A Study of Compliance Practices in 200 “Compliance Aware” Organizations
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Background:
  - Objectives
    - To learn what compliance-related practices are being used by “compliance aware” organizations
    - To measure the effectiveness of these practices
  - Sample selection criteria
    - Participation in Ethics Officers Association, Defense Industry Initiative or Conference Board Ethics Conferences
    - Geographic and industry diversity

Results:
  - Overall similarity of formal initiatives among the 200 organizations
  - Protection of confidentiality important
  - Standards of conduct for employees: 100%
  - Responsibility for corporate-wide oversight of compliance standards
    - High-level individual (e.g. owner, director, executive officer): 80%
      - Area of expertise
        - General business management: 31%
        - Law: 26%
      - Reporting line
        - Board: 68%
        - CEO: 63%
  - Communication of standards
    - Written codes and materials, live training, memos from supervisor or CEO: 90% and over
    - Formal personal meetings, newsletters, training videos, posters: 50% and over
  - Key topics of training: 90% and over
    - EEO/Labor
    - Gifts/Gratuities and Kickbacks
    - Bribery
    - Antitrust
    - Workplace Safety
  - Methods of reporting non-compliance
    - Reports directed to supervisors: 99%
    - Help line/hotline: 82%

Conclusions/Questions raised by the data:
  - Oversight of compliance by high-level individual
    - Figurehead?
o Percentage of time devoted to oversight?
o Hands-on effectiveness?

- When overseer is Chief Legal Officer
  o Overly legalistic approach?
  o Complication of attorney-client issues?

- Compliance committees lack mid-level managers and below
  o Limited effectiveness?
  o Alternative viewpoints?

- “Exemplary” compliance track record used for considering promotion recommendations
  o Does basic compliance equal “exemplary”?
  o How is compliance measured against other criteria?

- Standards of conduct not explained to non-employees (agents, contractors)
  o Effectiveness of communication and training?

- Human Resources issues most common category of help line calls received
  o Is compliance a personnel or regulatory issue?