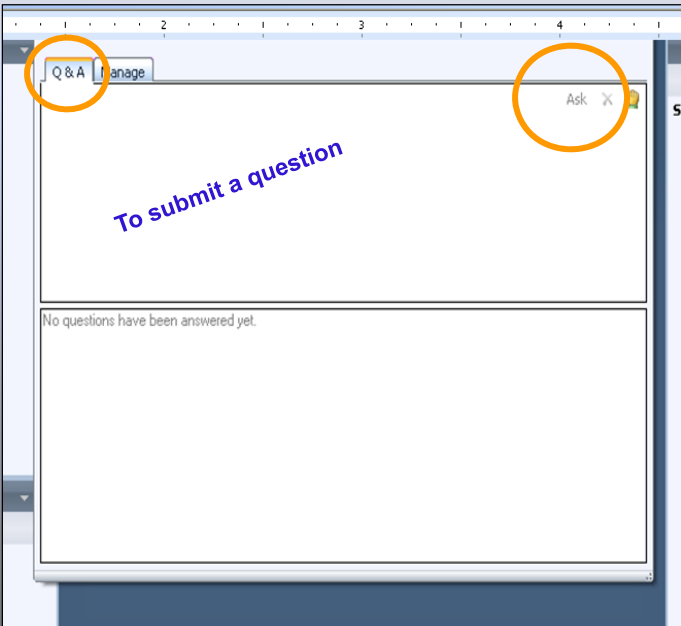


The audio will broadcast through your computer speakers, make sure the volume is turned up.

We will begin the presentation on the hour, until then you may experience silence.

If you do not have computer speakers, the back-up conference number is 800-504-8071; Participant code: 924-2846



The screenshot shows a Q&A interface window. Two orange circles highlight the "Q & A" tab on the left and the "Ask" button on the right. The main area contains the text "To submit a question" in blue. Below this, it says "No questions have been answered yet." The interface includes a scroll bar on the right and a "Manage" button next to the "Q & A" tab.

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Presenter



**Bob Phillips**  
President and CEO  
RW & Associates, Inc.

Co-author of the book  
"Absolute Honesty; Building a Corporate Culture That Values Straight Talk  
and Rewards Integrity" (AMACOM June 2003)

If you do not have computer speakers, the back-up conference  
number is 800-504-8071; Participant code: 924-2846



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## Developing a Culture of Honesty and Integrity... Is Not Easy!

**Bob Phillips**  
**April 8, 2009**






## A Culture of Values


**“The leader of the future, of the next millennium, will be one who creates a culture or value system centered upon principles”**

**-Stephen Covey**



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## Organizational Culture

- **What is organizational *Culture*?**
- **What are the critical elements of organizational *Culture*?**
- **Is your organizational *Culture* open to honest communication that values straight talk?**



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## Organizational Culture

### **Culture:**

**Is the social and political environment in which people get their work done.**



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## Organizational Culture

### **The elements of a Culture?**

- **Common behavior patterns, consistency in behavior that builds trust**
- **Understood and practiced consistent behavior that supports organizational goals and objectives**
- **Integrated personal and organizational beliefs and behaviors**



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## Do You Know?

**If your organization's  
"Culture"  
Is open to Honesty and Integrity?**



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## Do You Know?

**Do you/your leaders openly  
model and support honest and  
open interpersonal interaction  
that is designed to build trust?**



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# Do You Know?


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**Your Organization's Culture...can it pass**

## **“THE TEST”?**

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# Organizational Culture

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## **“The Test”**

1. Can employees be honest and direct with their opinions and ideas? **a) Yes b) No**
2. Can employees speak up and disagree without fear of retribution? **a) Yes b) No**
3. Are organizational messages that may be critical to employee's jobs communicated quickly and directly to all employees?  
**a) Yes b) No**

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## Cultures That Are Not Open

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- **Limited sharing of operational information and direction**
- **Not open to employee input**
- **Inconsistent leadership**
- **Create an environment of fear ...“Fox Hole” mentality**



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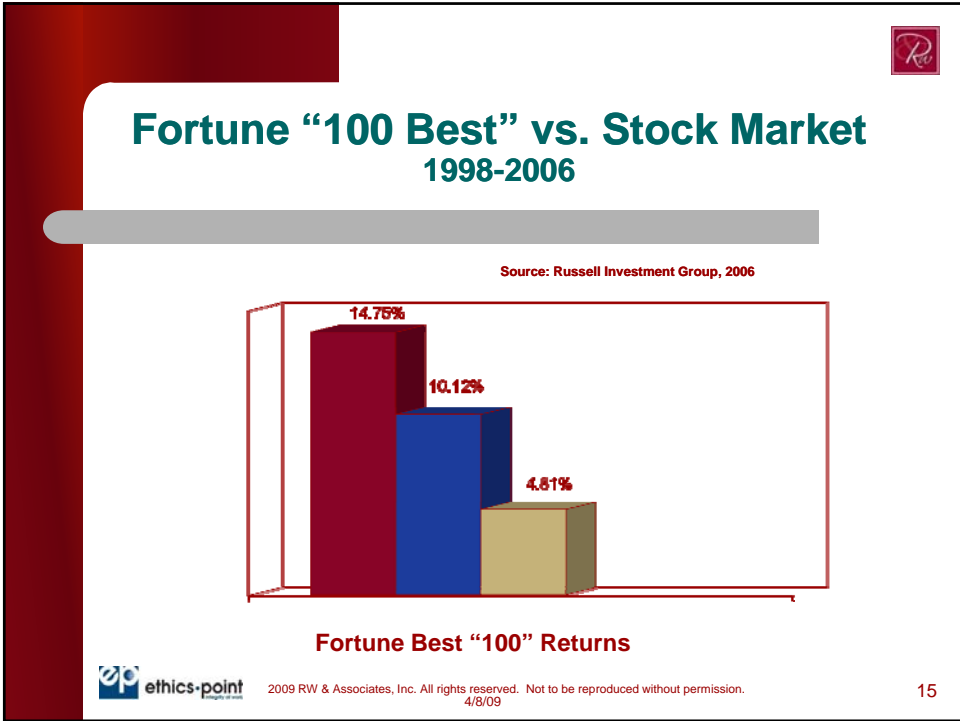
## Cultures That Are Open

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- **A direct connection between organizational vision, values and behavior**
- **Values and behavior are open to feedback and disagreement...but not commitment or accountability**
- **Codes of Conduct, Ethical Compliance and Value Statements translated into behaviors...reinforced with Hot Lines and other success tools**

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**“To be persuasive we must be believable; to be believable we must be credible; to be credible we must be truthful.”**

-- Edward R. Murrow

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## The Roadmap

Implement a set of leadership principles that build an environment where **employees, customers and vendors...** are free to give open and honest feedback **without fear!**



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## Clear Values

- Establishing a value system of honesty and integrity– **Building Trust**
- Values and behavior linked by **consistency**
- Build processes of accountability and **consequences** consistent with values



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## Consistent Behavior

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- **Consistent behavior to build trust**
- **Show passion for the vision, values and demonstrate ethics**
- **Model honest and open behavior**



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## Accountability and Consequences

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- Ensure that employees know what behaviors are expected of them to support organizational values
- Ensure that both positive and negative results are recognized with “*Positive or Negative Consequences*”!
- Ensure that individuals are recognized publicly for speaking up and taking risks


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## The Keys to Success

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- **Requires an open and listening leadership**
- **A culture that accepts multiple points of view but is committed to one course of action**
- **Has an engaged and motivated workforce that knows it is heard**





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## The Keys to Success

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- **Organization's value system is built into every operational and managerial process**
- **Performance management and rewards systems are linked to organizational values**
- **Individual employees know the values when making decisions**





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## The Impact of Personal Beliefs

- Why people are not honest...  
“FEAR”
- Fear drives defensiveness behavior
- Defensiveness is the enemy of Honesty
- Do not have a platform of integrity as a behavior guide




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## Elements of a Platform of Integrity

- Guiding principles for employees when asked to perform their work
- Guiding principles to make ethical and legal decisions without compromising personal values
- Guiding principles to ensure an organization meets their business and financial goals



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## Platform of Integrity

### Johnson and Johnson Credo

- Responsibility to Customers (who use products)
- Responsibility to Employee's (diversity)
- Responsibility to Communities (work and live)
- Responsibility to Stockholders (profit / creativity / products)

Guidelines for decision making-first published in 1943



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## Culture of Honesty and Integrity

- Honesty starts with us as individuals...but it is leadership and the organization that provide the environment to make it work
- But in the end it is the individuals within the organization that must be accountable
- Organizations can not have a *Culture of honesty and integrity* if leadership does not create an environment that accepts and models open and honest communication !



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## Material Available to Download

- **Communication That Can Change a Culture: the Need for Straight Talk**  
–Federal Ethics Report (Wolters Kluwer-Law and Business February 2007)
- **The Responsibility of Managers to Facilitate Honest and Ethical Behavior**-- Federal Ethics Report (Wolters Kluwer-Law and Business August 2008)
- **Straight Talk is Tough .... but the Only Way** - Execunet CareerSmart Advisor, Volume 18, Issue 20, October 1, 2007
- **Presentation Slides** (PDF)
- **Recording for on-demand viewing** (available in 24 hours)

Located under "Resources/Webinars" here: [www.ethicspoint.com](http://www.ethicspoint.com)



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## Any Questions?



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## Contact Information

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If you would like a copy of his book,  
"Absolute Honesty; Building a Corporate Culture That Values Straight Talk  
and Rewards Integrity" (AMACOM June 2003), go to [www.Amazon.com](http://www.Amazon.com)

