

Ethics Training: The Three Groups Hardest To Reach

Frank Geovannello
Altria Client Services
Manager, Compliance & Integrity



COMPLIANCE WEEK 2013
POWERFUL INSIGHTS, PRACTICAL IDEAS, REAL SOLUTIONS

#CW2013

Background



Altria



Philip Morris USA
an Altria Company

John Middleton 
an Altria Company

 **U.S. Smokeless**
TOBACCO CO.
an Altria Company

Ste Michelle 
WINE ESTATES
an Altria Company

~37% are Hourly Employees

Spread Across Many Geographies



Ste. Michelle
Wine Estates
Woodinville, WA



Columbia Crest
Paterson, WA



USSTC
Franklin Park, IL



JMC
King of Prussia, PA
Limerick, PA



Stag's Leap
Napa Valley, CA



PM USA
Richmond, VA

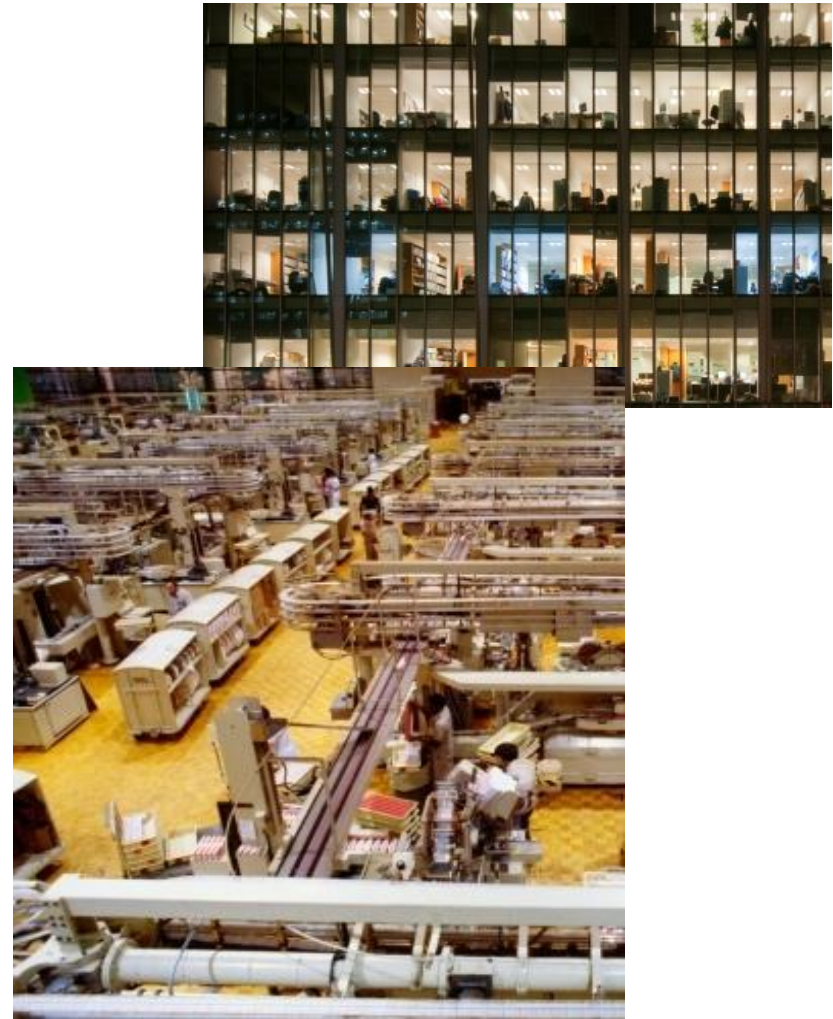


USSTC
Nashville, TN

PM USA: ~1,700 hourly employees
USSTC: ~500 hourly employees
JMC: ~400 hourly employees
SMWE: ~300 hourly employees

It's Different on the Production Floor

- Schedule of daily activities
- Communication channels
- Vocabulary used
- Stakeholders
- Cultural & language barriers
- Risk profile
- Competing priorities



What Doesn't Seem To Work For Us

- Big meetings or presentations.
- When compliance is viewed as a “bolt-on.”
- When presenters are perceived as not being SMEs.

What Our Hourly Employees Appreciate

- Face-to-face and small group meetings.
- Involving them in the problem-solving process.
- Bringing it to life with:
 - real employees
 - realistic scenarios
- Using videos, handouts and posters.
- Messages from Functional management.

Involve



OUR CODE. MY CODE.

“Our Code sets the standard on how we should perform our jobs so everyone comes to the table with the same level of integrity.”

Olivia Wood
Senior Analyst Financial
Accounting Department

Compliance & Integrity

our people, our values, our success.

The Altria Code of Conduct applies to all employees of the Altria family of companies.



Altria



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Leverage Their Creativity

STOP SIGNS

PM USA Safety Steering Committee

Recognize

I LIVE THE CODE



Imagine you're at work performing your regular duties when you notice something doesn't seem right. What would you do about it?

When some PM USA production employees at the Richmond Manufacturing Center were faced with this question, they responded by **Living the Code**. After noticing an unusual odor coming from the line, machine operators and production personnel on A and B shifts shared their concerns with management. Management listened, stopped production, held the product and immediately began looking into the matter.

It wasn't long before they determined the problem: the odor was coming from the coating on the packaging blanks. The management team worked with ALCS Quality, the Brand team and the vendor to change the blank coating.

These employees' swift actions not only saved the company time and money, but also helped ensure a successful launch of a line extension. When we think of what it means to **Live the Code**, it starts with doing what's right and speaking up when we notice something is wrong.

"When we discover something is not right in the process, we know that we have a voice to help us correct it."

— James Ford



Lesa Andrews, Ronald Langston and Tammy Arrowood (A Shift)



David

Employees not present for the photos: Peggy Johnson, Peggy

Ethics Training: The Three Groups Hardest to Reach

Mary Beth Taylor

United States Steel Corporation

Assistant General Counsel – Compliance



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Tone at the Top

Executive messages

“Ethically Speaking” videos

New Employees

“Ethics in Action” presentation

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Focus on mid-level managers

Define who's in that group

Develop training and communications

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“You Set The Tone”

Pre-training survey

One to 1 ½ hour session

Small group discussion

Response cards

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Video message from Chairman

Leading by example

Responding to employee concerns

Second City video

Employee video

Scenarios

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- Toolkit
- Takeaways

Ethics Training: The Three Groups Hardest to Reach



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Ethics Training: The Three Groups Hardest to Reach

- Post-training survey
- Follow-up communications

Changing Culture with Sound and Light

May 21, 2013

Scott Gilbert

**Chief Risk and Compliance Officer
Marsh & McLennan Companies, Inc.**


Compliance Week 2013

Marsh & McLennan Companies

A global professional services firm offering clients advice and solutions in the areas of risk, strategy, and human capital

 **MARSH** a global leader in insurance broking and risk management.

 **GUY CARPENTER** a global leader in reinsurance broking and risk management.

 **MERCER** a global leader in talent, health, retirement, and investment consulting.

 **OLIVER WYMAN** a global leader in management consulting.

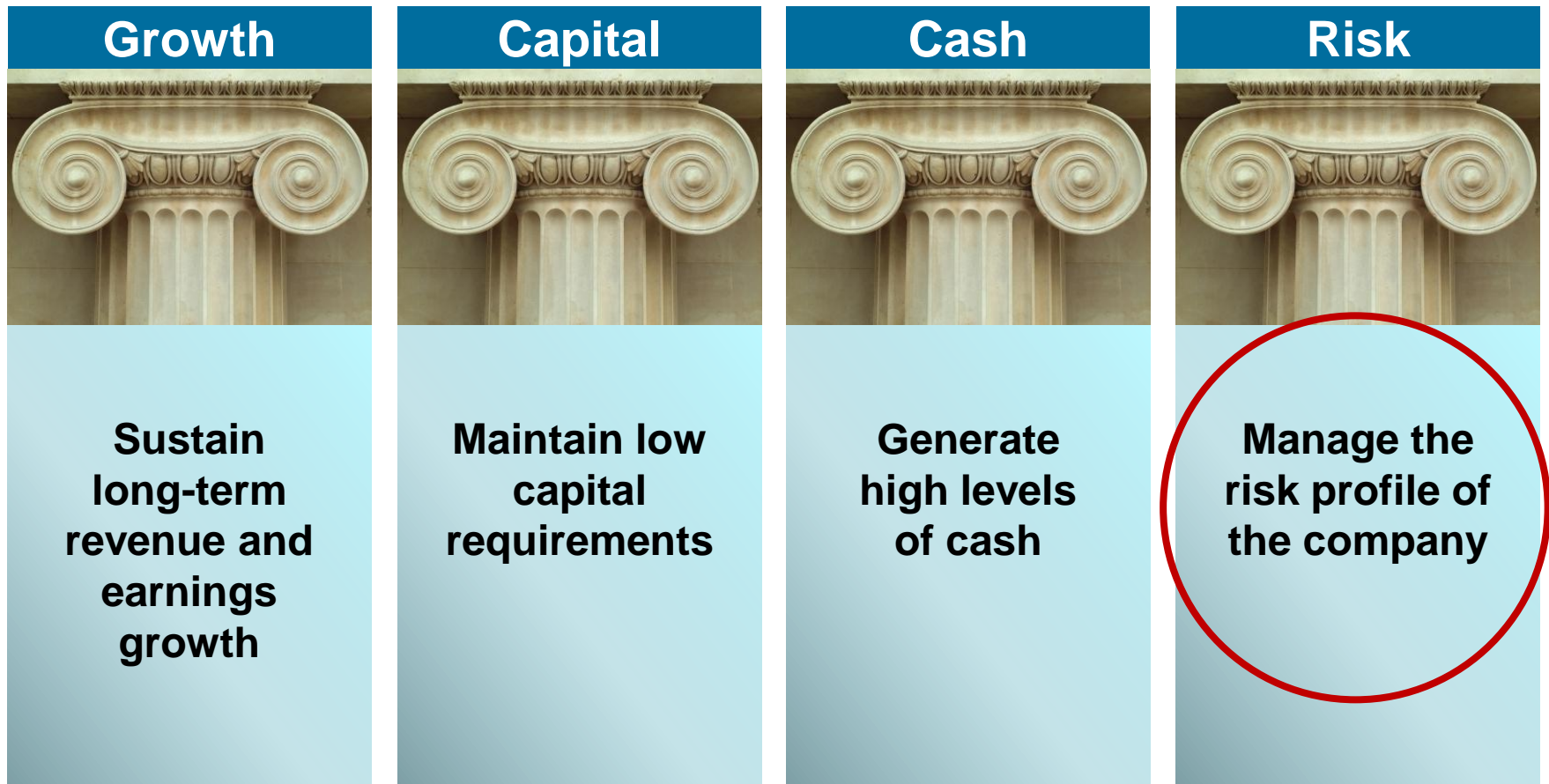
54,000
Colleagues

\$12 billion
annual revenue

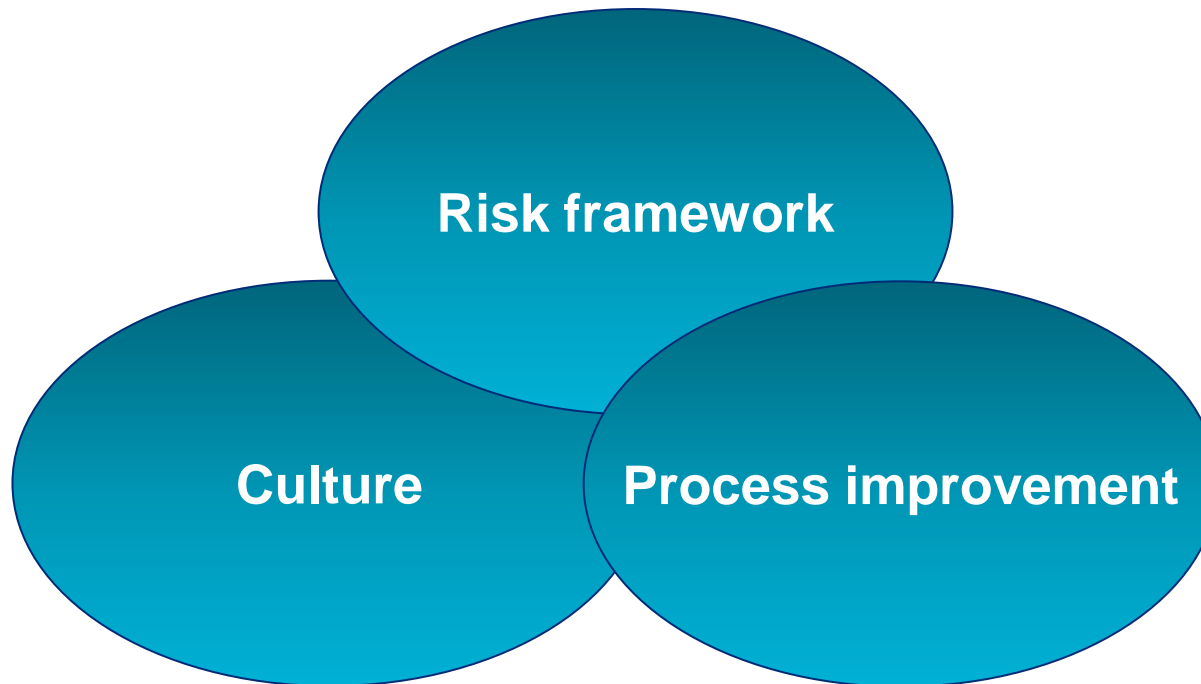
Clients in over
100 countries

65% of colleagues reside outside the US

Four Pillars of the Firm's Strategy



Managing Risk: Three Major Elements



A New Code of Conduct: The Context

- Findings from focus groups:
 - “Old” code was:
 - US-centric
 - Legalistic
 - Not user-friendly
 - Only available online
 - Colleagues wanted greater manager involvement in communication of Code
- Strong operating company brands and a new parent company brand
- New risks; new compliance requirements
- Compliance had a negative — policeman-like — connotation

Developing *The Greater Good* With Global Participation



- Consulted 200+ colleagues across the enterprise
- Established internal governance committees
- Partnered with an ethics consultant to research and benchmark

- Benchmarked current code
- Conducted global colleague focus groups

- Solicited input from key colleagues and functions
- Validated through global colleague focus groups
- Reviewed by global legal and compliance teams

The Greater Good — Our New Code of Conduct

- Organized around the idea of **trust**
- A clear statement of **who we are** and our **shared commitment to integrity**
- Addresses key **cultural drivers of risk**



The Greater Good: Key Components

Building trust by
doing the right thing

Building trust
with Colleagues

Building trust
with Clients

Building trust in
the Company

Building trust
with Communities

BUILDING TRUST BY DOING THE RIGHT THING		
4	We act with integrity	
8	Leaders have additional responsibilities	
BUILDING TRUST WITH COLLEAGUES		BUILDING TRUST IN THE COMPANY
12	Treat others with respect	34 Know our business partners
12	We treat others as we would want to be treated	34 We comply with laws governing international trade
15	We provide a safe and healthy workplace	37 We work to prevent money laundering and financial crimes
16	We respect privacy and personal information	38 We build strong relationships with our suppliers
BUILDING TRUST WITH CLIENTS		BUILDING TRUST WITH COMMUNITIES
20	Treat clients fairly	56 Exercise good citizenship
20	We are honest and professional	56 We give back to our communities
23	We protect client information	58 We are environmentally responsible
24	We comply with the special	61 We act responsibly in the political process
		62 INDEX

The Greater Good: Content

We do not bribe.

Improper influence may take many forms. Cash, gifts, meals, travel, entertainment, loans, charitable contributions, political contributions or offers of employment may all be used inappropriately in attempts to influence business decisions or government action. Regardless of the form, we do not bribe or use any other means to improperly influence the decisions of clients, potential clients or government officials. We do not offer or provide bribes directly or through a third party. We do not bribe even where it might be a generally accepted practice, when competitors do so, or for any other reason.

MAKE SURE YOU

- Do not give, offer or promise anything of value to a client, prospective client or government official unless it is legal, reasonable, and free of any intent or understanding or appearance that it will or could influence a business decision or government action.
- Follow our rigorous due

- Never record, or allow a colleague to record, a transaction in a way that disguises its true nature, such as booking the cost of entertaining a client as a "consulting fee" or a "training expense."

WATCH OUT FOR

- Requests for payments to a country or a party unrelated to a transaction, or for

- Client re specific
- Client re as job in member
- Entertain could be inappro

TO LEA



Innovative Code Communication Strategy

- Global Town Hall
- All-colleague email
- Posters
- Hard copy distribution (23 languages)
- Online version
- Film: *Faces of Marsh and McLennan Companies*

Leader's Toolkit

- Certification: Crack the Code!



The Making of *Faces of Marsh & McLennan Companies*



Faces of Marsh & McLennan Companies Award-Winning Documentary Film

- Risk as a strategic imperative
- The importance of the work we do
- Individual responsibility for doing it right
- Importance of raising concerns
- Code of Conduct



Weaving the company together...reducing our risk

Leader's Toolkit

- Full *Faces of Marsh & McLennan Companies* film
- 9 Film Clips
- Leader's User Guide
- PowerPoint Presentation
- Access to the Code in 23 languages
- Video Player Help Guide

The screenshot shows a 'Main Menu' interface with a dark blue background. At the top right, there is a 'CLOSE X' button. Below the title, there are two large buttons: 'Open the Leader's Toolkit User Guide' and 'Open the Leader's Toolkit PowerPoint Presentation'. The menu is divided into two columns. The left column is titled 'THE FILM' and 'Faces of Marsh & McLennan Companies', containing three buttons: 'View full film', 'View all topic clips', and 'View individual topic clips'. Below these buttons is a placeholder for a video player showing the title 'Faces of Marsh & McLennan Companies'. The right column is titled 'THE GREATER GOOD: OUR CODE OF CONDUCT' and 'The Leader's Toolkit', containing two buttons: 'Access the Code' and 'Help guide'. At the bottom right, there is a 3D rendering of a DVD case for 'THE GREATER GOOD'. The footer contains the 'MARSH & McLENNAN COMPANIES' logo on the left and the text 'THE GREATER GOOD: OUR CODE OF CONDUCT' on the right.

Topical Clips

- Building Trust
- Speaking up
- Challenges for leaders
- Risk mindfulness
- Balancing risk and opportunity
- Quality: preventing and addressing errors
- Quality: proposals and contracts
- Preventing bribery and corruption
- The Greater Good

TOPICS FOR FILM CLIPS
SELECT INDIVIDUAL TOPIC CLIPS BELOW

Building trust

Speaking up

Challenges for leaders

Risk mindfulness

Balancing risk and opportunity

Quality: preventing and addressing errors

Quality: proposals and contracts

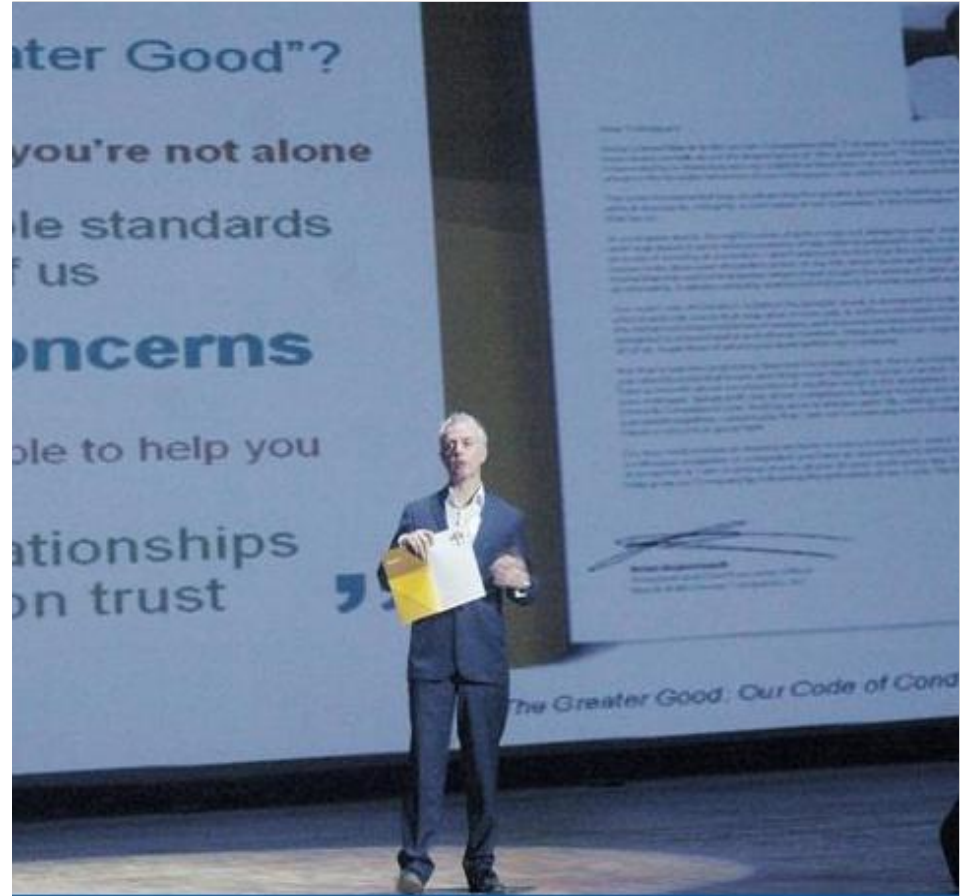
Preventing bribery and corruption

The Greater Good



Colleague Reactions

“It was effective because it went beyond ‘knowledge and understanding’ to something that connected with people emotionally, which . . . drives engagement and . . . leaves a lasting impression.”



Andrew Beagley presenting to Mercer's Global Operations and Shared Services Center in Gurgaon, India

The Greater Good — Cultural Impact

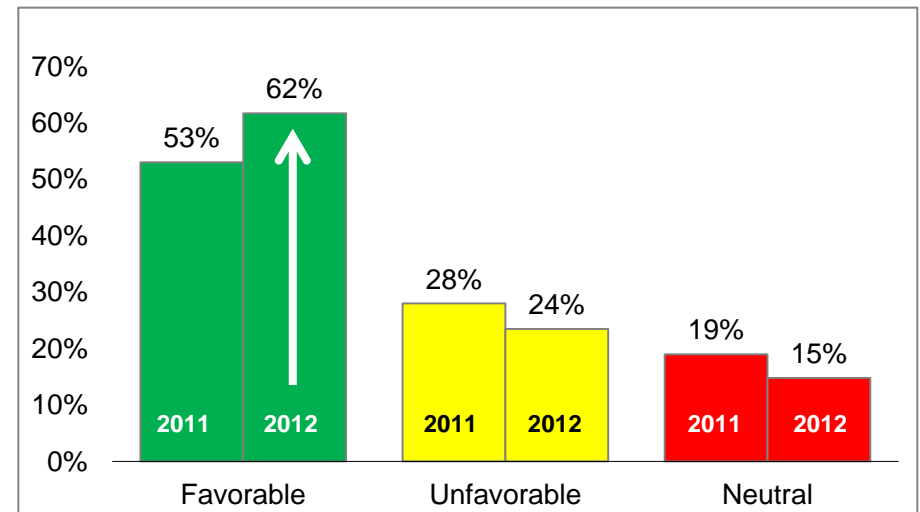
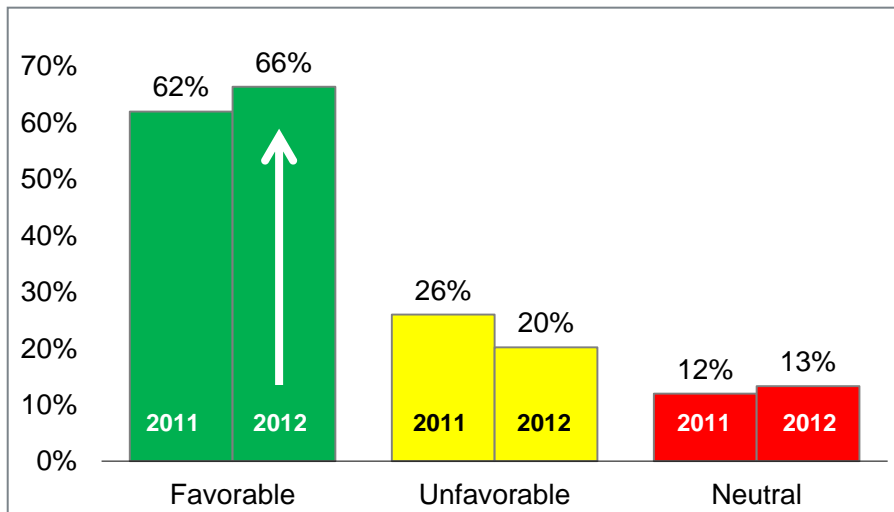
2012 Pulse Survey Results on Raising Concerns

“I feel comfortable that I can raise concerns about potential misconduct without fear of retaliation”

(increased from 62% to 66% in 2012)

“It is safe for colleagues to speak up and express their views”

(increased from 53% to 62% in 2012)



Plus increased Ethics & Compliance Line activity post-Code launch

The Next Chapter in *The Greater Good Journey*



Colleagues Need Guidance Along the Way



The Greater Good: Choose Your Path

Innovative Series Delivered in 16 Languages

Learning Elements

-  A story that illustrates the key risk area
-  Presentation through video and text
-  Interactive exercises

Dramatizing Eight Risk Areas


1. Confidentiality
2. Errors & Omissions
3. Anti-corruption
4. Conflicts of Interest
5. Respect in the Workplace
6. Use of Email and Social Media
7. Trade Sanctions
8. Data Protection

The Greater Good — Choose Your Path Communication Plan

Messages from Leadership

MARSH & MCLENNAN COMPANIES

THE GREATER GOOD—CHOOSE YOUR PATH
MESSAGE FROM DAN GLASER, PRESIDENT AND CHIEF EXECUTIVE OFFICER



The Greater Good—The Next Chapter, Choose Your Path

Dear Colleague:

Since the launch of *The Greater Good* in 2011, our Code of Conduct has become a guidepost for ethical and lawful conduct at Marsh & McLennan Companies and a valuable companion in our journey to become one of the world's elite enterprises.

The principles of *The Greater Good* give us an excellent foundation to expand upon. At the December 2012 Global Town Hall, you learned about *Choose Your Path*, a new interactive video series that enables us to experience how ethical dilemmas and thorny risk and compliance issues can present themselves in the course of our work and what we can do about them.


Dan Glaser
President and CEO

MARSH & MCLENNAN COMPANIES

THE GREATER GOOD—CHOOSE YOUR PATH
MESSAGE FROM SCOTT GILBERT, CHIEF RISK & COMPLIANCE OFFICER

FEBRUARY 2013

INTRODUCING CHOOSE YOUR PATH — KEEP THE CONVERSATION GOING



Dear Colleague,

I take great pride in the [launch](#) this week of Marsh & McLennan Companies' new risk and compliance training series, *Choose Your Path*. Without giving away the endings, I'd like to tell you a little more about the engaging video mini-series—and how each of us can get the most out of it.

Choose Your Path builds upon the principles of *The Greater Good* by taking a closer look at some of the key risks we may encounter in the course of our work. The series focuses on eight risk topics: confidentiality, prudent use of email and social media, trade sanctions, data protection, preventing errors & omissions, anti-corruption awareness, conflicts of interest, and respect in the workplace. The individual modules dramatize ethical dilemmas and tough issues that could arise in relation to each risk topic and enable us to understand the impact of the choices we might make. In real life, we learn the most from making decisions and living with the consequences. In some cases, *Choose Your Path* allows you to practice decision-making by stepping into the shoes of a confidence-sensitive with a tough choice.

Scott Gilbert, Chief Risk & Compliance Officer

Manager & Colleague Toolkits

Example breach scenarios

Situation: <i>You are concerned when a client asks for competitor information...</i>	What's the right course? Politely, but firmly, say we cannot discuss anything about one client with another one. Beware of discussing things you believe are widely known. Put yourself in the shoes of the other client: Would it build trust if he or she became aware that you had been discussing the client's business with a competitor?
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Maintaining confidentiality in public places
Excerpts from the film

"Confidentiality breaches can basically happen everywhere. In an airline lounge, in an airport, in a train station. You always have to be aware that there might be people around working for a competitor or working for the media."
~ Fabian

For discussion:
What measures do you usually take to protect confidential information in public places? Is it OK to talk freely on cell phones or in taxi cabs? Is it OK to share confidential information with your friends and family?

What if someone works in the industry you might be analyzing for a client? Is it OK to share information with that representative?

Expected behavior:
- If you must discuss a client project in a public place, be cautious about the level of detail, and do not use client names.
- Always follow policies and procedures about concealing client names in internal communications.


Incorrect transfer of confidential information
A story inspired by a true event

Jonathan had to share a large spreadsheet file with a client. The file contained salaries of the client's employees. It was too large to email, so the client suggested that Jonathan upload the information to a document sharing site. The client provided instructions on how to upload the document, but they were unclear. Jonathan inadvertently uploaded the spreadsheet in a way that made the information publicly accessible on the internet. The client discovered the error and called Jonathan about it.

"Dos & Don'ts"

MARSH & MCLENNAN COMPANIES

THE GREATER GOOD—CHOOSE YOUR PATH
CONFIDENTIALITY DOS AND DON'TS



KEEPING THE CONFIDENTIAL IN CONFIDENTIAL INFORMATION

In *Confidentially Man*, the first module in the new *Choose Your Path* online video training series, we meet Oliver Wynn, a consultant. Johan Hill (a fictitious name), who is pressed for time in completing a client presentation, has time to converse his colleague to share her client's proprietary data, which would help him meet his own deadline. Doing so would violate client confidentiality clauses and put both client relationships and Marsh & McLennan Companies at risk.

WHAT IS CONFIDENTIAL INFORMATION?

- Confidential information is any proprietary information.
- Examples of confidential information include, but are not limited to, MMC or its operating subsidiaries, as well as client proprietary data.

Please see the following page for helpful Dos and Don'ts to maintaining confidentiality in your day-to-day work.

MARSH **OLIVER WYNN** **JOHAN HILL** **OLIVER WYNN**

- Follow your company's specific rules and procedures regarding confidential information, including procedures for storing this confidential information.
- Never use your hard copy confidential information unnecessarily.
- Be wary of confidential or personal information being emailed. Use [SECURE Electronic Document Storage \(SEDS\)](#).
- Carefully check the email addresses before sending a message.
- Type email addresses in full or choose the recipient from a list of contacts rather than using the auto-predict feature.
- Never transmit or personal information to persons, email accounts, or information in logs or on social media sites.
- PROTECT YOUR ACCESS TO CONFIDENTIAL INFORMATION FROM YOUR COMPUTER.
- Position your computer monitor screen to prevent shoulder-surfing.
- Use a privacy screen for your monitor.
- Never discuss without a significant business purpose for doing so.
- Leave unattended passwords in your office.
- Share documents without a significant business purpose for doing so.
- Use a privacy screen for your laptop at all times.
- Be aware of where your laptop and other portable devices are at all times.
- Use the safe in your home room to store your laptop; immediately report any loss or theft.
- Don't forget your laptop at the airport security checkpoint.
- Store sensitive data on portable devices unless necessary.
- Check any sensitive documents in public train cars or other non-secure areas.
- Leave any confidential or sensitive information SECURE AT A CLIENT SITE OR WHEN DEALING WITH CLIENTS.
- Bring documents back to the office for storage in strong boxes or secure shredding services and not leave them at a client site.
- Bring documents pertaining to other clients to another client site.
- Use a pre-approved template for a client confidential information document.
- From *The Greater Good*:
 - [Data Protection](#)
 - [Social Media](#)
 - [Trade Sanctions](#)
 - [Conflicts of Interest](#)
 - [Anti-Corruption](#)
 - [Respect](#)

"Actor" Interviews



The Greater Good — Choose Your Path “Confidentiality Man” Sample of Written Survey Comments



Bravo! Well executed video and lesson for all to learn from. **It made me proud to be part of this exceptional company** that is willing to communicate with employees and ensure the message is clear and well thought out!!! Again well done! Look forward to add'l episodes, **you've got me hooked!**

Fantastic module — **extremely engaging** in an area that is normally difficult to make interesting.

Best module so far. Many of the previous online training are useless — so easy to forget. The difference for this one is that it is **real life**. So it is **immediately absorbed**. Fantastic!

A very **cleverly thought out** and constructed piece of learning, **using both video and interaction**. It had the right amount of **humour**, but really got the serious message across.

We should be doing more training via this delivery method — **very impactful!**

I LOVED IT. This was a very good module that provided **good information in a creative way**. Reviewing the presentation was a great exercise and helped me to apply and digest the topic at hand. **I can't wait for the next one!**



Final Thoughts

