

## **2018 Ethics & Compliance Hotline and Incident Management Benchmark Report**

NAVEX Global

2018

### **OBJECTIVE:**

Good analysis and benchmarking of hotline data helps organizations answer crucial questions about their ethics and compliance program. To help, each year NAVEX Global takes anonymized data collected through their hotline and incident management systems and creates this report. Compliance professionals can use the results to benchmark and assess their program's performance, and move toward predictive risk mitigation.

### **METHODOLOGY:**

For statistical accuracy, the analysis includes only those organizations that received 10 or more reports in 2017. The resulting database includes 2,479 hotline and incident management customers that received a total of 885,518 individual reports.

### **KEY FINDINGS:**

- In 2017, the reporting rate remained steady at the highest level recorded with a median of 1.4 reports per 100 employees. The steady rise indicates that this higher level is the norm and that organizations need to be prepared to investigate and manage higher numbers of reports.
- The healthcare industry leads for the highest percentage of Business Integrity-related reports due to the inclusion of HIPAA-related reports in this category. Accommodation and food services had the highest level of HR, Diversity and Workplace Respect reports this year, exceeding the overall median rate by 13 percentage points.
- The ratio of allegations vs. inquiries in the databases has been generally split between 80 percent allegations and 20 percent inquiries over the years we have reported on this metric. This year, 80 percent of the cases were allegations, down slightly from 83 percent in 2016.
- There is a steady decrease in the rate of *Anonymous Reports* from the 2009 peak rate of 65 percent. A lower rate of anonymous reporting is an indicator of trust in the system and the people who manage it.

### **CONCLUSION:**

Ethics and compliance officers have many opportunities to leverage the data in their hotline and incident management systems to improve their compliance programs – and their organizational culture of ethics and respect.

This year's benchmarks point to several opportunities to increase program effectiveness: increase focus on anti-retaliation efforts, continue work on getting case closure times back within best practice ranges, get a more complete picture of your risks by documenting all reports in one centralized incident management system, make the business case for matching your report volume with appropriate resources, and encourage employees to see the hotline as a resource for information, not just a channel for reporting.

[Full Report](#)