

2016 Ethics & Compliance Hotline Benchmark Report

NAVEX Global
2016

OBJECTIVE:

Good analysis and benchmarking of hotline data helps organizations answer crucial questions about their ethics and compliance program.

METHODS USED:

Each year NAVEX Global takes anonymized data collected through their hotline and incident management systems and creates this report. Because they have the world's largest and most comprehensive database of reports and outcomes, ethics and compliance professionals can trust their benchmarks to help guide decision making and better understand how their programs stack up against broader benchmarks.

KEY FINDINGS:

- Report volume per 100 employees remained at an all-time high. Reports can be defined as an incident an employee reports to the organization.
- Organizations that documented reports from all channels in their incident management system captured 72% more reports than organizations that documented reports made through web and hotline channels only.
- Anonymous reporting rates have been decreasing for many years, however, this year the anonymous reporting rates have dropped below 60% for the first time.
- The substantiation rate for all reports increased by 11 percentage points since 2010.
- Despite the potential bias against anonymous reporters among some leaders and investigators, the substantiation rate for anonymous reports has stayed at 36 percent for the last three years. This demonstrates that these reports are valuable and credible.
- Since 2011 we have seen the retaliation reporting rate increase from 0.52 percent to 0.91 percent of the reports in our database. However, it is important to note this is still less than one percent of all reports organizations received internally.

CONCLUSION:

- Maturing ethics and compliance programs mean more employees recognize the need to report issues, and know how to do so.
- The low number of retaliation-related reports captured in the data gives NAVEX Global cause to believe that employees are more likely to report retaliation issues externally than internally.

- Documenting reports from all reporting channels in an incident management system creates a more accurate, comprehensive and holistic view of a company's ethics and compliance cases and the cultural health of the organization.
- Increased awareness of the ability to use the hotline as a helpline can give employees permission to call when they need advice or assistance, not just to report an issue.

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