



# THE CONFERENCE BOARD AND ECOA GLOBAL ANTI-CORRUPTION BENCHMARKING SURVEY – RESULTS AND DISCUSSION

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**The Conference Board**

# GLOBAL ANTI-CORRUPTION BENCHMARKING SURVEY – RESULTS AND DISCUSSION

## THE SURVEY

- **165 responses (2006)**
- **151 responses (2000)**
- **Where the same questions were asked with the earlier survey, this presentation will compare the 2006 frequencies to the findings in the 2000 report**



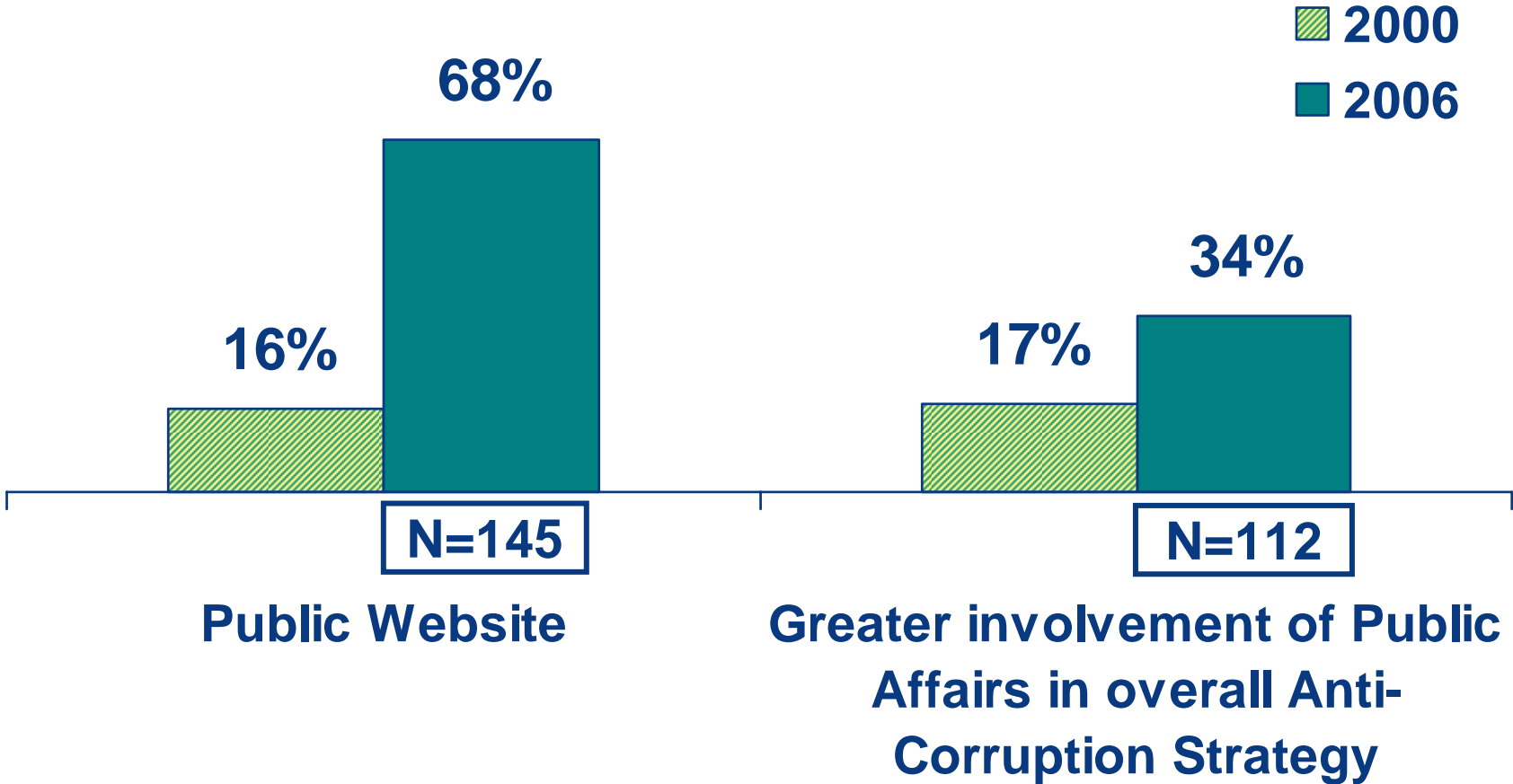
# KEY CHANGES

- **Fewer non-program companies – one-third (2006), half (2000)**
- **Little difference in policies/practices between program and non-program companies**
- **Percentage of companies engaged in all kinds of anti-corruption activities has increased**



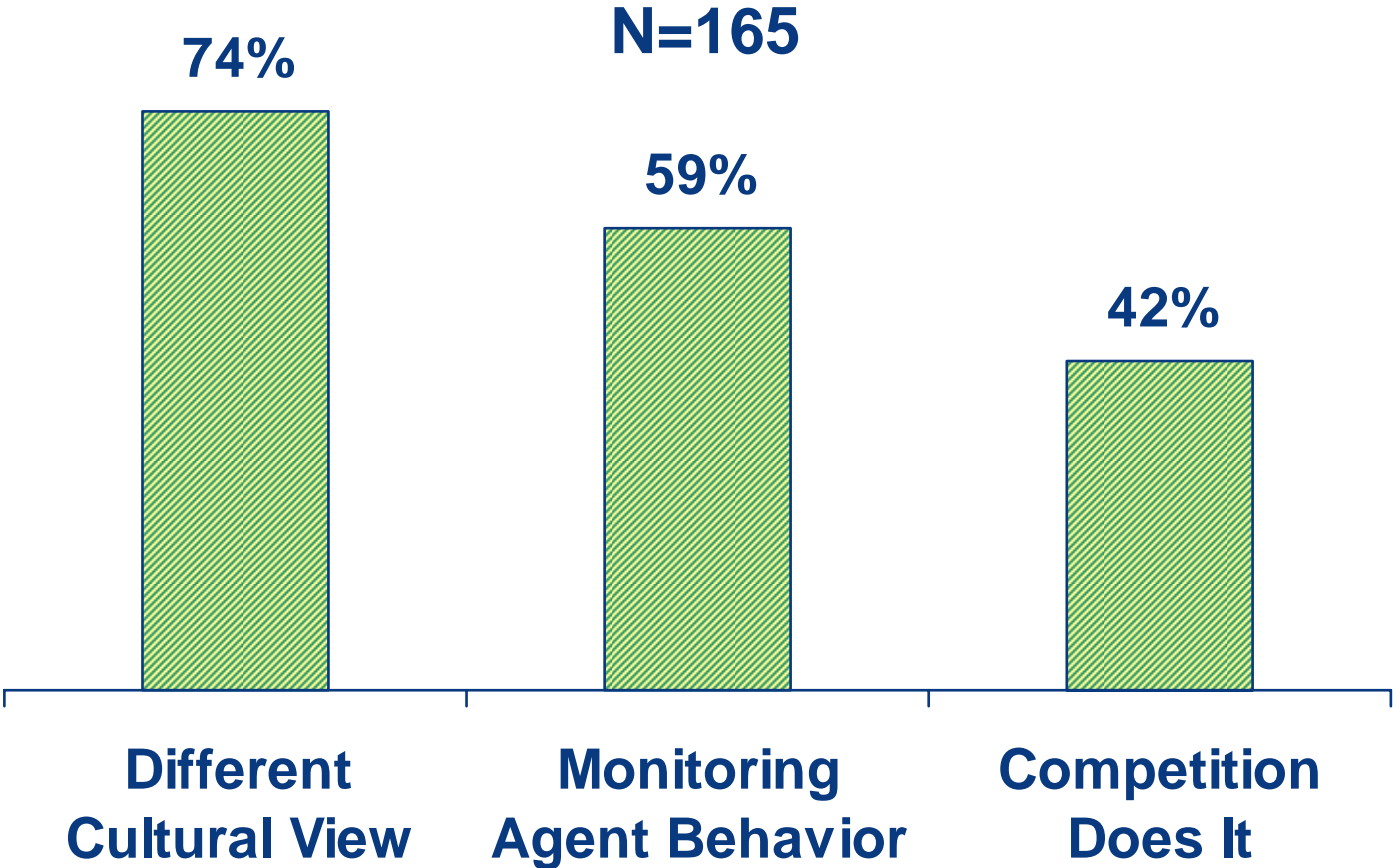
# GLOBAL ANTI-CORRUPTION BENCHMARKING SURVEY – RESULTS AND DISCUSSION

## Public Dissemination



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## 2006 Top Three Challenges



# GLOBAL ANTI-CORRUPTION BENCHMARKING SURVEY – RESULTS AND DISCUSSION

## Resources Dedicated:

- **Specific staff – still somewhat unlikely**
- **25 percent (2000)**
- **26 percent (2006)**



# THE SAME TOP THREE MEASURES ARE VIEWED AS MOST EFFECTIVE. A LARGER PERCENTAGE OF 2006 PARTICIPANTS RECOGNIZE THEIR VALUE

## Company Statement:

- ◆ “effective” or “highly effective” -- 66 percent (2006)
- ◆ “important” – 48 percent (2000)

## Follow-up on reports of questionable practices:

- ◆ “effective” or “highly effective” – 64 percent (2006)
- ◆ “important” – 41 percent (2000)

## Group sessions/discussions:

- ◆ “effective” or “highly effective” – 61 percent (2006)
- ◆ “important” – 26 percent (2000)



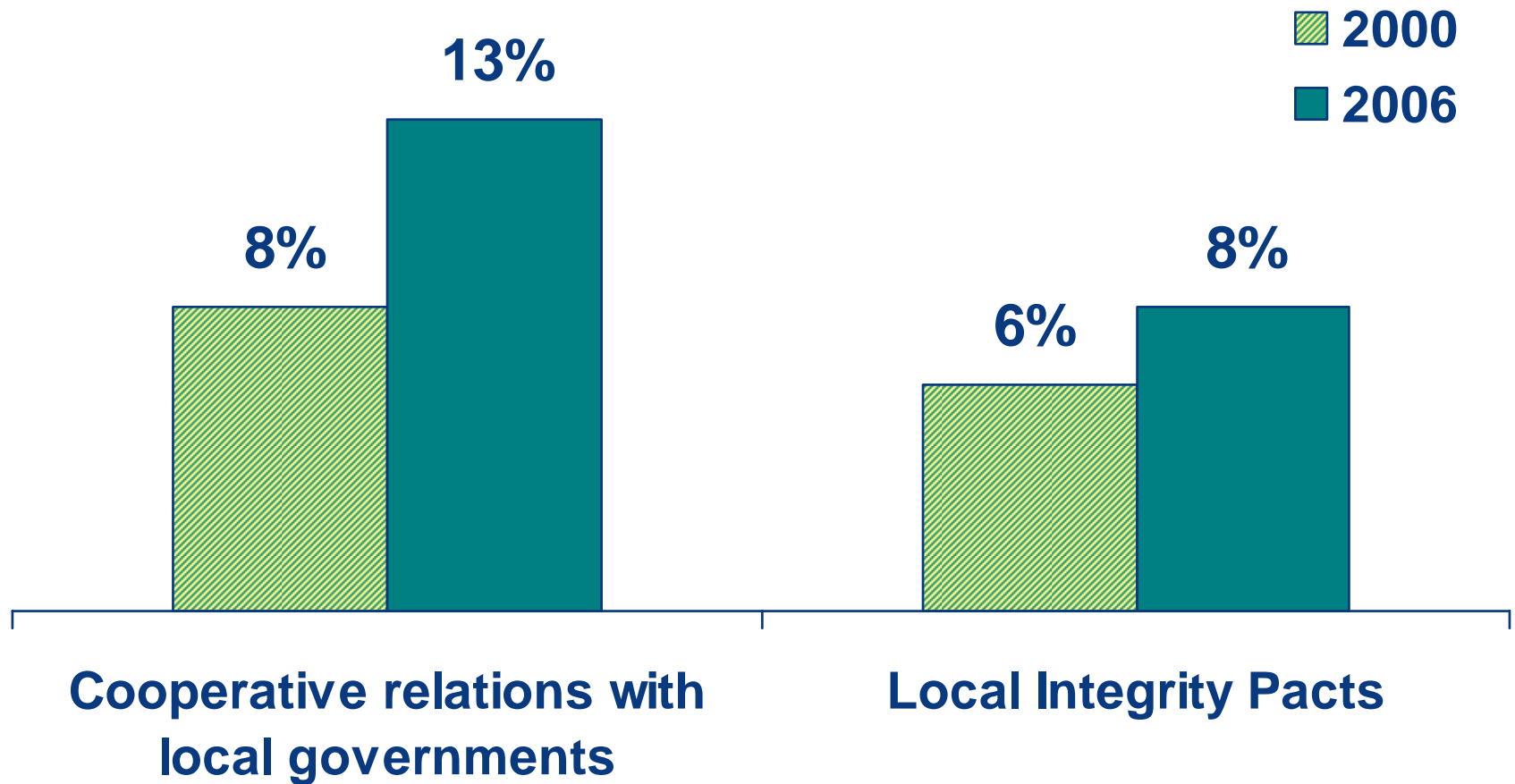
## SIGNIFICANT INCREASE IN PERCEIVED EFFECTIVENESS

- 40 percent (2006)
- 10 percent (2000)
- A relatively high percentage of 2006 respondents (7 percent) believe that hotlines are *ineffective*

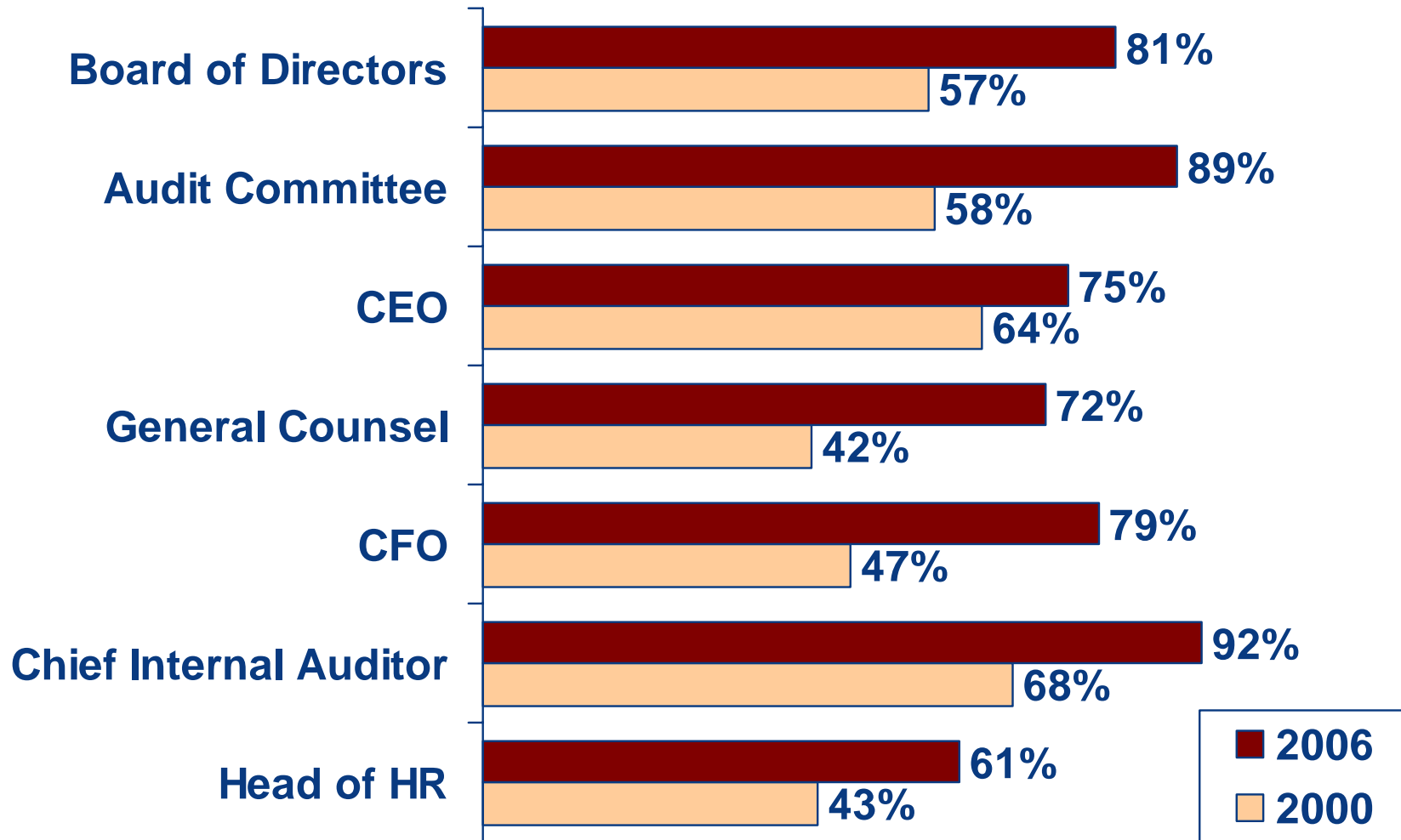




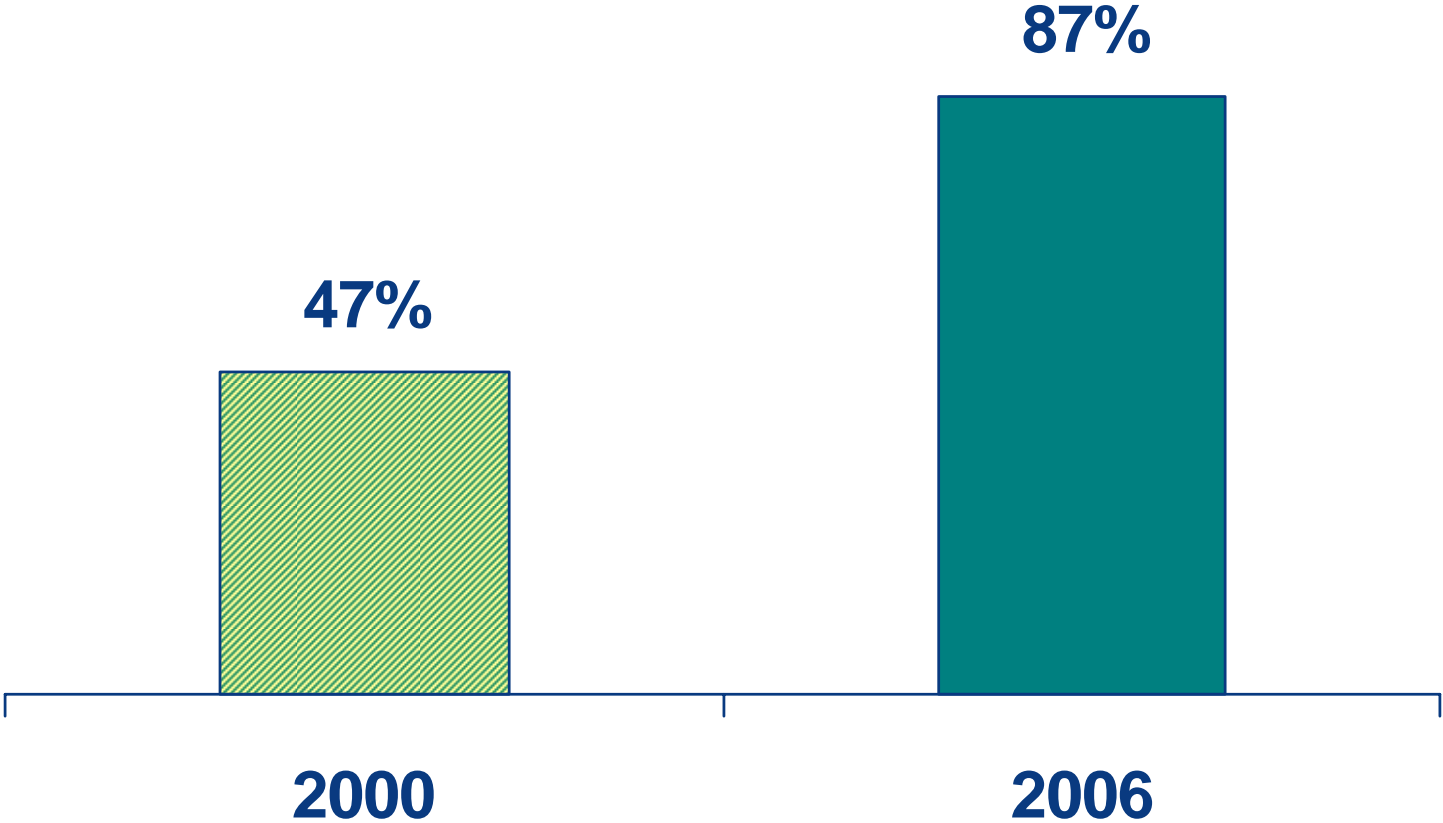
# COMPANIES BELIEVE THAT THEIR INTERNAL PROCESSES ARE THE FIRST LINE OF DEFENSE AGAINST CORRUPTION. FEW SEE LOCAL INITIATIVES AS EFFECTIVE



# HIGH LEVEL PERSONS ARE MORE LIKELY TO BE INVOLVED IN MONITORING OVERSIGHT



# GREATER INVOLVEMENT OF CLO IN PROGRAM DEVELOPMENT PHASE



# MORE COMPANIES ARE SEEKING OUTSIDE ADVICE IN DEVELOPING ANTI-CORRUPTION PROGRAMS

## Law Firms:

- 32 percent (2006)
- 21 percent (2000)

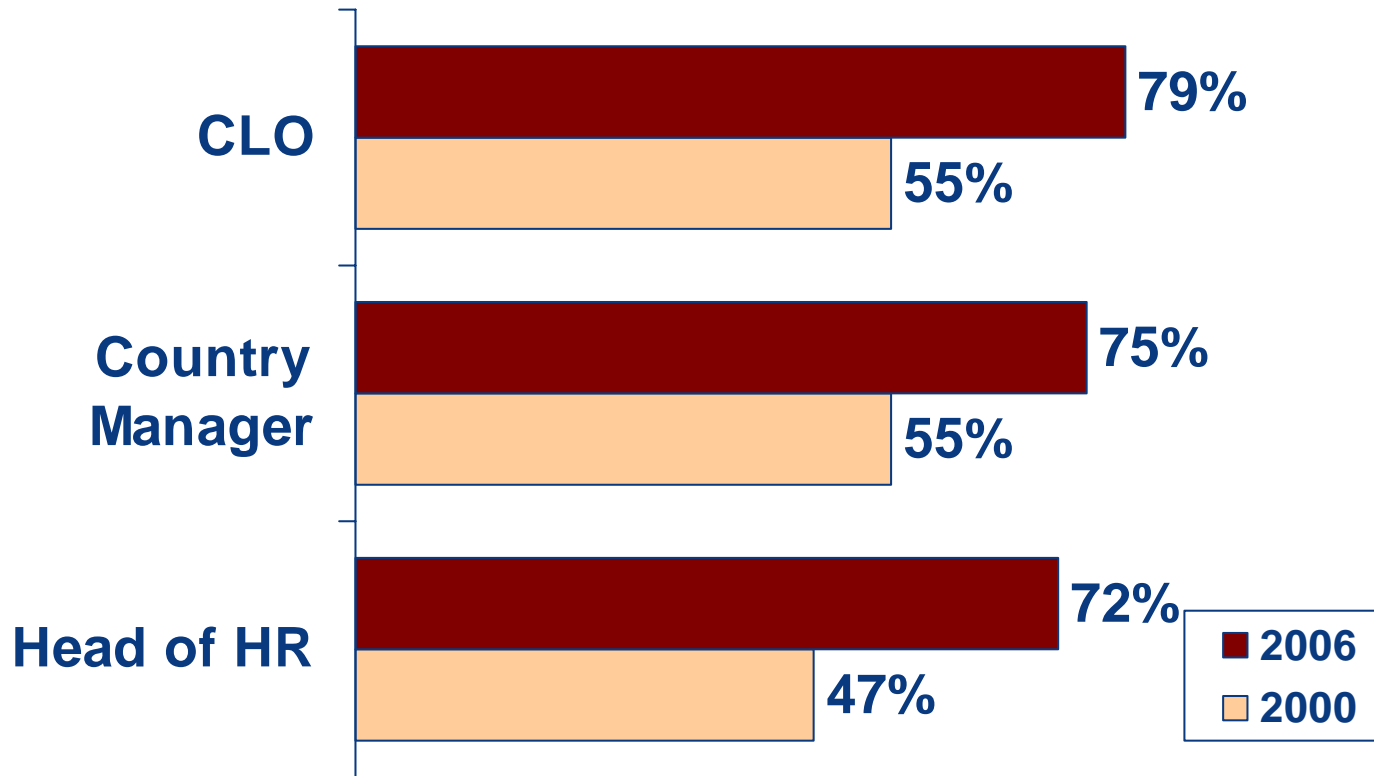
## Consultants:

- 18 percent (2006)
- Not asked (2000)



# IMPLEMENTATION

## SIGNIFICANT INCREASE IN THE PERCENTAGE OF COMPANIES THAT INVOLVE:



## VERY SIGNIFICANT ACROSS THE BOARD INCREASE OF CLO INVOLVEMENT

- Larger percentage of sample are US companies
- Programs are more law driven in all countries (e.g., OECD)



# ARE MORAL CONVICTIONS OR LEGAL PRESSURES THE MOST IMPORTANT REASON FOR COMPANY ANTI-CORRUPTION PROGRAMS?

## Legal:

- ◆ 33 percent (includes S-Ox 404) (2006)
- ◆ 17 percent (2000)

## Moral Convictions:

- ◆ 45 percent (senior management convictions, bribe payments are wrong) (2006)
- ◆ 61 percent (senior management convictions, bribe payments are wrong) (2000)

**The business case is not a key consideration (few in either survey cited issues such as cost, image, etc.)**



# ANTI-CORRUPTION PROGRAMS: THE KEY CONSIDERATIONS

- **The absence of business case rationales suggests that companies do not see cost considerations as an important reason for having strong anti-corruption defenses.**
- **Law, moral scruples, or some combination of the two, are the decisive motivating factors.**

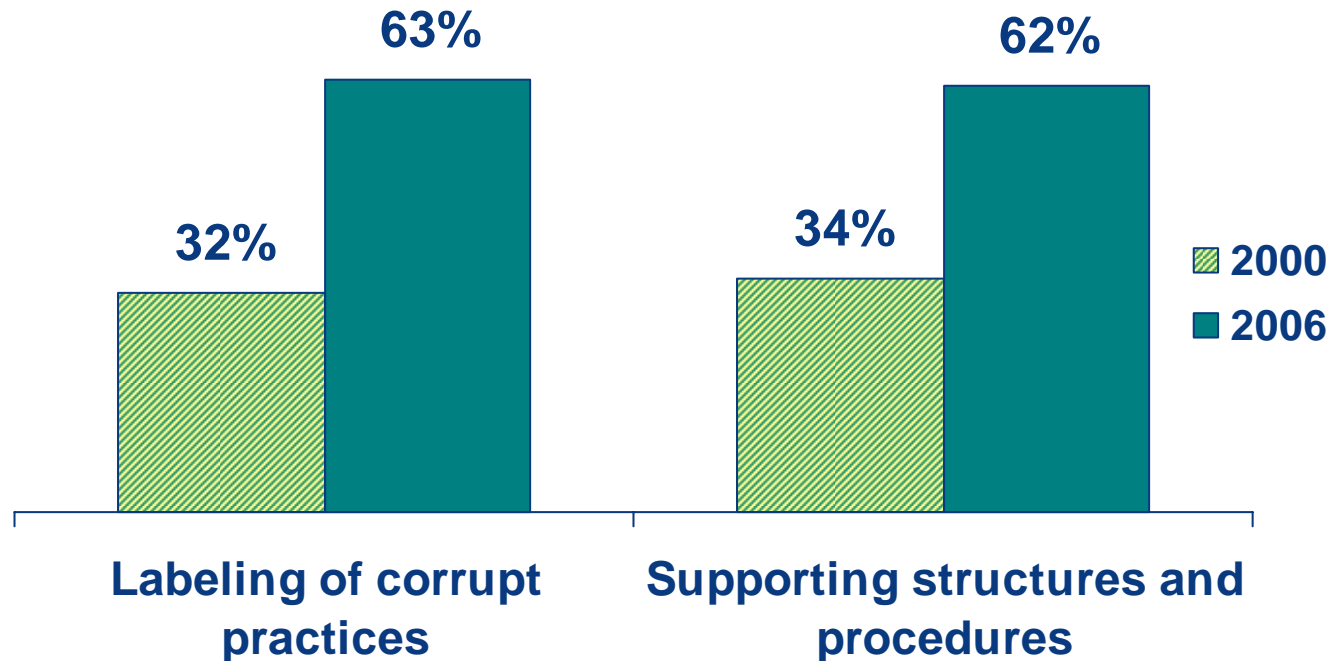




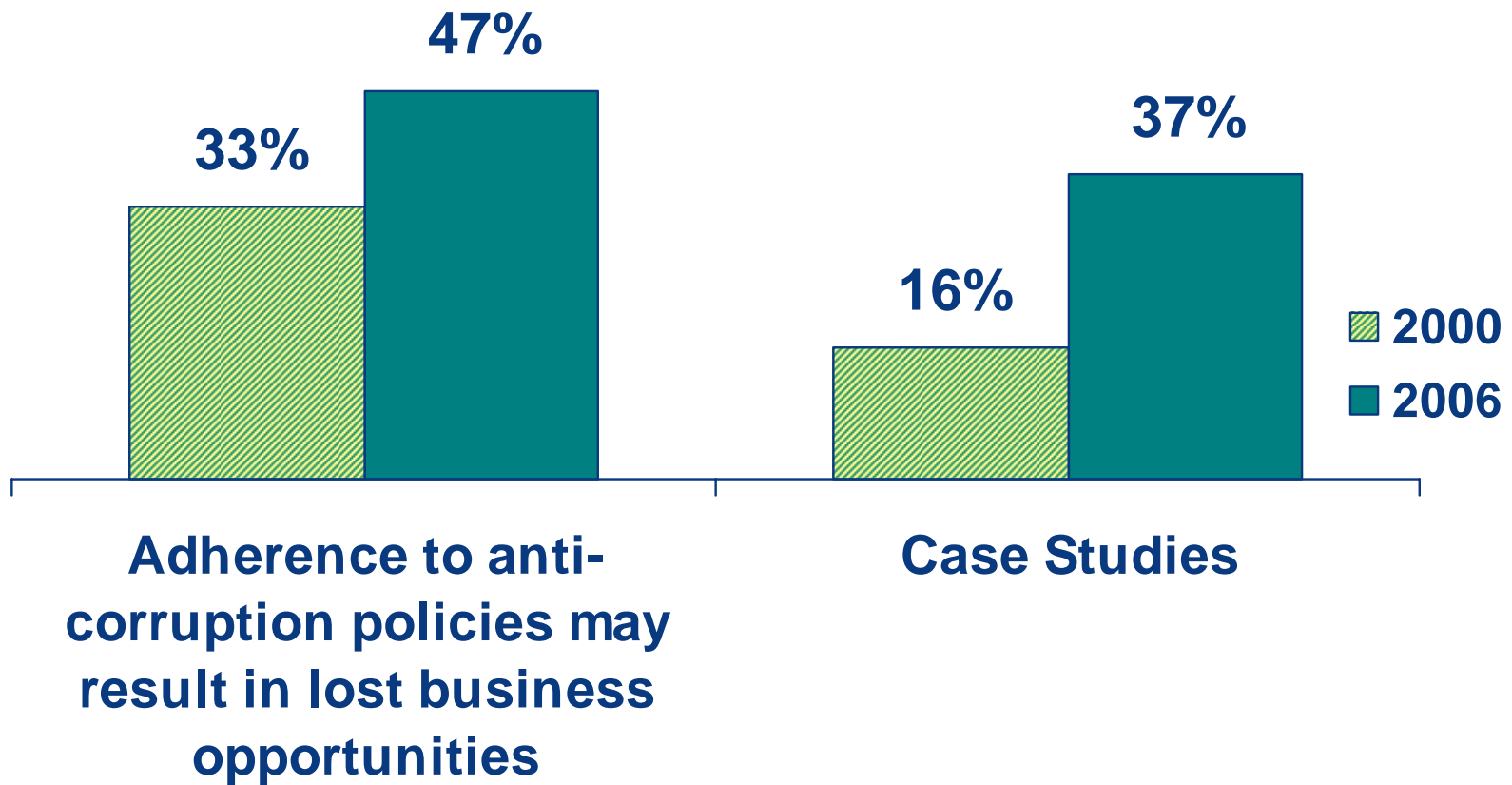
# GLOBAL ANTI-CORRUPTION BENCHMARKING SURVEY – RESULTS AND DISCUSSION

2006 survey confirms that statements are more detailed and precise. The content areas that had the most significant increases were:

## Anti-Corruption Statement Content



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## THE IMPORTANCE OF SIZE:

- **Statements of larger companies are likely to be more detailed and precise**
- **Larger companies are more likely to have a statement that adherence to the company's anti-corruption policy may result in lost business opportunities**



# USE OF STATEMENT THAT ADHERENCE TO ANTI-CORRUPTION POLICY MAY RESULT IN LOST BUSINESS OPPORTUNITIES:

