

# Ethisphere's Eight Pillars of Corporate Culture

## The Increasing Importance of Culture

Regulators around the globe are increasingly calling on organizations to examine their cultures—and for good reason.

Studies consistently show that businesses that have strong ethical cultures outperform those that don't. Companies with stronger cultures tend to have more engaged and committed employees, lower turnover, and higher productivity.

**The bottom line:** a company is better protected from the risks of misconduct when its culture is ethically strong.

## Why Measure Ethical Culture?

What you measure in your organization focuses attention and signals corporate priorities. Most companies do not lack for objectives, but not every objective gets a metric. Metrics (or the lack thereof) tell employees—especially newer employees—what the company really cares about.

If you can't answer the following questions with confidence, you may have an ethical blind spot within your corporate culture:

- Are employees aware of where to find compliance resources?
- Are those in leadership and management positions viewed as trustworthy?
- Do employees experience any degree of pressure to compromise company standards of conduct to meet business objectives?
- Is it believed that the rules (and corresponding penalties for breaking them) are fair?

## What Should Be Measured?

Enter Ethisphere's Pillars of Ethical Culture. These eight foundational themes serve as a framework for systematically and objectively capturing employee sentiment on the formal and informal ethical systems of the enterprise.

Developed by Ethisphere experts in collaboration with members of its Business Ethics Leadership Alliance (BELA), each Pillar is designed to provide insights that lead to clear action and remediation (or praise) where it is most needed.



- PILLAR 1 | Awareness of the Program and Resources**  
Familiarity with the assets and efforts of the compliance and ethics function.
- PILLAR 2 | Perceptions of the Function**  
Perceived quality and effectiveness of the function's efforts in communicating, training and support.
- PILLAR 3 | Observing and Reporting Misconduct**  
Comfort in reporting perceived misconduct, the reason for doing so, and potential reporting barriers.
- PILLAR 4 | Pressure**  
Strength and source of pressure employees may be experiencing to compromise standards to hit goals.

- PILLAR 5 | Organizational Justice**  
Perception of whether the company holds wrongdoers accountable and the awareness of discipline.
- PILLAR 6 | Manager Perceptions**  
Perceptions of supervisor's conduct and communication; comfort approaching with concerns.
- PILLAR 7 | Perceptions of Leadership**  
Perceptions of the conduct, values, and communications of senior leadership.
- PILLAR 8 | Perceptions of Peers and Environment**  
Perceived priorities of coworkers, the values of their organization, and willingness to share opinions.

<https://ethisphere.com/culture>