

Ethikos Volume 33, Number 6. June 01, 2019 Getting to a functional 'Speak up' culture

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Many published articles extoll the virtues of an active 'Speak up' campaign in a company. Two positive effects of a speak-up culture are that when people feel free to speak up, employee retention goes up and so does financial performance. The opposite is also true, when people do not speak up, the work environment and the positive input of employees are suppressed. Retention also goes down.

Secondly, it is only the exceptional manager, who has fully embraced the concept of a speak-up culture, that will benefit from the free input of employees. Research shows that many people are more likely to 'keep mum' than to raise important questions or suggest new ideas and, as a result, companies often undermine their own efforts.^[1]

The importance of speak-up programs

In a review of enhancing performance through employee engagement,^[2] data shows that companies with a highly engaged workforce improved operating income by 19.2% over a period of 12 months, while those companies with low engagement scores saw operating income decline by 32.7% over the same period.

Furthermore, anonymous programs such as hotlines do not address issues as to why employees do not speak up in the first place. As Michael Volkov has pointed out, if a company experiences declining numbers of complaints coming in on a company hotline, is corporate misconduct going down or are employees losing trust in the company's speak-up system?

This could pose a significant risk for the company's risk profile in that misconduct could then spread undetected throughout the company, enhancing compliance risks, decreasing productivity, and potentially compromising the company's reputation.

We are all aware of situations where employees find it difficult to raise issues of compliance, effective hotline or not. A complete compliance program must address the main issues why employees choose not to speak up if they are to gain the benefits of a speak-up culture. Such issues have been detailed on several occasions, for example by Stephen Priest. In a series of articles, Priest places the failure by employees to believe it will do any good as the most important issue contributing to the failure of speak-up programs.^[4] Raising issues that will result in negative consequences, followed by several smaller reasons underpinned by the desire for prejudicial justice, are also key issues.^[5]

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