

# SHAPING YOUR CORPORATE CULTURE

A comprehensive program for company-wide change.



“I look for three things in a new hire: energy, creativity, and integrity.  
But if you don’t get the last thing, the first two will kill you.”

—Warren Buffett

A truly effective ethics program is designed to have a meaningful, measurable, and sustainable positive impact on the corporate culture. What we propose is not just a public relations campaign or even an educational program, though both are important to success. We will shape a new corporate culture through a process requiring long-term commitment and coordination of efforts from departments throughout the company. The comprehensive program we propose will encompass the Board of Directors, the CEO, and the organization leadership and employees, as well as the customers you reach.

*Shaping Your Corporate Culture* will significantly reduce risks and costs associated with potential unethical or illegal behavior and enhance corporate performance by building and maintaining an environment of trust. Three key characteristics of successful programs are:

#### PURPOSEFULNESS

All elements of the program should be purposefully designed to achieve the stated objectives. This would include the development of clear objectives, specific short- and long-term goals, an articulation of the core values that form the foundation of the initiative, and a strategic planning process.

#### PERVASIVENESS

The most successful programs integrate value messages and reinforce the need for values-based decision making within all departments and all important aspects of company operation.

#### CONSISTENCY

All messages regarding aspirations, expectations, and requirements must be consistent, clear, and realistic.

When these messages become part of the corporate culture, change comes rapidly. With change comes meaningful, positive impact that can be measured and sustained.

#### COMPONENTS

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To achieve the maximum potential of a positive corporate culture, we suggest implementing all of the following components. Of course, we will customize a program to your specific needs and desired scope.

### **Planning and Strategy Development**

At the earliest opportunity, a carefully selected committee or team of no more than four people representing the broad constituencies of the organization will participate in a meeting led by Josephson Institute. Team members should have the knowledge and authority to:

- Refine a statement of objectives

- Identify and develop strategies to build on existing assets
- Specify potential barriers and develop strategies to overcome them
- Establish measurable objectives for evaluation and assessment
- Establish timelines for major implementation elements
- Allocate responsibilities between Josephson Institute and the client

Such a meeting generally can be accomplished in two full and intense days.

### **Diagnostic Review**

Josephson Institute will examine all written and other relevant communications including:

- Mission and value statements
- Codes of conduct
- Policies on business practices
- Performance review criteria
- Formal policies
- Informal practices

We will provide a written report with recommendations to top management concerning:

- The clarity, completeness, and relevance of the value messages conveyed throughout the company (the basis of its present corporate culture).
- The effectiveness of communicating organizational values in new employee recruiting and orientation, in-service training, annual reports, website, human-resource policies, and performance-review procedures.
- The effectiveness of codes of conduct, policy statements, and other ethics and compliance efforts (including trainings and hot or help lines).

We will show how effective or ineffective these policies are in advancing organizational values, building internal and external trust, and preventing misconduct that could result in litigation, regulatory problems, criminal actions, or reputation-damaging media attention.

### **Comprehensive Assessment of Strengths and Vulnerabilities**

Josephson Institute will conduct selected focus groups, where necessary, and develop and administer a comprehensive, anonymous written survey to assess ethical strengths and vulnerabilities. This analysis will break out information by function and region and present a comprehensive report to top management with comparisons. The data will also establish baselines needed for evaluating the initiative. The report will include a full set of recommendations that includes the following:

#### **Human Resources Recommendations**

Josephson Institute, in collaboration with relevant senior management, will review existing recruiting, hiring, screening, and discipline practices as well as performance-evaluation criteria and actual practices concerning retention, promotion, and termination decisions, and make recommendations.

#### **Education and Training**

Josephson Institute will design special educational programs and modules including:

**Senior Executive Course.** A one-day training course (delivered by the Institute) for top management. Each course should be discussion oriented and include no more than 35 persons.

**Train-the-Trainer Course.** A two- to three-day train-the-trainer course (delivered by the Institute) to train company staff on how to deliver the management course.

**Management Course.** A three- to six-hour course delivered by the company training staff for all managers (preferably in small groups of 25-35) focusing on ethical awareness, commitment, and decision-making skills.

**Advanced Decision Making for Leaders.** A six-hour leadership course taught by Institute or company trainers at the company's discretion focusing on critical thinking, problem-solving, and ethical decision-making strategies.

**Staff Meeting Modules.** An extensive series of five- to ten-minute discussions and reinforcement modules to be used regularly at staff meetings.

**Orientation Module.** An orientation program for new employees introducing them to the company's values and establishing clear expectations of compliance and ethical conduct.

**Support Systems.** Josephson Institute will work with the client to develop mechanisms to provide additional and ongoing access to instruction, clarification, and counseling on how to deal with concrete issues that challenge values.

**Integration in Other Training.** The effectiveness of the program will be dramatically enhanced if the company's ethical values are promoted and integrated into every training program regardless of the content. Josephson Institute will review all training curricula and recommend how this integration may be accomplished without diluting the central focus of the training.

### **Employee Awareness Programs for Continuous Employee Reinforcement**

#### **Strategies**

Josephson Institute will design and/or recommend communication and awareness strategies to reinforce company values such as correspondence, publications, posters, table tents with discussion cases, screen savers, e-mail messages with thought-provoking quotations, etc.

#### **Customized Booklet**

We will prepare a booklet to assist company employees to make ethical and effective decisions. It will use appropriate examples and integrate company policies, codes of conduct, mission statements, and values.

## **Rights**

We will provide rights to reprint Michael Josephson commentaries in the employee newsletter, HR manual, e-mail communications, and website content.

## **Consultation**

We will consult with the organization's communication leaders during the first 12 months of the program to improve the pervasiveness and impact of values messages on the company website and in other corporate communications.

## **Dissent Channel and Accountability Practices**

Josephson Institute will review and audit existing processes relating to employee accountability and willingness to report perceived misconduct without fear of retaliation. This process will be assessed to determine whether the process is credible and legally conforms to dissent channel requirements in the Federal Sentencing Guidelines regarding matters where damages can be quadrupled. The Institute will also recommend policies to assure that information obtained through complaints and investigations are fed back to management to improve the program.

## **Monitoring Compliance**

We will review and audit company policies and procedures designed to monitor and assure compliance with laws, internal policies, and the company's ethical values.

## **Targeted Problem Solving**

As key problem areas, special issues, or vulnerabilities are identified (e.g., performance reviews, screening employees for employment or promotion, balancing work and personal life, bid shopping and gratuities, etc.), Josephson Institute will facilitate focus groups to identify areas where there is significant disagreement or where negative or unacceptable practices are most likely to occur. We will develop, along with management, a statement of policy and any necessary training or support materials to assure organization-wide acceptance and implementation.

## **Customer and Community Education**

Josephson Institute will develop:

- Customer mailings
- Character-building booklets for parents
- Materials on the responsibilities associated with earning, spending, and borrowing
- Other materials designed to inform and inspire customers and the community to be more concerned with ethics

The Institute's goal is to position you as a company that promotes ethics in the community. It will also seek to coordinate your company's educational activities with various CC! partners including school systems, the YMCA, Boys and Girls Clubs, and 4-H Club.

## **Ongoing Consultation**

Josephson Institute will be available to you for ongoing consultation on a regular basis. Among the services we can provide is a quarterly e-mail newsletter reinforcing continuous improvement and responding to employee questions about applying the model.

Thank you for your interest in Josephson Institute.



[www.JosephsonInstitute.org](http://www.JosephsonInstitute.org)  
800.711.2670