Q.1. What are the pressures that underlie organizational drift?

Summary

- Sales/profit stock price targets
- Growth
- Fear
- Speed/time pressure
- Expense pressure

Response 1

a. Demographics
b. Speed
c. Globalization/Growth
d. Sales targets
e. Social or political pressures / pressures on culture
f. Cost reduction (budget/financials/expenses)
g. Regulatory

Response 2

a. Budget / expenses
b. Stock price / goals
c. Compensation/scorecard/incentives
d. Social pressures

Response 3

a. Profits
b. Targets
c. Pressures
d. Meeting deadlines / goals
e. Success

Response 4

a. Pressures on culture
   i. New management / organization
   ii. Diversity / demographics
   iii. Short-term results
   iv. New long-term strategy / goals (i.e., increase international business by 100%)
   v. External factors that negatively affect your industry (i.e., price of oil, political climate)
   vi. Fear
   vii. Loss of reputation
   viii. Incentives

Response 5

a. Orders / Sales / EBIT/ Cash “Win”
b. New leadership / organization
c. Competitive disadvantage
d. “make the numbers” unattainable goals
e. Fear
f. Good News culture

Response 6

a. Greed
b. Unachievable metrics
c. Rewording those who <> the lines but not recognizing role followers
d. No tone of the top/ wrong tone
e. Time-pressure

Response 7

f. Financials, regulatory, time, Unachievable metrics

Response 8

a. Pressure to grow on out perform
b. Pressure to achieve or maintain specific metrics
c. Pressure to move fast
d. Pressure to reduce expense

Response 9

a. Unachievable
b. Unrealistic
c. Performance goals to keep your job

Response 10

a. Sales / production goals
b. Stock price
c. Executive C-suite directives
d. Market pressure
e. Staffing issues
f. Greed
g. Pressure to outperform

Q.2. What are the signs of organizational drift?

Summary

- Turnover
- Disengagement
- Hotline calls
- Beating expectations
- Survey results
- Jokes and narrative that marginalize control functions
● What is rewarded
● Exceptions to policies

Response 1

a. Increased hotline cases
b. Attrition rates increase
c. Excluding control functions at the table
d. Attendance rates
e. Exceptions to policies and procedures
f. By passing controls

Response 2

a. Euphemistic language
b. Changes to priorities
c. Allocation of resources
d. Turnover

Response 3

a. Increase turnover of tenured EES
b. Intense focus on narrow metrics
c. Turnover in compliance
d. Increase views/viewers on issues/violations
e. Decreasing customer satisfaction
f. Increasing insularity of key groups
g. Unexpected profits
h. Language shifts
i. Disengagements
j. “Make it happen”, “no excuses”

Response 4

a. Ethics Tickets / Open doors
b. Turn-over at certain levels in certain #s
c. Unexpected profits / beating expectations repeatedly
d. Errors in business
e. Disengagement

Response 5

a. Retention
b. Top @ top slizzoing – What gets discussed?
c. Walking away from the program
d. Reorganize / Deprioritize
e. Indication in ERM survey

Response 6

a. Employee attrition / leadership turnover
b. Significant quick changes in high priority metrics (unusual patterns)
c. Change the tone at the top
d. Number of ethics reminders
e. Jokes/ comments that marginalize control functions, rescheduled meetings
f. Increase in request for exceptions to established policies
g. Disengagement

**Response 7**

a. Change in target – make more challenging
b. Lack of engagement
c. Not taking in the stakeholders’ perspectives
d. Pressure fewer resources

**Response 8**

a. Look at strategic plan
b. Look at what people are being compensated for
c. Look at decision making and role of values
d. Exclusion of control functions at the table
e. Authoritarian approach to initiatives
f. Changing of policies / exceptions to policies
g. By pass / removal of controls
h. Increase hotline cases
i. Attrition rates
j. Increase in acceptance of risks at senior level

**Response 9**

a. Employee disengagement (increased absences, etc.)
b. Unexpected / unexplained increases : profits, sales, decreased costs, technological advances

**Response 10**

a. “Do not want excuses just results”
b. “Did you reach your goal? Yes/No”

**Response 11**

a. Customer complaints
b. Attrition
c. Product quality issues
d. Unfavorable survey scores
e. Power struggles / politics
f. “retirements“ / new regime
g. Unexpected profits
h. Rationalization language

**Q.3. How can compliances people corrupt drift?**

**Summary**
• Reward adherence to controls
• Get engaged
• Independence

Response 1
a. Being Proactive - problem solvers
b. Earn your seat at the table

Response 2
a. Independent reporting
b. Well-designed employment contract
c. Incentive pay with E&C <>

Response 3
a. Develop partnerships / build trust
b. Penalties for control violations
c. Rewards for control adherence
d. Tone
e. Set the culture
f. Monitor the factors that indicate drift

Response 4
a. Don’t be the office of no” – “office of know”
b. Problem solvers
c. courage
d. earn influence + power
e. independence
f. political savvy
g. tenacity
h. consulting / coaching

Response 5
a. Job description, independence, reporting structure
b. Governance (committee structure)

Q.4 What skills are needed?

Response 1
a. Coaching, influencing, HR, organizational structure

Response 2
a. Business knowledge, communication

Response 3
a. Reliability, trustworthy, courage, respected, communication

Response 4
a. Courage