as the culture and mindset that give energy and momentum to the business continuity plan.

Farnham concluded with an interesting quote about the element that ties business continuity and organizational/personal resiliency together: “Data; the indisputable need for accurate information and a clear picture across your entire organization. This need drives more and more businesses to seek a single source of truth for their corporate data.”⁵





CRISIS MANAGEMENT AND BUSINESS CONTINUITY

The Institute for Public Relations posted an article entitled, "Crisis Management and Communications."⁶ Crisis was defined as *"a significant threat to operations that can have negative consequences if not handled properly. In crisis management, the threat is the potential damage a crisis can inflict on an organization, its stakeholders, and an industry. A crisis can create three related threats: (1) public safety, (2) financial loss, and (3) reputation loss.... Crises can create financial loss by disrupting operations, creating a loss of market share/purchase intentions, or spawning lawsuits related to the crisis."*

A common practice of companies (even pre-pandemic) was to establish multi-functional teams to manage critical incidents. For example, the crisis management team (CMT) might be comprised of a representative each from legal, human resources, health and wellness (or environmental safety and health), and security. The CMT members bring their respective areas of expertise to the table, enabling multi-faceted

input resulting in well-informed decisions about handling the immediate crisis and evaluating crisis response as the situation evolves.

In much the same way, E&C professionals are able to leverage their expertise at the strategy table during crises to assist functional partners in decision-making. E&C is often the first to sound the alarm when a culture is being negatively impacted by crises, offering possible solutions, support, and guidance to organizational leaders. E&C professionals are often the most familiar with the organization's regulatory and compliance environment and can help safeguard those responsibilities during stressful times in the organization's life.

HUMAN RESOURCES/STAFFING CONCERNS

Now, as companies are establishing plans to emerge from the crisis and return to the traditional workplace in some capacity, employers will be faced with responding to employees who have become accustomed to remote means of working and who do not want a return to "normal." There may also be employees

"E&C is often the first to sound the alarm when a culture is being negatively impacted by crises, offering possible solutions, support, and guidance to organization leaders."

who re-prioritized life events as a result of the pandemic and who wish to continue working flexible schedules to balance their professional and personal lives more effectively.

“Will attrition rate increase significantly, post pandemic?” was the question posted in an article by Moumita Bhattacharjee in *HR Katha* on May 20, 2021.⁷ The article quoted an Eagle Hill Consulting survey this year, which indicated *“one out of four employees plans to quit the existing job once the pandemic subsides. The number is more in case of millennials and employees who are also caregivers.”*

The article goes on to explain that burnout (fatigue based on dealing with unusual or “outside the norm” types of stress)⁸ was becoming one of the primary causes for employees considering leaving their current employers. The article quoted Ravi Kumar, head of Human Resources, Roche Diabetes Care India: *“...companies which fail to adapt to the new ways of working will see their fair share of attrition, especially amongst the younger lot, which has a more growth-oriented mindset.”*

If there can be a positive aspect of the pandemic, it opened the door for discussion on topics perhaps not previously discussed in-depth at work. It allowed us to acknowledge the impact of stress on us personally and professionally.

The *Harvard Gazette* featured an article in January 2021 entitled, “Pandemic pushes mental health to the breaking point.” The article summarizes a panel discussion consisting of experts from the Harvard T.H. Chan School of Public Health, the National Alliance on Mental Illness (NAMI), and the Dr. Lora Breen Heroes’ Foundation.⁹

Michelle Williams, dean of the T.H. Chan School, said, “The past year has been terribly damaging to our collective mental health. There is no vaccine for mental illness. It will be months, if not years, before we are fully able to grasp the scope of the mental health issues born out of this pandemic. Long after we’ve gained control of the virus, the mental health repercussions will likely continue to reverberate.”



Discussion about the impact of COVID-19 on mental health in the workplace has become more prevalent. Joshua A. Gordon, MD, PhD, Director of the National Institute of Mental Health, said, “From all that we know, it is clear these impacts will outlive the pandemic itself. Therefore, it is crucial that we work together to apply evidence-based strategies to support the mental health needs of all Americans and to make these strategies broadly available, especially in vulnerable communities.”¹⁰

If anything “good” emerged from the shadows of the pandemic, it is perhaps the removal of the stigma surrounding mental health issues.

PSYCHOLOGICAL SAFETY

ECI’s “Principles and Practices of High-Quality Ethics & Compliance Programs” (HQP) strongly advocates for a safe “speak-up” workplace culture by stating, “The organization encourages, protects and values the reporting of concerns and suspected wrongdoing” (Principle 4). The WG agreed that particularly in challenging times for an organization advocating for a strong “speak-up culture” may extend well beyond the standard whistleblowing and reporting of ethically questionable behaviors.

There may be indications of underlying issues “flying under the radar” within an organization posing the potential for risk. Such issues can include sudden changes in employee work schedules, an expectation of more overtime hours, and discouragement of leave from work, resulting in lots of unused vacation time.

Employees at work sites may find it disconcerting if many of their colleagues are not on-site and are working from home. Workload balances and even basic job duties may shift during times of crisis. Stress increases in such circumstances, leading to behaviors that might not be demonstrated under more “normal” circumstances.

Employees may feel pressure to compromise at work, taking shortcuts or overlooking behaviors they might normally report. Employees and stakeholders may also hesitate in reporting concerns they believe go against the culturally accepted organizational norms.

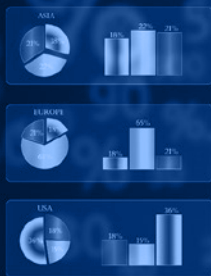
It is with this awareness the WG suggests that any organization committed to building a transparent culture of integrity (Principle 3) adopt and champion the concept of “psychological safety” in a tangible way, in order to safeguard its workforce and remain intact during times of stress and change.

Dr. Amy Edmondson, a pioneer in the field of psychological safety and the author of *The Fearless Organization: Creating Psychological Safety in the Workplace for Learning, Innovation, and Growth* (2018, John Wiley & Sons) defines the concept in this way:¹¹

“A fearless organization is one that provides psychological safety. But as more and more consultants, managers, and commentators are talking about psychological safety, the risk of misunderstanding what the concept is all about has intensified. In a workplace, psychological safety is the belief that the environment is safe for interpersonal risk taking. People feel able to speak up when needed—with relevant ideas, questions, or concerns—without being shut down in a gratuitous way. Psychological safety is present when colleagues trust and respect each other and feel able, even obligated, to be candid.”

*“In my book *The Fearless Organization*, I look at how organizations go wrong because people lack psychological safety and thus fail to speak up. Some consequences can be devastating and life-threatening, particularly in hospital settings. Unwillingness to speak up can also lead to longer-term failures that damage corporate reputations, such as the scandals that resulted from automobile manufacturers caught gaming diesel emission*

CHANGE IN 3RD BASIC EARNINGS BY REGION



Distribution of market share among the major industry players



Distribution of market share among the major industry players: F & Card BN & T own 74% and 30% percent respectively. A further change in the economic situation in the market will be characterized by a more equal distribution of market share among players.

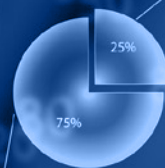
Projected sales of main products in 2013



Projected sales of main products in 2013

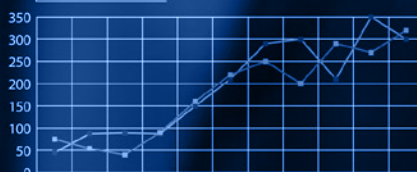


Share of market activity



Changes in the activity of the active and passive market is uncertain. Established positive trends in various market segments.

Passive market share



tests. Fortunately, there are also many cases where psychological safety has led to reductions in accidents and exceptional decision-making.”

For more information about Psychological Safety, visit <https://www.readyresponsiveresilient.org/psychological-safety>.

ETHICS AND COMPLIANCE RESPONSE

Crisis response cannot be tone deaf. For example, many E&C professionals found “traditional” training methods would not work during this global public health crisis. Employers realized morale would be negatively impacted if they insisted on “business as usual.” Several WG practitioners shared the challenge of adapting training requirements for their newly-remote workforce that had re-grouped outside brick-and-mortar facilities during the height of the COVID crisis.

One organization represented in the WG historically conducts required leader-led ethics training. However, in 2020, this training became self-paced out of sensitivity to busy leaders and a majority of employees working from home. When leader training resumed in 2021, the training was tailored to allow training videos to be more easily shared on collaboration platforms to assist

teams, whether they were on the manufacturing floor, working at a facility, or continuing to work remotely.

E&C professionals in the WG reported a decrease in misconduct cases during 2020 at the height of the pandemic, with most employees working from home. E&C provided more guidance and direction during the pandemic, as employees trusted teams to provide advice and information. During the pandemic, many E&C professionals partnered with HR and leaders to ensure mask-wearing directives and other pandemic-related concerns were appropriately addressed.

It is important to note that employers who anticipated employee challenges and responded with compassion and flexibility during the crisis gained the loyalty and trust of grateful employees who, in turn, rose to the occasion. Conversely, employers who were not as flexible or understanding faced more challenges managing demoralized employees and work products.

CREATIVE ENGAGEMENT BY E&C

Creatively engaging employees who moved from the board room table to the dining room table became paramount in importance. Leaders accustomed to walking down the hall for a quick

“The ability to adapt is important, whether the crisis facing an organization is a pandemic, the sudden loss of a promising CEO, a change of product line, or even the response to a natural disaster.”

chat with a direct report soon learned the value of virtual engagement.

New collaboration platforms, including Slack™, Confluence™, Zoom™, and Microsoft Teams™, among others, were quickly researched and adopted by many companies. These platforms facilitated video conferences, allowing some degree of “face to face” interaction. Employees felt more connected and engaged simply by gathering in a virtual setting when they could not be together in a physical environment. As new platforms were adopted, consistency in use and application of such platforms to accommodate hybrid, remote, and on-site employees became vitally important.

Some E&C professionals educated themselves (individually or as teams) to understand how best to engage remote or hybrid employees. Some of the WG members shared the idea of establishing book clubs with other E&C professionals to explore leadership publications on how to navigate the “new normal.” Other WG members started informal benchmarking groups with colleagues from other organizations to share engagement ideas.

Other engagement ideas included preparing a branded, virtual background for E&C officers so corporate values or other ethics and compliance messaging are “instantly” communicated on virtual calls. Other ideas included emails to employees reminding them of E&C availability during the crisis or short videos to encourage employees when most were working at home during municipal “shutdowns” at the height of COVID.

WG members shared how traditional training was modified to be more responsive to employees and/or clients, recognizing the gravity of the circumstances created by the pandemic. The ability to adapt is important, whether the crisis facing an organization is a pandemic, the sudden loss of a promising CEO, a change of product line, or even the response to a natural disaster. E&C programs must remain relevant and must evolve in challenging times.

Many global companies were already using video conferencing platforms but expanded their use to business elements unaccustomed to using more advanced collaboration tools. This meant rapidly adapting to new technology, adopting more intentional communication opportunities, and exploring fresh ways of exchanging ideas and information. The E&C professional was challenged in assessing the relevance of training and delivering messaging adapted to conducting business during a pandemic.





Internal Factors

ORGANIZATIONAL CHANGES

CHANGE OF BUSINESS FOCUS

LAYOFFS OR INCREASE IN HIRING

MERGERS AND ACQUISITIONS

Organizational change can be a stress factor in and of itself—whether there is an underlying crisis (like a pandemic) or not. As an example, new leadership—whether an internal candidate from a different part of the business or an external candidate who may not have an in-depth understanding of business operations—can lead to stress in the workplace. There is a cascade effect of stress response from those working for this new leader, as well as a learning curve for the leader, which impacts the entire team. Another example is a team shift, whether due to a reorganization, downsizing, a merger/acquisition, or any number of other reasons. Team adjustments will inevitably result in new team development, which can cause a “roller coaster” effect on employee stress levels over long periods of time. The E&C professional should be counted on to provide strategies for stakeholders to recognize signs of stress in employees and how to reduce risk of misconduct.

Changes in business products or focus can bring with them increased stress in the work environment. During the pandemic, there were tremendous impacts on the global supply chain. Some businesses had difficulty surviving these changes, while others found themselves sunsetting “traditional” product lines and creating new, more relevant products. Some product lines became obsolete or irrelevant during the crisis. New product lines may have been developed but might present financial risk or even reputational risk if the products were not successful.

Layoffs and/or increases in hiring can have a stifling impact on any organization. As an example, as new product lines are adapted or existing products are retired, a reduction in force (RIF) can be a difficult crisis to navigate. Some organizations may need to hire candidates with specific expertise rapidly for new product lines. These new hires may not share the same values or background of the workforce they are joining and may have a learning curve adapting to the culture and their new roles. The E&C professional may become involved in complaints about unfair or unethical decisions, either perceived or actual, in the course of such significant personnel changes. RIFs can also cause stress to those “left behind” to assume new roles or fill the gap when strategic hires are made after a RIF. Morale can suffer, and the E&C professional is key to

assisting the company with strategy designed not only to safeguard the company's mission, but also to maintain or improve culture during this challenging time.

Mergers and acquisitions have always presented unique stress in the work environment. Imagine assuming a new family member through adoption or marriage. There is an adjustment period as this person acclimates to a new culture. The person may bring fresh perspective (or products as it were) to the table; however, there is a transition stress included when a business changes after a merger or acquisition.

"Even small tactical changes, like new expense policies or cafeteria options, can rattle employees," according to a McKinsey¹² survey of more than 3,100 employers.

Just as with other crises, cultural issues usually come to the forefront during mergers, as do the frustrations that arise when the working norms and management practices of the merging organizations don't align.

McKinsey suggests employers:

- Actively monitor the culture and adjust and align over time;
- Regularly measure and understand the perceptions of employees; and,
- Use feedback to tailor activities and accelerate their impact.

It is essential to have an easily accessible "safe space" (virtual or onsite) for employees to come forward and open a dialogue in confidence.

It is critical for the E&C professional to be included in the M&A process to ensure the culture and policies of the new organization align with the parent organization's core mission and value statements.

The Internal Factors team explored the fact that E&C is often not the "first" entity leaders think of when facing a crisis that impacts the business. However, when relationships are built and maintained with functional partners (and when E&C leaders are assertive in engaging leaders), the E&C team can find itself with a seat at the table when strategic decisions are made. Relationship-building is perhaps the most important step E&C can take in securing a seat at the leadership/strategy table.

The aforementioned circumstances represent stress even in "normal" operations, let alone operations during a pandemic. The WG outlined the following opportunities for the E&C professional to lend their unique expertise and guidance:

- Embedded training programs specific to the planned changes;
- Updated mission and values statements aligning the organizations;
- Updated Human Rights, Business Conduct, or other compliance policies germane to the shifts in organizational, business lines, and locations;
- Development of baseline cultural assessments for future comparables and assessment of the current and future work environment;

"Mergers create vast organizational anxiety about the future: in most cases, the operating model and culture will change dramatically for one or both merging companies. These changes go far beyond a new name and senior leadership; they challenge the core of an organization's identity, purpose, and day-to-day work."

—McKinsey Study

- Updated contact information for employees requesting general policy guidance or reporting compliance and conduct issues;
- Updated protocols for investigations during the transition period and post-transition;
- Development of revised ethics and compliance-related metrics specific to the post-transition culture/environment.

Using the M&A scenario, the E&C professional may consider establishing temporary, targeted helplines/hotlines or reporting channels to assist both entities in anticipation of a major acquisition. An employee from either organization might feel more comfortable reaching out to a specific “transitional” helpline rather than the standard hotline.

E&C professionals should also consider conducting pulse surveys at key points in time: after the company announcement; midway through the acquisition process; and post completion. The surveys should allow the employees to communicate understanding of the impending changes; their levels of concern; areas of confusion; and the opportunity to provide feedback.

Data points collected throughout the transition, could provide invaluable information and metrics for training, policy revisions, and future communications.

The HQP framework expands the E&C professional’s role to include guidance to the organization about the upcoming changes; establishment of targeted communication avenues and reporting channels for the organization’s use; and reviews of the post state environment in order to adjust and revise policies, training and reporting mechanisms. E&C professionals can also assist in ensuring E&C is not a “court of last resort” but the partner of *first resort* in times of stress and crisis.

SUMMARY OF INTERNAL FACTORS

During 2020, we focused on the pandemic crisis for obvious reasons; however, the Internal Sub-Group review demonstrates that there can be significant internal stressors that impact organizations even with normal business changes. Change can be invigorating for some, but stressful for others. Frequent leadership and/or organizational changes can take a toll on an organization. Trust can be eroded when employees no longer feel a relationship with their leaders. During crises, product lines may change or disappear, and new business ventures may emerge. The WG found layoffs—regardless of reason—take a huge toll on an organization and can result in personal and organizational stress. Finally, the Merger/Acquisition process can also be a cause of stress for an organization, especially if cultures are not aligned and corporate values are not shared. The E&C professional can impact these internal factors by being included in strategic meetings.





External Factors

ECONOMIC IMPACTS

WORLD EVENTS

MEDIA FOCUS

LITIGATION AND/OR GOVERNMENT OVERSIGHT

ECONOMIC DOWNTURNS, RECESSION

Organizations may experience crisis, stress, and negative impact due to market fluctuation, economic downturn, recession, regional economic struggles, or other industry crises.

Typically, decisions regarding organizational response to an adverse economic event are made by its senior leadership. Although E&C professionals are not directly involved in executive-level decision-making, it is critical for practitioners to remain current on emerging issues and related employee concerns. E&C must monitor trends and maintain a state of readiness to be responsive and provide guidance as requested by leaders or employees.

An organization's Ethics helpline/hotline is an essential contact vehicle. In addition to serving as an effective tool for receiving and responding to employee concerns related to possible wrongdoing, helpline data trends may be analyzed by E&C during a crisis to determine the extent to which employees may be adversely impacted. Such data can also provide useful insights for leaders within the organization.

Ideally, E&C has contributed to creating and/or maintaining a culture of integrity and ethical decision-making. During a crisis and in its aftermath, organizations have a responsibility to communicate ethical expectations to employees and third parties. E&C also maintains a heightened awareness of crisis-driven circumstances that could lead teams or individuals to compromise ethics in the interest of cutting corners or maximizing financial gain by taking quality or ethical shortcuts.

Before, during, and post-crisis, E&C will also serve in its primary support role, ensuring compliance with laws, assessment of risks, and guidance on decisions related to employees and the integrity of the organization. Julie Myers Wood published a *Forbes* May 20, 2020, article entitled, "The Pandemic Will Change Compliance Too."

Myers Wood notes the extent to which our world has changed with the pandemic, “A company’s first priority will be to survive the crisis. In fact, several regulators offered temporary regulatory relief on certain compliance obligations due to the pandemic.” She adds that FinCEN (Financial Crimes Enforcement Network) and the OCC (Office of the Comptroller of the Currency) have indicated that they will agree to “reasonable delays in the timing of certain reports due to challenges caused by the pandemic” and that the same agencies “have encouraged companies to look for innovative approaches to meet their compliance obligations.”¹³

Often, in response to downturns in the economy, organizations freeze spending or cut budgets. In times of heightened financial distress, instances of unethical behavior tend to increase. During the historic recession more than a decade ago, a May 20, 2009, *TIME* article by Adam Smith provided a snapshot in time of how economic stress can impact fraud reports.¹⁴ Network, a U.S. firm running compliance and corporate-governance fraud hotlines for half the Fortune 500, reported that fraud-related calls during that stressful financial year amounted to 21% of all reports during the first quarter of the year, up from 14% two years before. Other reports of misconduct (harassment or safety issues) saw no appreciable increase.

Ideally, organizations have detection and prevention measures in place, for example, software that detects anomalies in expense reports or other financial transactions. Financial, Legal, and E&C teams can review reports and trends to identify possible new risks emerging as a result of a financial (or other) crisis and determine whether temporary or permanent processes should be adopted to address these new risks.

When employees began working from home during the Covid-19 pandemic, cyber security risks increased significantly. Deloitte recently featured an article about “Cyber Crime—the Risks of Working from Home.” The article noted that while

some risk/crime declined during the pandemic, cyber crime was on the increase, “While the pandemic may have reduced the threat of physical crime, e.g., home break-ins and pick-pocketing, targeted cyber crime is on the rise as criminals exploit widespread anxiety about COVID-19. Cyber criminals are adapting their tactics and are now targeting people in their homes, which in many cases, is now their office too.”¹⁵

Investigation may become necessary based on a report of potential fraud or other financial misconduct. Internal Audit, E&C, or even Legal may take the lead on such an investigation or partner to that end. Partnering may be more critical in a crisis, when personnel and financial resources may be scarce.

E&C communication strategies during a financial crisis (or any other crisis) may become a significant challenge, and there may be greater reliance on technology to automate training or messaging. In-person presentations to steering committees could be replaced with metrics dashboards, automated text messaging, or other means of delivering ethics messages when there are demands on employee time and resources. Communications and Human Resources can assist in such messaging using their contact avenues, saving money and time—and enhancing important relationships.

WORLD EVENTS/NATURAL DISASTERS

Catastrophic world events and natural disasters also have the potential to cause lasting harm on a local and global scale. World events include military engagement/war, cross-border tensions, terrorism, government or political crises, and civil disturbances. Natural disasters refer to phenomena such as earthquakes, floods, hurricanes or typhoons, wildfires, and pandemics.

When catastrophes strike, no amount of planning seems adequate. During such events, personal safety is the first priority. Ensuring business

continuity and minimizing service disruption comes second. As a storm or natural event approaches or overtakes an operation, conditions may necessitate taking action to protect employees, secure property, and restore safe operations. In addition to supporting emergency response efforts, E&C professionals must adapt to an evolving situation, while remaining focused on assessing and addressing risk.

In a post-crisis environment, combating issues from natural disasters (such as the pandemic) to increased incidences of fraud and corruption that can result from naturally occurring crises, requires an integrated approach to communication and engagement and enhanced controls to monitor deviations, anticipate challenges, and plan contingencies. As an example, crisis-related fraud in Brazil resulted in thousands of people marching against Brazil's president, Jair Bolsonaro.

In the *BMJ* article, "Covid-19: Vaccine corruption allegations spark protests across Brazil," author Luke Taylor explains, "Luis Ricardo Miranda, who leads the health ministry's import division, told a separate inquiry into the Brazilian government's handling of the pandemic that he was pressured to accept a \$315M deal with India's Bharat Biotech for 20 million COVID-19 vaccine doses."¹⁶

Major historical occurrences demonstrate the negative ramifications any crisis can have—enduring for months and even years after the exigency has passed. E&C professionals can be diligent guardians of culture and strategic partners with organizational leadership to prepare for and address crises impacting the work environment.

MEDIA FOCUS/REPUTATIONAL DAMAGE

Reputational damage following negative publicity or public perception presents an existential crisis for organizations. Reputational risks may be related to claims of discrimination or human rights violations, unlawful working conditions,

inappropriate or insufficient responses to social issues, product failures, employee wrong-doing or scandal, cyber security or privacy breaches, or financial performance.

To survive reputational harm, an organization's crisis response must be viewed as authentic and relevant by its employees, external stakeholders, and the public. Additionally, a history of ethical conduct and goodwill carries a lot of weight in the court of public opinion. Such was the case when Starbucks found itself in a position contrary to its record of showcasing its ethical culture, as featured in the case study "Ethics Unwrapped" sponsored by the McCombs School of Business at the University of Texas.

In 2018, two black men were arrested at a Philadelphia Starbucks, and the company made a tremendously impactful decision to close all stores for a day of racial bias training.¹⁷ Just two years later, however, Starbucks stumbled, when the company forbade staff to wear Black Lives Matter symbols on their uniforms. After a backlash, the company reversed its decision and created a shirt in support of Black Lives Matter. Ultimately, in January 2021, Starbucks pledged \$100 million aimed at investing in community development projects and small business in areas populated by Black, Indigenous, and people of color.¹⁸

In 2020, in response to the murder of George Floyd by police in Minneapolis (home of U.S. Bank's headquarters) the bank's E&C team partnered with their Diversity, Equity & Inclusion counterparts to lead an enterprise-wide discussion about ethics and race. In addition, the bank committed to keeping a physical presence in impacted communities, awarded community grants to support small, minority-owned businesses, and announced its plan to increase the number of African American-owned businesses that supply the bank, among other measures.¹⁹

According to annual surveys conducted by Harris and Edelman, a majority of American consumers and shareholders want companies (and their leaders) to take public positions and speak out about matters of social justice and political issues. Partnerships between E&C and other business functions, including Information, Security and Human Resources, and a genuine commitment to good governance, lend credence to company messaging during crises and demonstrate consistency of purpose.

By encouraging employees to speak up and reinforcing a strong culture of ethics, E&C activities have a direct impact on an organization's reputation. Since issues of discrimination and wrongdoing are often raised through an organization's ethics helpline/hotline, E&C is ideally positioned to respond to these issues and prevent or limit reputational harm to the organization and its employees.

These examples show yet again the importance of E&C partnering with other functional organizations, including global diversity and inclusion, human resources, and communications. These are examples of organizations that were attuned to the concerns of employees and the communities in which they operate. Responding to external pressures borne of social issues enhanced not only the organizations' cultures, but also their reputation in the community. E&C practitioners have a key role in assessing the culture and voice of the organization to ensure compliance training is relevant and impactful and that the organization "walks the talk" of its commitment to corporate values. This sends a powerful message to employees and citizens in the communities where operations are focused.

HUMAN TRAFFICKING

Human trafficking is known to be one of the fastest-growing global criminal enterprises. Organizations and corporations around the world are increasingly aware of the risk to vulnerable populations.

While several nonprofits and law enforcement agencies are engaging in focused efforts to address the problem of human trafficking, corporations are doing their part to draw attention to the crime, educate employees, and address the problem through highly visible events across the world, including major sporting events and performance venues.

Profits from human trafficking are believed to exceed \$150 billion a year and flow through the world financial system. A January 6, 2020, article by Terri Luttrell, "Human Trafficking: Closer to Home Than You Think," cited a 2019 ABA *Banking Journal* Article and Podcast about how U.S. Bank tackled human trafficking in its backyard during the 2018 championship football game.

Phillip DeLuca, SVP in U.S. Bank's enterprise financial crimes compliance unit, said the team at U.S. Bank began diving into its transaction data—credit and debit card use, ATM withdrawals, branch visits—"to identify areas where we would be most successful in identifying information that would point to human trafficking."²¹

LITIGATION AND GOVERNMENT/REGULATORY OVERSIGHT

Perhaps nothing has had a more sobering impact on an organization's leaders (and even its culture) than litigation and/or government investigations—

“According to annual surveys conducted by Harris and Edelman, a majority of American consumers and shareholders want companies (and their leaders) to take public positions and speak out about matters of social justice and political issues.”

which can include civil and criminal lawsuits, regulatory investigations, or government sanctions and enforcement for matters such as antitrust violations, corruption, noncompliance, or conviction as a corporate felon.

The E&C function in most organizations originated as a regulatory requirement. Undoubtedly required at first, in most organizations E&C has evolved into valuable assets for the organization. While most C-suite executives and boards understand that implementing a strong E&C program may mitigate negative outcomes of a regulatory action, there are several more benefits to consider.

During an investigation or litigation, E&C can respond to requests and provide clear, complete information to regulators and attorneys. In 2015, Volkswagen confronted an emissions scandal known as “Dieselgate.” As Volkswagen responded to the crisis, cooperation with the corporate monitor was crucial. The company created a liaison office with the goal of doing more than simply processing requests. Volkswagen also launched compliance and risk plans and made commitments to be more transparent and establish a speak-up culture.²²

E&C professionals who have a keen understanding of how to react appropriately to crises can share what has worked and what has not worked for organizations seeking to preserve their reputation.

The WG looked to enhance this whitepaper with interviews of leading E&C professionals. Their insight is not exhaustive but offers thoughts and practices to prompt discussion and spark action among organizations.

One compliance officer, formerly employed by an engineering firm charged with corruption in Nigeria under the *Foreign Corrupt Practices Act* (FCPA), credits her company’s leadership for fully supporting its E&C staff as it carried out corrective actions. Three lessons she learned from managing that crisis include the importance of communication, having clear objectives, and transparency:

- 1. Communication**—After a monitor was appointed by the U.S. Department of Justice (DOJ), the company held regularly scheduled town hall meetings with employees to tell them what was happening, as well as how the company planned to handle the situation and to state what they needed from employees.
- 2. Clear objectives**—The E&C team worked with the company’s leadership to set clear objectives with business units that could help with the company’s response, e.g., Internal Audit, Regulatory, and Mergers & Acquisitions. Leaders also shared their objectives with all employees to keep everyone informed.
- 3. Transparency**—Be open and honest with employees. Share the bad news as well as the good news. Organizations gain respect when their leaders step up and accept accountability for missteps and wrongdoing and are forthcoming about their efforts to take corrective actions.



According to the compliance officer involved in the corruption-related investigation, during the crisis the company missed opportunities to communicate with and involve all departments, slowing their ability to execute their crisis response. In addition, the company failed to consider differing cultural attitudes about concepts such as whistleblowing and conflicts of interest.

Another compliance officer was a veteran of dealing with major corruption investigations, negative media attention, and litigation matters at two different companies. Based on her experiences, she advised E&C professionals to²³:

1. Stick to the facts and do a root-cause analysis. In her experience, the management teams focused on the negative media attention and ignored the cause of the problem. E&C professionals must use their seat at the table wisely and keep everyone focused on resolving the actual issue that caused the problem.
2. Don't take it personally when people react in anger or frustration towards E&C. Remain factual and professional and realize this is a stressful event for everyone. Misconduct is a universal language: cultural differences are exaggerated on this point. Deflect the stressful situation with humor when possible, and show compassion in your interactions with others. Keep your eye on the goal to bring about necessary changes.

In 2014, there was an investigation in Brazil called "Operation Car Wash," which dived into allegations of money laundering, bribery, and bid-rigging connected to public works contracts. This case would eventually involve dozens of countries and high-profile targets.

An article by Fergus Shiel and Sasha Cavkin in the *International Consortium of Investigative Journalists* (ICIJ) provided details about the massive investigation. In the article, "Bribery," one prosecutor called the case "a thing of criminal beauty."

Odebrecht SA was known for its construction of railroads, ports, airports, and power plants. It was also involved in mining, offshore oil and gas, steel, petrochemical facilities, nuclear plants, and irrigation projects. The investigation revealed Odebrecht used shell companies, off-book transactions, and offshore bank accounts. It even had a dedicated "bribery" division paying more than \$780M in bribes to government officials. Odebrecht's conduct helped it win contracts/benefits worth more than \$3 billion dollars.

In the aftermath of the investigation and sanctions, Odebrecht has begun to strengthen its relationship with employees by rebuilding trust. The company instituted anti-corruption training and established a "Global Advisory Council" to help facilitate a much-needed culture change.

SUMMARY OF EXTERNAL FACTORS

Organizations are vulnerable to a number of external crises and stressors, from natural disasters to human-made financial disasters. There are elements exerting extreme pressure and temptation within the business world. Many have lost trust in institutions for missteps and misconduct. Recovering from reputational harm can be a long and arduous road. E&C practitioners can assist the organization in re-setting corporate culture, communicating with transparency and forthrightness, and training employees to raise awareness and hopefully to avoid future issues through lessons learned.

“We have only one chance to change, and to change definitively,” said Olga Pontes, Chief Compliance Officer, during an interview with The Associated Press. “We can’t make mistakes.”



Conclusion

What will this generation of leaders learn from the global pandemic of 2020? Many have referred to the pandemic as a wake-up call. How will the events of 2020 continue to shape us? How will we respond when the next crisis arrives? Clear communication is essential for organizations that wish to avoid succumbing to internal or external crises and pressure. Town halls and “voice of the employee” focus groups can assist in fostering open communication and establishing trust. If resources are scarce for E&C professionals, consider enlisting the help of colleagues in Corporate Communications, Human Resources, and other corporate functions. E&C practitioners must offer relevant training to an evolving workforce and must have a seat at the strategy table.

The goal of a preventive program, building a culture of integrity, emerges as the single most important objective an E&C function can offer with respect to crises. The best defense against these situations is to have created a strong culture of ethics that can withstand these challenges and respond to employee needs.

How is a strong culture of integrity defined and achieved? What does a strong culture of integrity look like? A culture of integrity exists when an organization is able to prevent and limit deviations from the mutual understanding of multi-stakeholder involvement. Not only should the organization’s cultural health be regularly assessed and nurtured, but employees and leaders must evaluate the impacts of personal stress, including an assessment of their physical, mental, emotional, and spiritual well-being.

In ordinary times, E&C professionals are guardians of their organization’s reputation working in concert with other functional partners. Ethics professionals primarily provide business ethics guidance and respond to allegations of employee misconduct, protecting organizations from such internal risks as fraud, harassment, and conflicts of interest. Their Compliance counterparts defend against risks related to non-compliance with the laws and regulations governing the organization. In 2020, organizations that partnered with their E&C teams—as they contended with multiple crises—saw how E&C can serve as a key contributor and resource in extraordinary times as well.

E&C leaders are well-suited to be agents of change. E&C leaders are adept at anticipating crises and strategizing to protect an organization’s reputation. E&C leaders empower people. They train colleagues to understand corporate policy and procedures; they train the corporate body about compliance issues and do it in a way that involves ethical decision-making. Optimally, E&C professionals are integrated into the business with strong relationships across the organization before crises occur.

When crises happen, a reputation based on an ethical foundation enables an organization’s crisis response to be viewed as authentic and relevant by its employees and stakeholders, as well as the public. Additionally, organizations must be able to demonstrate a history of ethical conduct and a strong and evolving E&C program when their actions come under scrutiny. E&C professionals understand that a culture built on a foundation of doing the right thing lays the groundwork for trust within the organization.



Toolkit

INTRODUCTION TO THE STRESS READINESS, RESPONSIVENESS, & RESILIENCY AWARENESS + ACTIONS TOOLKIT

While this whitepaper increases knowledge and awareness regarding the myriad impacts of stress upon both external and internal functions of an organization, the WG team acknowledges that corresponding actions must be taken in order to be well-prepared *before* they find themselves having knee-jerk reactions when the next crisis hits.

The COVID-19 pandemic forced E&C professionals and the organizations they serve to comprehend the adverse impacts of stress upon multiple areas of human health and well-being. During times of crisis, it is imperative to acknowledge the broad impacts of stress, because unaddressed/improperly addressed stress in the workplace can lead to justifying and rationalizing unethical conduct and decision-making that can negatively impact an organization's reputation and bottom line. This is crucial not only during times of heightened tension; on-going workplace stress weakens the organization's cohesiveness, vital when an unexpected challenge or crisis occurs.

To that end, perhaps the most exciting "gift" this ECI WG has produced is a resource Toolkit website offered exclusively to E&C professionals navigating the waters of change, co-created by WG members Suzanne Matthiessen²⁵ and Kalwant Dhindsa²⁶

entitled "The Stress Readiness, Responsiveness, & Resiliency Awareness + Actions Toolkit."²⁷

www.readyresponsiveresilient.org

This Toolkit addresses the numerous risks that chronic workplace stress can place on an organization and all its stakeholders. It offers an integrated approach to taking all the components of workplace stress and pressure into consideration, rather than placing "managing" its adverse effects squarely upon the shoulders of employees alone. This is beneficial not only when the organization is hit by a major change or crisis, but also ensures that leadership and culture are aligned and strengthened by adopting ECI's HQP of building a consistent culture of integrity.

Resources within this toolkit were designed to address three sustainable concepts, the three "R's" of:

- **Readiness**
- **Responsiveness**
- **Resiliency**

The Toolkit website includes the following components:

- **The Risks of Workplace Stress**
- **Stress: Good, Bad & Ugly**
- **Leadership & Culture "Elephant"**
- **The Toolkit: Address Root Causes First**
- **Healthy Self-Care Practices**

“The impacts of chronic stress on physical and mental health are just as important to understand as the behavioral ethics impact(s).”

Chronic workplace stress is an organizational ethics and compliance risk in and of itself, regardless of the cause. It is compounded when internal and external changes occur, and an organization is perpetually in a reactive “clean up on Aisle 12” mode. However, if the organization implements an effective and sustainable company-wide Readiness, Responsiveness, & Resiliency program, it is much better equipped during stressful times of change and when a crisis arises seemingly out of nowhere.

Change will always be a constant, whether we want it or not. The role of an ethical and adaptive leader is to take a broad, Big Picture view to identify the *types* of challenges that will arise, and to possess the clarity of mind to respond to and lead the way past often unforeseeable setbacks and complications caused by change, and to facilitate a workplace environment that provides context for openly talking about and managing the types of stresses that come along with it. Disruptive change like that which was experienced on a global scale during the COVID-19 pandemic raises the stakes on all the above. How all stakeholders make their way collectively through the transitions that result from disruption has a direct impact on outcomes—including various areas of risk to the organization.

The impacts of chronic stress on physical and mental health are just as important to understand as the behavioral ethics impact(s). All three can make employees vulnerable to justifying and rationalizing unethical conduct and decision

making if they aren't fully aware and informed regarding how they can respond to stressors with *appropriate* corresponding actions. Ethics professionals—regardless of whether they work for one organization or as independent advisors and skills trainers—are ideal educational leaders and champions during times when organizations are facing changes coming at them from all angles. Our dedication keeps us on the front lines of continually bringing knowledge, tools, and best practices to foster and strengthen workplace integrity by addressing root causes and discovering effective ways to navigate organizational rough waters with equanimity, regardless of their origin.

Additionally, proactively acknowledging the adverse effects of workplace stressors upon employee health, performance, and productivity (including contributing factors within the organization's leadership and culture itself) that can prompt unethical behavior can be preventative and also provide a sense to employees that they are genuinely cared about. This improves morale, contribution, and collaboration, particularly when psychological safety is supported and adopted by leadership that has the resiliency skills to artfully adapt and the mindset to respond (and not react) to stresses prompted by internal and external change. Integrity is upheld when trust is transparently communicated and consistently modeled.

For more information, visit
<http://www.readyresponsiveresilient.org>.

Endnotes

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Positioning Ethics and Compliance as a Strategic Leader in Times of Stress or Crisis

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