

Compliance & Ethics *Professional*

July/August
2012



A PUBLICATION OF THE SOCIETY OF CORPORATE COMPLIANCE AND ETHICS

www.corporatecompliance.org

Meet Lanny A. Breuer

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See page 14

23

What's the best way to document that training has taken place?

John Kleeman

29

The real "happy marriage" between the GC and compliance officer

Donna Boehme

35

Creating and maintaining an authentic organization

John Cross

42

Is your workplace culture hijacking your values?

David Gebler

by Donna Boehme

Tone at the top: The movie

Last year I made a concerted effort to stop saying or writing the phrase “at the end of the day” with moderate success. There were occasional slips, and I had to call my sponsor a few times, but we’ve made respectable progress. Same with “synergy” and “buy-in.” I’m also weary of “GRC” (which I think stands for Guaranteed Revenues for Consultants, but I could be wrong). But lately, the nails-on-the-chalkboard for me is, hands-down, “tone at the top.”



Boehme

And that’s because companies so often misfire on both “tone” and “top.”

First, real tone is achieved by visible action, not mere words. CEO speeches, sustainability reports, posters—that’s the easy part. But you knew that already. Sometimes I wish Boards and CEOs would just stop talking, and *do*. Second, what do we mean by “top”? According to a 2011 Booz & Company study,¹ the median tenure of an operationally involved CEO is only 4.9 years. So I’m hanging the whole “tone” thing on the Board, not the CEO, because the Board stays and the CEO leaves. The Board sets the tone; the CEO carries it out.

Tone is not just a CEO letter; it’s the CEO taking an unannounced safety tour of a manufacturing plant. Tone is not the press release trumpeting the appointment of a new CCO;

it’s the Board demanding strategic positioning, empowerment, and resources for that role, with sufficient autonomy to stand up to powerful institutional forces. Tone is not the code of conduct, but a public dismissal of a senior manager who has violated that code. Tone is what people talk about around the water cooler, because of the direct and indirect signals the Board and line management have driven through the organization. Tone is what behavior is rewarded at performance review and bonus time. Tone is who gets promoted, and why. Tone is the agenda at the annual senior leadership meeting. If it’s done right, tone becomes ethical culture, and ethical culture becomes the standard operating protocol of the organization.

When Boards begin to embrace ownership of tone and culture, with the same deliberative energy as CEO succession, strategy, and risk—that’s when we’ll see some progress. I long for the time when “tone at the top” actually means something, but right now, *at the end of the day*, it’s still nails-on-the-chalkboard for me.

Whoops. *

1. Ken Favaro, Per-Ola Karlsson, and Gary L. Neilson: “CEO Succession 2010: The Four Types of CEOs.” Booz & Company, *Strategy and Business*, vol 63, Summer 2011. Available at <http://www.booz.com/media/file/BoozCo-CEO-Succession-2010-Four-Types.pdf>

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