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Mining for hotline gold: What your hotline can tell you about your culture

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As compliance professionals, we well know the benefits of a robust hotline program and a healthy “speak-up culture.” However, what some fail to realize is the value of the untapped data residing inside their hotline programs. Not only can this data help improve your hotline program and identify hot spots in your organization, but it can also provide valuable insight into your organizational culture.

Changing a culture is arguably one of the most difficult tasks an organization and/or ethics and compliance professional can undertake. This task becomes increasingly difficult, if not impossible, without a baseline measurement from which to start. As management guru Peter Drucker has said, “If you can’t measure it, you can’t improve it.” I would argue this also applies to any efforts in understanding and improving organizational culture.

Fortunately, our hotline programs contain an abundance of quality data just waiting to be mined. In this article, we will discuss three reports that are easy to compile, analyze, and benchmark—all residing within in your hotline programs:

1. Report volume
2. Anonymity rate
3. Substantiation rate

Report volume

The first and easiest is report volume. Measuring the number of reports per quarter or per year not only helps with staffing and identifying hot spots, but can also be an important indicator of organizational culture.

There is a natural tendency to view a higher number of reports as a negative; in fact, dramatic increases can indicate a problem or hot spot. However, as compliance professionals, we understand a higher number can also point to a healthy speak-up culture. We have hotlines because we want (hopefully) employees to report concerns so we can address and remedy them. We also understand that *all* organizations experience issues, and it behooves us to address them sooner rather than later. Therefore, increased or increasing reporting is not always bad and, in fact, can show that employees:

- Understand how to report and their obligation to do so,
 - Have confidence in the process and trust the organization to handle the matter appropriately, and
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- Have a strong commitment to ethics and compliance and/or to the organization's stated values.

Report volume can also be broken down to look at specific departments, locations, and subsidiaries. For instance, if four similar business units all show an average of 10 cases per period save for one, which consistently shows zero, what might this mean? Does it mean this unit is more ethical and never has concerns? If so, I want to know what leadership is doing at this location and how we might reproduce this in the other areas! Alternatively, might it mean they have concerns, but employees at this location are afraid to report or do not know how? Either way, this is an important anomaly worth looking into, and it may go unnoticed without analyzing report volumes.

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