DUTCH WHISTLEBLOWERS
AUTHORITY

Integrity Management
& the Integrity Manager
Current status and possibilities for development

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CONTENTS

FOREWORD & READING REFERENCE

Integrity policies make organisations better. Integrity pays off and is an important quality aspect of organisations. Rightly so, the subject is receiving increasing attention. The importance of integrity, particularly in working relationships, is being recognised. This does not alter the fact that integrity violations continue to occur. The Dutch Whistleblowers Authority sees it again and again in requests for advice and investigations it receives: where integrity is lacking, organisations and the people who work there suffer. It is important and beneficial for organisations to appoint integrity managers who can take the care and attention for integrity to a higher level and to make sure this level and attention is maintained.

This exploration focuses on the topic of integrity management and examines the role of the integrity manager. Integrity management is focused on promoting, monitoring and embedding of integrity within organisations. The integrity manager (also referred to as integrity officer, integrity coordinator, or (ethics &) compliance officer) is the person responsible for the design, coordination, and implementation of the integrity policies or compliance programme within the organisation.

The exploration offers insights and tools for both the public and private sectors. The exploration is intended for employers and administrators as well as the integrity managers. Integrity officers working within the government, as well as compliance officers from the business world who want to delve deeper into integrity management in addition to the traditional compliance topics, can benefit from this document.

The exploration has a coherent structure and can be read sequentially. The exploration links a theoretical reflection on integrity management with the results of a survey on the interpretation of the integrity function and integrity management in practice. The exploration consists of two parts which can be read separately, depending on the specific information needs.

Based on theory and literature, the first part of the exploration offers insight into the usefulness and necessity of integrity management and the relevant questions and considerations. Topics covered include: What does integrity mean, why is it important, and how does it relate to notions of corruption and compliance? What types of integrity violations can be distinguished, what are their causes, and why should all integrity violations (even relatively minor ones) be taken seriously? What components make up a good integrity system, what actors are involved, and why is it important for an organisation of any size to have an integrity manager?

The second part of the exploration, based on the results of an online survey, provides background information on the function of the integrity manager in practice and how he or she views integrity management in his or her organisation on a daily basis. The purpose of the survey is to gain more insight into the function of integrity managers and their assessment of integrity management in order to make recommendations for further development.

MANAGEMENT SUMMARY

- Integrity contributes to the trust in organisations, the quality of services, the motivation and satisfaction of employees and to a more just and safe society.

- Developments in 'integrity thinking' indicate that an integrated and systemic integrity approach leads to the best results.

- It would make sense for organisations to appoint an integrity manager who: establishes coherence between the various integrity measures, strengthens cooperation between the actors involved, and keeps the theme on the agenda as a focal point.

- The survey among integrity managers reveals a number of areas for improvement. For example, only a minority has a specific job description, there is often a lack of sufficient (further) training in the field, and the time that integrity managers can devote to their role is frequently seen as too limited.

- In terms of content, it is worth noting that the more process-oriented aspects of integrity management, such as planning, coordinating, evaluating and accounting, for the integrity or compliance programme deserve more attention.

- Integrity managers could also make greater use of internal and external integrity networks. Integrity managers are advised to work more closely with other organisational units (such as the HR, Audit, Finance, Legal, Works Council, the confidential counsellor, etc. departments) that are responsible for components of the integrity policy. Integrity managers should also connect with external integrity networks and sparring partners. Umbrella organisations and employers' associations play an important role in assisting in organising such external network connections.

- Organisations that are too small to appoint their own dedicated integrity manager are advised to ask for support from their umbrella organisation, they may also consider appointing an external integrity manager or sharing expertise with other (similar) organisations.

- Reporting procedures for raising concerns about integrity violations, misconduct and wrongdoing appear to be in place in most organisations. However, the survey shows that the availability of the reporting options for (former) employees, suppliers and partners still needs attention. The same is true for the clarity of the reporting procedures/options. In addition, a substantial proportion of organisations do not yet appear to have an investigation protocol in place. This is, of course, necessary to be able to properly investigate reports received.

- The survey of integrity managers revealed a number of other areas for development. For example, it is important that management's sense of urgency for integrity grows and that it pays attention to and supports integrity management in a more structural way. Working towards a more systematic and coherent integrity approach, as well as increasing the visibility and awareness of the existing integrity measures, are also development points.

INTEGRITY MANAGEMENT

1.1   INTRODUCTION

The automotive industry, sports, financial institutions, charitable organisations and governments, are just a few examples of sectors/organisations that have received negative publication in recent years for serious integrity violations. The impact of this often proves to be significant and long-lasting. It affects image and financial results, and additionally environmental and health effects may also occur, in terms of the well-being of individual citizens and/or society as a whole.

Conversely – and more positively framed – it appears that investing in integrity management pays off. For example, the private sector emphasizes that integrity contributes to the continuity of processes, it strengthens trust between business sectors and industries, reduces the administrative burden and contributes to a good corporate reputation.[1]
In the public sector, the importance of integrity is often framed in terms of public trust, it contributes to economic growth, legitimacy, social stability and the quality of public service. And for both sectors, an organisational culture of integrity contributes to employee motivation and commitment. In addition, employees in organisations with integrity are less affected by stress, anxiety, insecurity and emotional exhaustion, which means a lower sick leave rate in these organisations. We also know that organisations with integrity are more attractive to employees, making it easier for these organisations to recruit well-qualified staff. Finally, research by the *Erasmus Happiness Economics Research Organisation* indicates that a high quality government that has integrity and is non-corrupt contributes to the happiness of citizens (and employees).[2]

In short, integrity pays off and is an important quality aspect for organisations. Fortunately, there is increasing attention to integrity and related issues. In the private sector compliance programmes have been developed for quite some time, while specific integrity regulations have been formulated for the public sector, and international organizations promote anti-corruption measures. Despite the differences between compliance, integrity, and anti-corruption (Section 1.2 discusses this in more detail) it should be noted that the similarities are significant . And despite the differences that exist between government and business, the similarities between the two sectors in terms of integrity management seem to be greater than the differences.

Section 1.3 sets out the fact that despite this attention for integrity, things still regularly go wrong and all kinds of integrity violations continue to occur. First and foremost, it is important to address such violations. This applies not only to the major, obvious cases but also, in particular, to the relatively small, seemingly innocent ones. Secondly, it is important to recognise that integrity violations often have several (mutually reinforcing) underlying causes. This also assumes that an organisation's integrity policy or system consists of a mix of different types of integrity measures.

1   Boschma & Kaptein (2016). Leadership in Ethics. Inspiration for a ground-breaking ethic for businesses.
     The Hague: VNO-NCW and MKB-Nederland.
2   See, for example: https://www.trendsinhr.nl/gelukkige-publieke-sector-voor-een-gelukkige-samenleving/

Section 1.4 identifies the major components of an integrity policy or system and lists the departments/officials that often play a role in it. The variety in types of measures (components) and officials involved also implies the importance of organising central control and coordination. This serves to prevent the various measures from working against each other rather than strengthening each other, and to ensure that the departments/ officials involved work on integrity from the same ambition and vision. Section 1.5 then focuses on the integrity manager and his or her directing and coordinating role.

Next, Part 2 of this exploration examines the results of an online survey that was completed by 101 integrity managers. The purpose of this survey is to gain a better understanding of the practice of these officers and to make recommendations for improvements.

Integrity management pays off and serves employees, organisations and ultimately, society as a whole.

1.2   INTEGRITY AND RELATED CONCEPTS

To effectively talk about integrity management, it is important to first provide some clarity on what the concept of integrity means. This is actually not so clear-cut. There are many definitions of integrity.

Originally, the word integrity (derived from the Latin word 'integritas') referred to two types of qualities. First, to 'moral qualities' like honesty and trustworthiness and, second, to 'formal qualities' like wholeness and completeness. Combined, these qualities emphasize what integrity aims at *(the moral)* and what is required to achieve it *(the formal)*. Briefly, integrity means 'doing the right thing' in 'the right way'.[3] More specifically, integrity means acting in accordance with relevant moral values and standards.[4] The adjective 'moral' here indicates that integrity is a social – relational – value.[5] Integrity is not a matter of individual taste, preference, value, or opinion. On the contrary, what integrity entails is determined by society as a whole.

Integrity is also often defined by its opposite viz. corruption. It should however be noted that integrity in the strict sense is about more than just the absence of corruption. After all, integrity refers to morally desirable behaviour, while corruption is about unwanted criminal behaviour. Integrity is therefore a broader and more positively charged concept than 'anti-corruption'. Although the term (anti-)corruption is still often used abroad, it is remarkable that this term is increasingly given a broader meaning and that there is more of an eye for the importance and positive side of promoting integrity.

3   Heywood, P. M., & Rose, J. (2015). Curbing corruption or promoting integrity? Probing the hidden conceptual challenge. In: Hardi, P., Heywood, P.M., & Torsello, D. (Eds.). *Debates of corruption and integrity. Perspectives from Europe and the US.* Houndsmills: Palgrave Macmillan, 102-119.

4   Huberts, L. (2014). *The Integrity of Governance. What it is, what we know, what is done, and where we go to.* Houndmills: Palgrave.

5   Jeurissen, R., De Jong, M., & Odijk, T. (2012). *Implementation and certification scheme of integrity management systems.* The Netherlands: SIO.

In the private sector, the term compliance is often used instead of integrity. Compliance originally had a more legal and rule-oriented character than integrity. Compliance initially came to mean primarily observing all relevant laws, rules, policies, regulations, standards, and similar requirements.[6] Typical compliance issues include, for example, anti-money laundering, anti-corruption, environmental protection measures, product safety, data protection, cyber security, compliance with internal rules of conduct, and health and safety requirements. Meanwhile, the word 'ethics' is increasingly linked to compliance, marking the shift from a strong emphasis on rules, to a combination of both rules and values. The Dutch compliance institute and professionals today explicitly connect compliance with ethics and integrity.[7] In addition to ethics, we also see that terms such as 'morals,' 'values,' and 'standards' are frequently used in the context of integrity. We explain these terms here briefly and in cohesion.

The term ethics refers to the critical reflection on moral questions and to methods applied to determine what is 'right and wrong' and 'good and bad'.[8] Ethics, however, is broader than integrity and deals with weighty political-social issues such as participation in wars, the legalisation of drugs, whether or not to allow abortion and euthanasia, the use of nuclear energy, and other robust questions.[9] In other words, ethics is about substantive, political choices and desired social outcomes. Integrity, on the other hand, is more limited to the process and focuses, for example, on: fair decision-making, the implementation of policies and whether the right processes and procedures were followed in doing so. Or, in other words, whether things are done in 'the right way'. If ethics is the reflection on moral questions, what is morality? Morality is about the shared set of values and standards that people feel strongly about because they deal with important issues that affect the community to which they belong. Values define desired behaviours; they are aspirations and usually remain quite abstract. Frequently cited values include: honesty, transparency, reliability, responsibility, efficiency, and collegiality. Standards are values-derived, concretised, rules. Within the context of an organisation, such rules may cover such questions as: may employees accept gifts, invitations, or additional positions? How should they declare work-related expenses? How should they handle confidential information? What are the rules regarding dealing with the press and posting on social media?

6   Wulf, K. 2012. *Ethics and Compliance Programmes in Multinational Organisations.* Wiesbaden: Springer Gabler Science & Business Media.
7   Netherlands Compliance Institute. (2019). Yearbook Compliance 2019. Capelle aan den IJssel: Netherlands Compliance Institute. and: Vermeulen, G. (2016). Compliance in the future: more important and more challenging. *Journal of Compliance*, 1, 5-15.
8   Kaptein, M., & Wempe, J. (2002). *The balanced company. A theory of corporate integrity.* New York: Oxford.
9   Huberts, L. (2014). *The Integrity of Governance. What it is, what we know, what is done, and where we go to.* Houndmills: Palgrave.

1.3   INTEGRITY VIOLATIONS, EFFECTS AND CAUSES

To give the multifaceted concept of 'integrity' a little more meaning, it helps to give some examples of integrity violations. Table 1 provides an overview of different types of integrity violations.[10] The table shows that integrity violations range from all kinds of financial malfeasance (e.g., fraud and corruption) to forms of undesirable social behaviour (e.g., abuse of power and undesirable interactions).

TABLE 1: TYPOLOGY OF INTEGRITY VIOLATIONS

1.	Corruption: bribery
2.	Corruption: preferential policies (nepotism, old boys networks)
3.	Fraud and theft
4.	Conflicts of interest with gifts
5.	Conflicts of interest with ancillary activities
6.	Abuse of power
7.	Misuse or manipulation of information
8.	Unwanted interaction with colleagues, citizens, customers or clients
9.	Misuse of organisational resources
10.	Misconduct in private life

Importantly, integrity violations should always be addressed, no matter how small or insignificant they may sometimes seem. This is due to a number of 'integrity effects' described in the table below[11].

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10   Lasthuizen, K., Huberts, L.W.J.C., & Heres, L. (2011). How to measure integrity violations. Towards a validated typology of unethical behaviour. *Public Management Review*, 13(3), 383-408.

11   Niessen, R. (2004). *Civil servant in government organisation*. Deventer: Kluwer

TABLE 2: EFFECTS OF INTEGRITY VIOLATIONS

Effects	Description
Snowballing	Small integrity incidents tend to grow into larger incidents if not corrected in a timely manner. If non-integrity is not addressed, it sends the message that it is 'OK' and will be tolerated. The risk is that violators will engage in integrity violations more often and on a larger scale.
Contagion	Non-integrity by an employee also provokes similar behaviour by colleagues. If violations are not addressed properly, then this is interpreted by colleagues as acceptable behaviour. This increases the risk that others in the organisation will feel justified and encouraged to follow suit.
Radiation	Non-integrity that occurs within a particular organisational unit often reflects on the reputation of the entire organisation or even the entire sector/industry. As a result, the impact of integrity violations extends beyond those parts within which they have manifested themselves.

Timely intervention in the event of integrity violations is therefore important, but just as important or perhaps even more important is trying to prevent integrity violations. And in order to prevent integrity violations, it is important to understand the underlying causes. Integrity violations are generally the result of a combination of causes at various levels, including:[12]

Individual: At the individual level, integrity violations are often caused by personal problems/ weaknesses. Financial problems, gambling, drug, or alcohol addiction, wrong friends, sensitivity to social and material status, peer pressure, or low self-esteem are considered predictors of non-integrity. Character traits such as pride, greed and vanity also contribute.

Organisational: In addition, many integrity violations are committed because employees work within a context lacking integrity: this is the organisational level. Integrity violations are then due not so much to employees who are 'bad', or have bad intentions (rotten apples), but to 'unhealthy' organisations (rotten baskets) that encourage or push employees to engage in unethical behaviour. Examples of such unhealthy organisational conditions that lead to integrity risks include: unrealistic targets, leadership failures, unclear rules, too much autonomy, lack of supervision, peer pressure, and underpayment.[13]

Social: Integrity violations can also be the result of all kinds of social developments, such as the onset of a recession, the increasing use of social media, the application of artificial intelligence (big data), the change in moral standards and the switch to long-term forced home working. Such developments lead to new integrity issues and risks, and require organisations to address this.

12   Hoekstra, A., and L. Heres. 2016. Ethical Probity in Public Service. G*lobal Encyclopedia of Public Administration, Public Policy, and Governance.* Switzerland: Springer International Publishing.
13   Kaptein, M. (1998). Ethics management. *Auditing and developing the ethical content of organisations.* Dordrecht: Kluwer Academic Publishers.

The causes of integrity violations can thus be traced back to three different levels (individual, organisational and societal), and mutual reinforcement between the three should be taken into account. An employee who is sensitive to pressure and who works in an organisation setting high performance targets (because of strong market competition), while internal controls have been cut back because of an economic recession, may easily get into trouble. Therefore, in the case of integrity violations, it does not make sense to remove the 'rotten apple'. Rather, the 'basket' must also be examined to determine whether there are structural flaws. Similarly, the organisation's environment, we could call it the 'orchard' in line with the above metaphor, must also be included in the equation. After all, causes of integrity violations can also be found there. A good risk analysis based on which appropriate integrity measures can be taken is therefore a necessity.

1.4 INTEGRITY MEASURES, MODELS AND ACTORS

Since integrity violations often have several (mutually reinforcing) causes, this asks for a sound integrity system consisting of a mix of integrity measures.

Over time, a diverse palette of types of integrity tools has been developed. Without the ambition to be exhaustive, we list a few examples of integrity measures, in no particular order: reporting procedures, codes of conduct, screening of new employees, taking an oath, conducting audits, induction courses, conducting investigations and imposing sanctions, appointing confidential counsellors (trusted persons) and integrity managers, risk analysis, games, awards, integrity training, rules regarding the performance of outside work and accepting gifts, as well as procedures such as job rotation, separation and the four-eyes principle.

The development of integrity tools is never completed. All kinds of developments will add new tools to the palette. Existing instruments may also be further developed based on lessons learned, replacing instruments by other, better instruments.

Meanwhile, the logical structure and order of and cohesion between these instruments is increasingly a focal point. Working from a more integral and system-oriented integrity approach is a key phase in the development of the integrity concept. This has led to various models that have some differences, but mainly have many similarities with respect to the elements that an integrity model or system should consist of.[14] An important argument for using such models is that they contribute to the effectiveness of integrity policy through the presented coherence between instruments.

In this publication, the 'Integrity Infrastructure' is used. This is a model consisting of seven elements[15]. The model is visualised in Figure 1 and then further explained in Table 3.

14 Huberts, L., & Van Montfort, A. (2020). Building ethical organisations: The importance of organisational integritysystems. In: Adam Graycar (Ed.). Handbook on corruption, ethics and integrity in public administration. Chapter 31. Cheltenham & Northampton: Edward Elgar. and: OECD (2017). Recommendation on Public Integrity. Paris: OECD.

15 https://www.huisvoorklokkenluiders.nl/Publicaties/publicaties/2018/07/09/integrity-in-practice---towards-an-ethical-culture

FIGURE 1: INFRASTRUCTURE INTEGRITY

TABLE 3: INFRASTRUCTURE INTEGRITY

Seven elements of the Integrity infrastructure	
Leadership & Strategy	Integrity is increasingly seen as a core value for both public and private organisations. However, integrity policies can only succeed if the organisation's leadership considers it an important issue, visibly supports it, serves as a role model, is willing to invest sufficient resources, and also defines a clear vision and strategy on integrity and integrity management[16].
Values & standards	Values and standards constitute the set of written and unwritten organisational rules. They guide what the organisation, management and employees stand for and can be held accountable for. If the values and standards of the organisation are not sufficiently specified, modelled or communicated, then this can lead to confusion about the desired attitudes and conduct. Values and standards are not optional. It offers starting points for difficult moments and form the basis for the integrity policy and its enforcement.
Rules & Procedures	The organisational values and standards are specified and supported by the body of formal rules and procedures. Inadequate presence or unawareness of rules and procedures can lead to a situation of arbitrariness and subjectivity. Employees face unnecessary risks and temptations by not receiving enough unambiguous direction and guidance regarding the tasks they are to perform.

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16   Supervisory Boards (SB) and supervisory bodies also play an important role in this regard.

Seven elements of the Integrity infrastructure	
Personnel & Culture	Caring for integrity begins at the 'gate' and helps ensure that the organisation hires people who are a good fit for the organisation, the work and the associated integrity expectations. Attention to integrity is therefore an important part of the recruitment and selection process as well as human resources policies. Inadequate concern for the ethical climate and organisational culture can lead to undesirable group behaviour and reduced ethical awareness, increasing the likelihood of wrong decisions and integrity violations.
Reporting & Enforcement	Every organisation needs to be prepared for incidents. Such reports should, of course, always be taken seriously. Establishing internal reporting channels and adequately addressing incidents sends the message that integrity is considered important and taken seriously. Enforcement is not only necessary to stop observed violations of standards, it also validates existing standards and reduces the risk of future violations.
Monitoring & Accountability	Monitoring of the integrity policy is necessary to track its progress and operation. Based on proper monitoring and evaluation, management gains insight into the implementation of the integrity policy pursued, the operation of the integrity measures and to what extent these can be improved. Furthermore, organisations are increasingly being required to provide external accountability (for example in an annual report) for the integrity policy they have conducted.
Coherence & Coordination	The best way to promote integrity in an organisation is to take a sustainable and cohesive approach. Integrity promotion deserves ongoing care and attention and is preferably not purely incident driven. Integrity promotion also benefits from an integrated approach in which the various integrity tools and activities are aligned for mutual reinforcement. A sustainable and coherent approach contributes to the effectiveness of integrity policies.

TABLE 4: INTEGRITY ACTORS

Category	Department	Features of Integrity Role
Management & Governance	Leadership of the organisation (including supervisory bodies)	ultimate responsibility for setting the agenda, implementation, enforcement and monitoring of the integrity policy for the entire organisation
	Management	responsible for implementing integrity policies and promoting integrity within the organisational units they are responsible for
Integrity assistants	Integrity Coordinator Compliance Officer	it involves a wide range of various types of officers who perform roles related to the: support, advice, design, tool box, operationalisation, enforcement and coordination of integrity policies
Staff Services & Officers	Audit Department	to set up the administrative organisation and internal control in such a way that it promotes integrity
	Finance	responsible for assurance of vulnerable actions around purchasing, tendering, working budgets and expense claims
	Legal affairs	defining legal policies, providing advice based on the relevant laws and regulations, and drafting delegation, deputy and mandate procedures
	HRM	setting up procedures and providing advice regarding recruitment and selection, job descriptions, performance and assessment interviews, disciplinary investigations, sanctions, corporate culture
	Communication/ Education	communicating the importance of integrity and any integrity violations
	Security, ICT	setting up the physical and ICT security from an integrity point of view
	Facilities department	responsible for the procurement, maintenance and management of operating assets
	Confidential counsellor	to advise and guide employees in the (internal) reporting process in the event of suspected violations of integrity
	Works Council	advising on/agreeing to (proposed) integrity policy of the organisation
	Company doctor	safety net for employees who experience complaints (bullying, discrimination, harassment, violence) due to non-integrity of the organisation or other employees

1.5   THE INTEGRITY MANAGER

The wide range of integrity elements and of actors responsible can easily lead to incoherence and fragmentation. In that case, the integrity measures are rather separated and isolated and there is no coordination and cooperation between the integrity actors.

From literature and research, we know that coherence and cooperation promote the effectiveness of the integrity measures implemented. Therefore, the general advice is to create a coordinating integrity function, for example in the form of an integrity officer or compliance officer[17].

In fact, according to the Ethics Resource Center, this is a must:

"An organization which implements an ethics and compliance program without designating an individual to oversee it, risks the possibility that the function will fail for lack of leadership. Similarly, talking about the importance of ethics without creating a formal function to uphold and promote organizational standards may be perceived as hypocritical."[18]

Appointing such an integrity manager makes clear that the organisation's top management considers the issue of integrity important and is actually committed to implementing policy. It also increases the likelihood that attention to the topic will persist and not fade away prematurely, without an explicit decision. But it is also important to organise synergy between the instruments, making the whole more than the sum of its parts. In addition, it also leads to an improvement in policies and tools, because an integrity manager has the time and expertise to develop and maintain sound policies.[19]

Reasoning from the importance of coordination, and the appointment of an integrity manager who can provide it, we arrive at Figure 2. In this figure, a number of key integrity actors are presented as part of the integrity network, with the integrity manager at the centre. As a spider in the web, the integrity manager can oversee the full range of activities and actors and bring and keep them together.[20]

17 Segon, M. (2010). Managing organisational ethics: Professionalism, duty and HR practitioners. *Journal of Business Systems, Governance and Ethics*, 5(4), 13-25. and: Van den Heuvel, J.H.J., Huberts, L.W.J.C., Steenbergen, K., and Van der Wal, Z. (2010). Integrity of Local Government: Council clerks and city secretaries on integrity. The Hague: Boom Lemma Publishers.

18 Ethics Resource Center. 2007, *Leading Corporate Integrity. Defining the Role of the Chief Ethics & Compliance Officer.* Washington: ERC. 13-14

19 Maesschalck, J., & Bertok, J. (2009), *Towards a Sound Integrity Framework: Instruments, Processes, Structures and Conditions for Implementation.* Paris: OECD Publications.

20 Hoekstra, A. 2016. Institutionalizing Integrity Management: Challenges and Solutions in Times of Financial Crises and Austerity Measures. In: A. Lawton, Z. van der Wal and L. W. J. C. Huberts (Eds.) *Ethics in Public policy and Management: A Global Research Companion.* Oxon and New York: Routledge: 147-164.

FIGURE 2: INTEGRITY NETWORK
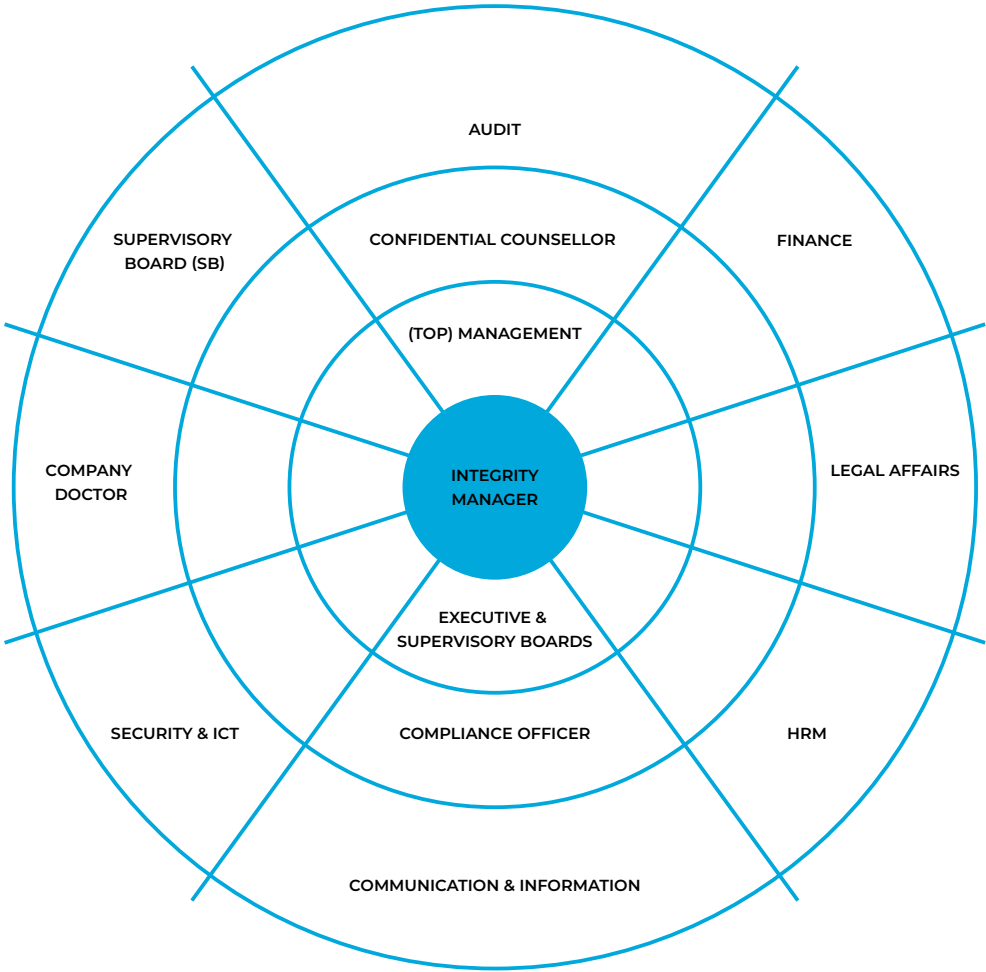
The concept of the integrity network makes it clear that the integrity manager should not be seen as an isolated official who single-handedly represents the moral conscience of the organisation. Rather, this is a coach and connector who can generate support and backing for the integrity theme within the organisation and who knows how to mobilise the other integrity actors.

THE INTEGRITY MANAGER: SURVEY RESULTS

2.1 SURVEY AND METHOD

To gain a better understanding of the performance of the integrity manager, the Dutch Whistleblowers Authority, in collaboration with research firm Panteia, conducted a survey among these officers.

The group surveyed consisted of individuals who are responsible for implementing/directing the integrity policy or compliance programme on behalf of their organisation. The exact job title varies in practice, but it is usually referred to as an integrity officer, integrity coordinator, or an (ethics &) compliance officer. In this exploration, we refer to this officer as the integrity manager.

There is no such thing as a central register for integrity managers in the Netherlands. As far as we could ascertain, there were also no other sampling frameworks available from which to select this target group. However, we did have access to a randomly-stratified file of 343 confidential counsellors constructed for another study. These individuals were contacted by email with the request to forward an attached invitation to participate in an online survey to the person responsible for integrity policy within their organisation. In addition, a participation link was placed on the Dutch Whistleblowers Authority's website and the target group was urged by newsletter to participate in the survey. In addition, a number of relevant network organisations informed their members about the survey and called on them to participate.

The email invitation sent to the previously described file of 343 confidential counsellors generated a response of 27. The Dutch Whistleblowers Authority's call for participation and the other organisations mentioned above resulted in 74 completely completed questionnaires. This brings the total response to 101 integrity managers. The fieldwork took place during the period from 23 September through 19 November 2020.

Since no central population data is available from all integrity managers in the Netherlands, it is not possible to determine whether the sample is representative. We assessed the extent to which the employers represented by the 101 participants in the survey are representative of the employer population in the Netherlands.

Within the group of organisations participating in the survey, semi-public and public organisations were over-represented. Larger organisations are also overrepresented. When interpreting the results, it is therefore important to recognise that most of the respondents work for a larger public or semi-public organisation and that this survey therefore mainly says something about how integrity management is organised there. In addition, when interpreting the results relating to the organisation's integrity management, it is also important to take into account the fact that the integrity managers surveyed are largely responsible for its specification and implementation.

As a result, the questions may have been answered more positively than is actually justified.

2.2　RESEARCH RESULTS

2.2.1　BACKGROUND AND POSITION DESIGN

This section describes the integrity manager in terms of gender, age, education, (side) duties in the organisation, and length of service. We see in this survey that in most cases (80%), the integrity manager is in the second half of his or her career (aged 45 or older). There are slightly more female officers (57%). The integrity managers are predominantly higher educated (95% higher professional level, bachelor, master). We also see that the integrity managers have often been employed by their current employer for a long time (60% have been employed for more than 10 years). Thus, the role is largely filled by individuals who are somewhat older and who often know the organisation well. This is seen as a positive outcome because it increases the likelihood that these individuals can be expected to be 'push-proof' to some extent, and will be able to perform the role critically and independently.

About a quarter of the respondents hold this position full time. The remaining three-quarters combine integrity work with other duties and responsibilities. These include HR work/management (29%), a managerial position (18%), a staff/policy position (36%), or work as a confidential counsellor (27%).

About 60% of the respondents had specific training for this position. That percentage is higher among those who perform this role full time (approx. 80%). Of those who have taken special training, half have done so once only. This survey shows that a good portion of the respondents had no special training to fill the position. This is undesirable. It is recommended to receive job-specific training and regular refresher training.

Table 5 shows the average amount of time respondents can dedicate to their integrity work. This shows that two-thirds of them spend less than 4 hours per week. The approximately 25% of officers who hold the position full-time were not asked this question.

TABLE 5: TIME FOR INTEGRITY

On average, how many hours do you spend per week working as an integrity manager? base: if not full-time integrity manager (n=78)	
less than four hours	67%
4 to 8 hours	14%
8 to 12 hours	4%
12 to 24 hours	5%
more than 24 hours	3%
don't know/no answer	8%

The time that respondents indicated they could devote to their integrity work is extremely limited, especially in light of the fact that the majority of respondents who participated in this survey actually work for larger organisations[21].

This leads to the worrying impression that concern for integrity and integrity policy is still an afterthought or lip service, and does not yet receive the attention it deserves.

2.2.2 THE INTEGRITY MANAGER ABOUT HIS/HER ROLE

Questions were then asked about how the integrity function is organised within the organisation. For example, we asked who within the organisation is responsible for implementing the integrity policy. In most cases, that is the responsibility of the chief executive officer and management. Over half (56%) of the integrity/compliance officers surveyed report directly to the chief executive officer. A smaller proportion (15%) answer to the head of HR, audit or legal department.

It is noteworthy that 42% of the integrity managers surveyed indicated that they do not have a specific job description that defines the integrity/compliance tasks and responsibilities involved. However, defining the roles, duties and responsibilities of these officers as well as describing escalation options (opportunities to raise issues higher up in the organisation) is important. It contributes to the role clarity of the integrity manager and provides a framework for what can and cannot be expected from this officer. Conversely, and more positively, establishing a clear job description encourages the organisation to define a more thoroughly considered vision of integrity and compliance work.

Respondents were also asked what they thought were the most important duties of the integrity manager. People were allowed to select their own top five from the list below.

TABLE 6: MAIN TASKS OF THE INTEGRITY MANAGER

What are the most important tasks that you fulfil within your organisation as an integrity manager base: all respondents (n=101)	
Implementation of integrity policy/compliance programme	237
Information	236
Policy Development	193
Coordination	166
Survey	125
Training	108
Accountability	95
Evaluation	78
Toolbox development	77

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21   Confidential counsellors also appear to have little time to devote to their role, as previous research has shown: https://www.huisvoorklokkenluiders.nl/Publicaties/publicaties/2019/03/08/integrity-in-practice---the-confidential-integrity-adviser

Table 6 shows that respondents consider implementing and developing the policy, along with providing information, to be the most important. The more process-oriented aspects of the work such as coordinating, evaluating, and accounting for the integrity or compliance programme conducted are rated as relatively less important. The process aspect deserves more attention; As can also be inferred from the first part of this exploration, regular monitoring and evaluation of policies enables organisations to assess the quality of the policies and to adapt to new developments in a timely and appropriate manner. Respondents were also asked to compile their own top five competencies from a list. Table 7 presents the results.

TABLE 7: KEY COMPETENCIES FOR THE INTEGRITY MANAGER

Which of the following competencies do you think are the most important for the integrity officer? base: all respondents (n=101)	
Is seen as having integrity and being unbiased	184
Can operate independently of management	147
Has sound knowledge of integrity management	135
Can provide critical advice	131
Can connect key integrity actors (HR, OR, VP)	126
Knows the organisation well	121
Can communicate well with all levels of the organisation	113
Knows how to mobilise support from management	75
Can handle confidential data well	74
Is analytically strong and empathetic	67
Has authority and impact within the organisation	58
Has an eye for process aspects of integrity management	56
Seeks connection with external integrity networks and partners	27
Has the authority to engage experts	21
Has knowledge of investigative methods	15

Table 7 shows that being able to perform the job with integrity, independently, critically and serve as a connector, based on sound knowledge of integrity management are considered the most important. In line with the conclusions regarding the previous question, having an eye for the process aspects of integrity management scores lower.

What is also notable is that the importance of an external network orientation (connecting to external integrity networks and partners) scores low. Less than one in ten respondents participate in external integrity networks. However, especially if the time available for integrity work is limited and specific training and refresher courses are lacking, it is wise to have external sparring partners at your disposal.

From previous research, we know that integrity management partnerships can contribute to: exchanging knowledge and experiences; sharing capacity (for example, in training and research); jointly developing integrity tools; and influencing new legislation or regulations.[22]

Part 1 of this exploration described that in most organisations, various officers and departments are responsible for components of the integrity policy/compliance programme. The aggregate of all these actors (including the integrity manager) is also referred to as an (internal) integrity network. The concept of the integrity network also makes clear that the integrity manager is not single-handedly responsible for all integrity management. Given the limited time available to respondents for their integrity work, and from the knowledge that this work is multidisciplinary in nature, it is prudent to use an internal integrity network. However, only one in five respondents are currently using it.

2.2.3   REPORTING OPTIONS AND INTEGRITY POLICY

This section takes a closer look at the integrity policies within the organisations that participated in the survey. Respondents were first asked whether their organisation, in accordance with the obligations arising from the Dutch Whistleblowers Authority Act, has established a reporting procedure for actual or suspected misconduct or wrongdoing. The vast majority (92%) appear to have such a procedure in place. The extent to which this reporting procedure contains the following (legally required) elements was then assessed. The results are shown in Table 8. Again, most organisations appear to have a good score in this respect.

TABLE 8: ELEMENTS OF THE REPORTING PROCEDURE

Which of the following aspects are mentioned in the reporting procedure? base: all with a reporting procedure (n=93)	
The manner in which the internal report is processed	95%
When there is suspicion of wrongdoing	89%
To which officer(s) wrongdoing can be reported	91%
The employer's obligation that a report is processed with full confidentiality	87%
That the employee may consult an advisor with full confidentiality	83%

The statements set out in Table 9 also relate to the reporting procedure. For each statement, officers were able to indicate whether or not it applied to their own organisation's reporting procedure.

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22   For further exploration on this topic, see: Hoekstra, A., Talsma, J. & Kaptein, M. (2015), Integrity management: as inter-organisational collaboration. *Journal of Public Governance, Audit & Control* (TPC), Jr. 13, no. 1. Pp. 34-38.

TABLE 9: APPLICABLE TO THE REPORTING PROCEDURE

The following questions are about the reporting procedure (% yes). base: all with a reporting procedure (n=93)	
Has it been amended as a result of the Dutch Whistleblowers Authority Act	60%
Has it been submitted to your works council for approval?	83%
Has your supervisory board (SB) agreed to this?	83%
Has it been actively brought to the attention of employees?	71%
Is it publicly available on the internet?	43%
Is it sufficiently clear and straightforward for employees?	62%

We see that in many cases (83%) the procedure has been approved by the works council. To a lesser extent, the proceedings are publicly accessible via the Internet. This is the case in only 43% of organisations. However, accessibility of the procedure is relatively easy to achieve and gives better access to (former) employees, suppliers and partners. More information on reporting procedures is available in the brochure *'Integrity in Practice - The Reporting Procedure'.* [23]

In addition, respondents were asked several questions relating to the organisation's overall integrity policy. The results on the first set of questions are shown in Table 10. It is striking that the more process-oriented parts of the integrity policy (evaluation, accountability and the establishment of the policy in an overarching integrity plan) are relatively the least developed. It also appears that a substantial proportion of organisations (36%) do not yet have an investigation protocol. These organisations can take inspiration from the brochure *'Integrity in Practice - Internal Investigations.'* [24]

TABLE 10: APPLICABLE TO THE INTEGRITY POLICY

Questions are about your integrity policy (% yes) base: all respondents (n=101)	
Has its internal code of conduct	96%
Has a person responsible for integrity policy	73%
The code of conduct is updated regularly	67%
Has a protocol to conduct internal investigations	64%
Public accountability is provided for integrity policies	58%
Integrity policy is reviewed periodically?	55%
Has established integrity policy in one overarching document	54%

23   https://www.huisvoorklokkenluiders.nl/Publicaties/publicaties/2018/07/09/integrity-in-practice---reporting-procedure
24   https://www.huisvoorklokkenluiders.nl/Publicaties/publicaties/2020/04/01/integrity-in-practice---internal-investigation

Respondents were also presented with a number of statements regarding the integrity policy where they could answer on a 5 point scale. The results are shown in Chart 1.

CHART 1: STATEMENTS ON INTEGRITY POLICY

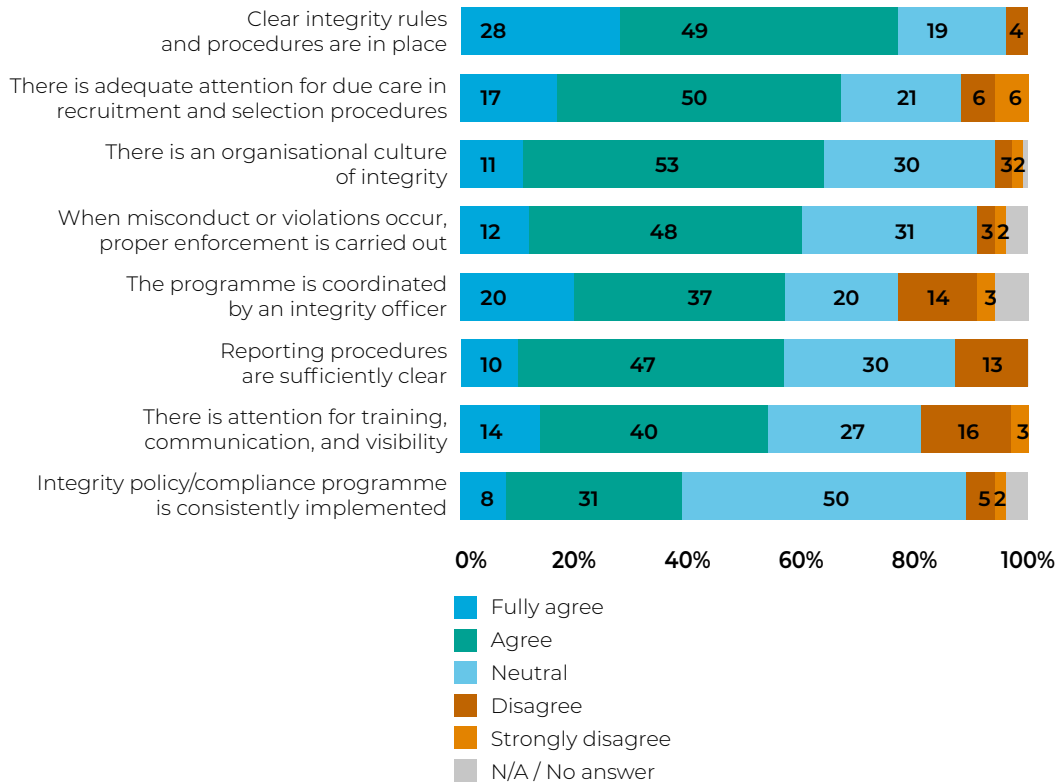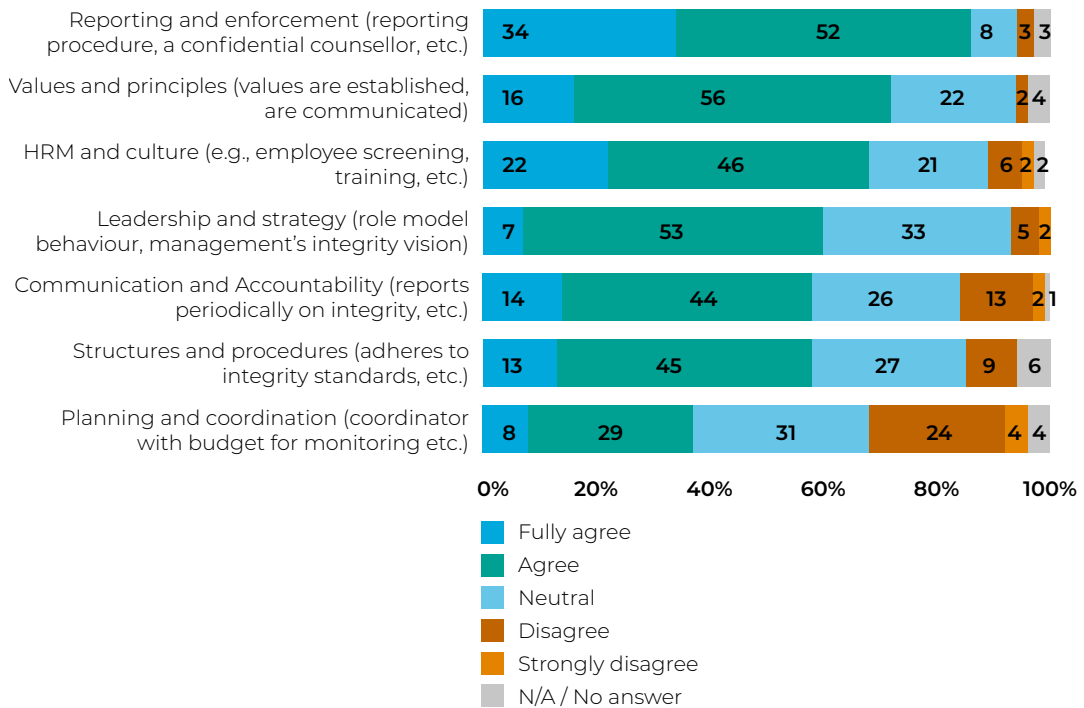| Statement	Fully agree	Agree	Neutral	Disagree	Strongly disagree	N/A / No answer
Clear integrity rules and procedures are in place	28	49	19	4		
There is adequate attention for due care in recruitment and selection procedures	17	50	21	6	6	
There is an organisational culture of integrity	11	53	30	3	2	
When misconduct or violations occur, proper enforcement is carried out	12	48	31	3	2	
The programme is coordinated by an integrity officer	20	37	20	14	3	
Reporting procedures are sufficiently clear	10	47	30	13		
There is attention for training, communication, and visibility	14	40	27	16	3	
Integrity policy/compliance programme is consistently implemented	8	31	50	5	2	

Chart 1 shows that respondents most agree with the statement that their own organisation has clear rules and procedures and that there is sufficient attention to integrity in recruitment and selection. People are clearly less outspoken and positive about the focus on training and communication and the extent to which integrity policies are consistently implemented and coordinated. It is also notable that the clarity of the reporting procedure or options shows room for improvement.

Respondents assessed the organisation's integrity policy based on (meeting) the seven elements of the 'Integrity Infrastructure'. The 'Integrity Infrastructure' is a model for integrity management that was explained in more detail in the first part of this exploration.
The results are shown in Chart 2.

CHART 2: SCORES ON THE SEVEN ELEMENTS OF 'INTEGRITY INFRASTRUCTURE'

Element	Fully agree	Agree	Neutral	Disagree	Strongly disagree	N/A / No answer
Reporting and enforcement (reporting procedure, a confidential counsellor, etc.)	34	52	8	3		3
Values and principles (values are established, are communicated)	16	56	22	2		4
HRM and culture (e.g., employee screening, training, etc.)	22	46	21	6	2	2
Leadership and strategy (role model behaviour, management's integrity vision)	7	53	33	5		2
Communication and Accountability (reports periodically on integrity, etc.)	14	44	26	13	2	1
Structures and procedures (adheres to integrity standards, etc.)	13	45	27	9		6
Planning and coordination (coordinator with budget for monitoring etc.)	8	29	31	24	4	4

We see that there is room for improvement on all elements. 'Reporting and enforcement' is organised in most detail. This relates, for example, to having a reporting system and a confidential counsellor. Organisations that do not yet have a confidential counsellor or still have questions about proper set-up of the confidential counselling function can make use of the brochure *Integrity in Practice - The confidential counsellor.*[25] Elements related to planning and coordinating policy, as well as accountability relating to the policy conducted, appear to be the least well organised.

Subsequently, the survey assesses the extent to which the integrity policy conducted complies with four quality standards, according to the respondents.[26] Each standard was assessed on the basis of three (sub)questions. The results are shown in Chart 3. What is striking is that the respondents are not so outspoken in their answers. This may be due to the fact that this type of question is somewhat different from the standard questions that are usually asked about integrity policies and therefore respondents do not yet have a clear view of it. Each of the standards is first briefly explained, followed by a brief reflection on the outcomes.

The first standard relates to the **intentional aspects** of the integrity policy and consists of three sub-questions (is management motivated to implement effective integrity policies; do they actually support these policies; and do they ensure adequate continuity?). The results show that management is reasonably motivated and fully aware of the importance of integrity (65%); actual support is slightly lower (56%); and continuity (35%) leaves much to be desired. Continuity, especially in challenging times for the organisation, such as during budget cuts, reorganisations and other internal or or external changes, is of great importance and deserves more attention.

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25 https://www.huisvoorklokkenluiders.nl/Publicaties/publicaties/2019/03/08/integrity-in-practice---the-confidential-integrity-adviser

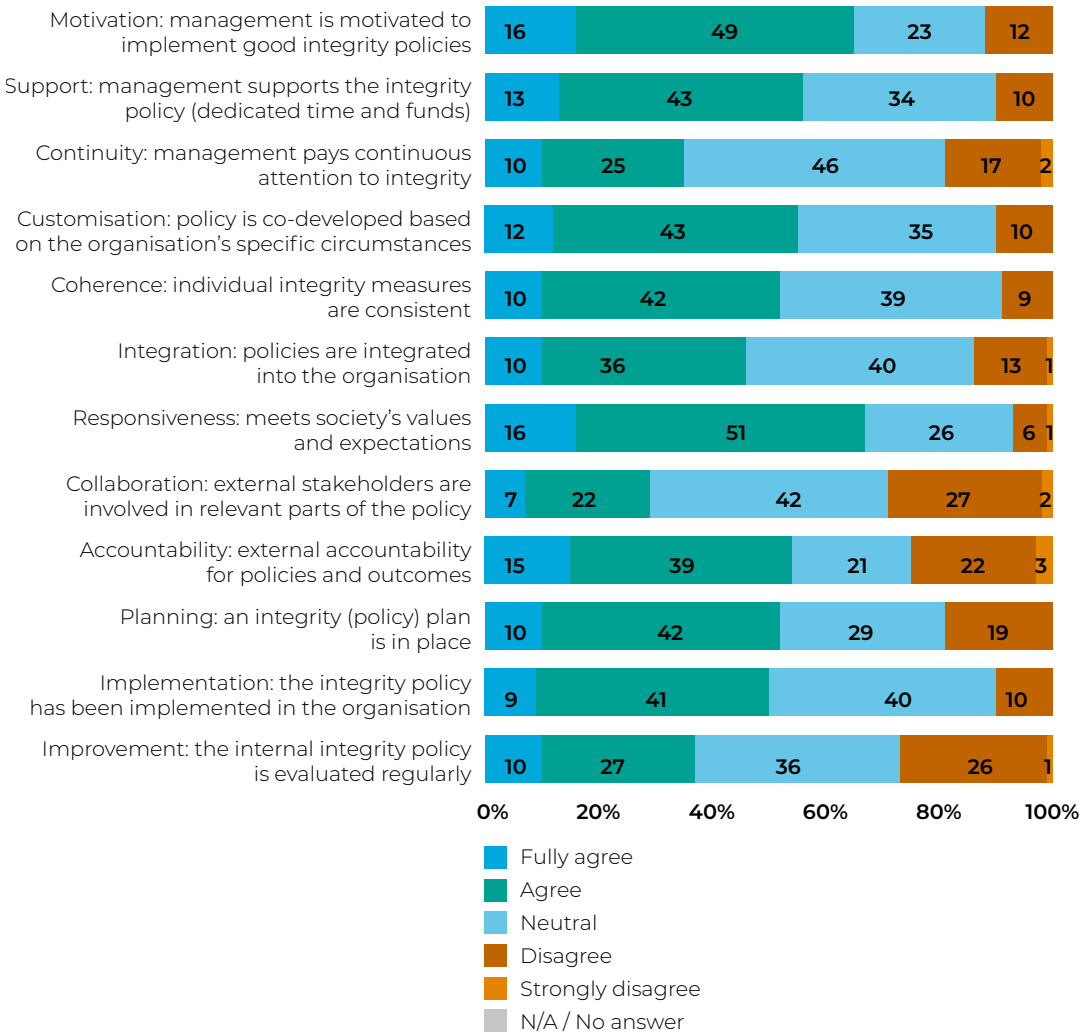26 For a more detailed explanation of the development of these four standards, see: Alain Hoekstra & Muel Kaptein (2021) The Integrity of Integrity Programmes: Toward a Normative Framework, Public Integrity, 23:2, 129-141, DOI: 0.1080/10999922.2020.1776077

In fact, almost one in five respondents (17%) indicated that there was no continuity at all. The second standard relates to the **organisational aspects** of the integrity policy and consists of three sub-questions (is the integrity policy tailored to the specific organisation, are the integrity measures mutually reinforcing, and is the policy sufficiently in line with other business processes?). More than half of the respondents (55%) indicated that the integrity policy is customised and in line with the specific risks and dilemmas of the organisation; slightly fewer (52%) indicated that the integrity measures are well coordinated and mutually reinforcing; and less than half (46%) indicated that the policy is integrated into regular organisational processes.

The third standard relates to the **social aspects** of the conducted integrity policy and consists of three sub-questions (does the policy meet society's expectations, is it aligned with external stakeholders, and is there external accountability for the policy conducted and the results achieved?). Two thirds of the respondents (67%) indicated that the policy is in line with social and sectoral requirements and expectations, less than one third (29%) indicated that external stakeholders (such as citizens, suppliers, etc.) are involved in the parts of the integrity policy that are relevant to them, and about half (54%) indicated that the organisation provides external accountability (e.g., through annual reports) for the implementation of the integrity policy. The involvement of external stakeholders in the design of the integrity policy and external accountability for that policy could be improved.

The fourth standard relates to the **process aspects** of the integrity policy implemented and also consists of three sub-questions (does the organisation have an integrity policy plan, has the policy been implemented and is there attention for the improvement of the policy?). About half of the respondents say they have an integrity (policy) plan that contains a clear vision, objective and working method with regard to promoting integrity. Similarly, half (50%) indicated that the integrity measures developed were sufficiently embedded, announced and communicated within the organisation. Just over a third (37%) indicated that the internal integrity policy is regularly monitored, evaluated and adjusted. Planning and monitoring deserve attention.

CHART 3: CONDITIONS FOR SUCCESSFUL INTEGRITY POLICIES

	Fully agree	Agree	Neutral	Disagree	Strongly disagree
Motivation: management is motivated to implement good integrity policies	16	49	23	12	
Support: management supports the integrity policy (dedicated time and funds)	13	43	34	10	
Continuity: management pays continuous attention to integrity	10	25	46	17	2
Customisation: policy is co-developed based on the organisation's specific circumstances	12	43	35	10	
Coherence: individual integrity measures are consistent	10	42	39	9	
Integration: policies are integrated into the organisation	10	36	40	13	1
Responsiveness: meets society's values and expectations	16	51	26	6	1
Collaboration: external stakeholders are involved in relevant parts of the policy	7	22	42	27	2
Accountability: external accountability for policies and outcomes	15	39	21	22	3
Planning: an integrity (policy) plan is in place	10	42	29	19	
Implementation: the integrity policy has been implemented in the organisation	9	41	40	10	
Improvement: the internal integrity policy is evaluated regularly	10	27	36	26	1

Legend:
- Fully agree
- Agree
- Neutral
- Disagree
- Strongly disagree
- N/A / No answer

In addition, respondents were asked to rate their own organisation's efforts to promote integrity with a score between 1 and 10.
The results are shown in Table 11. Almost half of the officers give their own organisation a 7, with most others giving a 6 or 8 out of 10. This brings the average to a 7. 7 out of 10 is not a bad grade, but also indicates that there is still room for improvement.

TABLE 11: SCORE FOR EFFORTS TO PROMOTE INTEGRITY

What grade do you give for your organisation's current efforts to promote integrity? base: all respondents (n=101)	
1	0%
2	0%
3	1%
4	1%
5	3%
6	22%
7	47%
8	22%
9	4%
10	1%
average	7,0%

Finally, respondents were given the opportunity to rephrase what could be done differently and better within their own organisation in the area of integrity promotion.
From the anthology this produced, a number of central themes emerged. In summary, this leads to the following ten points to which organisations should pay *extra* attention according to integrity managers:

- More structural attention, support and sense of urgency from management for the integrity policy.
- Keeping the issue of integrity more alive, current and on the agenda.
- Increased education, training, awareness and discussion ofintegrity themes.
- Greater visibility and awareness of existing integrity policies.
- Better assurance, embedding and evaluation of the integrity policy.
- A more planned and coherent integrity approach.
- Making more time and resources available to the integrity manager.
- A more secure reporting climate, clear procedures, confidential counsellors and enforcement.
- Attention to the challenges and risks associated with long-term home working.
- The availability of new integrity tools, inspiring examples and best practices.

CONCLUSIONS AND OPPORTUNITIES FOR IMPROVEMENT

Integrity is an important quality aspect for all types of organisations. It is worthwhile for organisations themselves to invest in integrity management as well as for employees, and ultimately for society as a whole. Among other things, integrity contributes to trust in organisations, leads to better service, more motivated and satisfied employees, and a more just and safe society.

Integrity violations often have several (mutually reinforcing) causes. This means that a mix of different types of integrity measures and activities is needed to prevent such violations. Developments in 'integrity thinking' indicate that an integrated and system-oriented integrity approach, which establishes coherence between measures and activities, leads to the best results.

In most organisations, various officers and departments (e.g., HR, Finance, Compliance, Audit, the works council, confidential counsellors, etc.) play a role in implementing integrity measures. It would make sense for organisations of any size to appoint an integrity manager who can strengthen the coherence between these measures and the cooperation between the actors involved. By appointing such an integrity manager, the organisation also sends a signal that it considers integrity important and takes it seriously. It also increases the likelihood that attention to the topic will persist and not fade away prematurely. In addition, it also leads to an improvement in policies and tools because an integrity officer actually has the time and expertise to develop a sound policy.

Organisations that cannot afford to appoint a dedicated integrity manager due to limited size can turn to their umbrella organizations with a request for integrity management support. They may also explore the possibility of appointing an external integrity manager to support them. Organising a collaborative effort among multiple organisations on integrity management is another way to mobilise external support, knowledge and expertise.

In order to gain a better understanding of the integrity manager's performance and vision of the integrity policy implemented, quantitative research was conducted among these officers.

This reveals that these officers tend to be somewhat older, highly educated, and know the organisation well. This is seen as a positive outcome because it increases the likelihood that these individuals can be expected to be 'push-proof' to some extent, and will be able to perform the role critically and independently.

What is also striking is that a high number of integrity managers (75%) perform this role part-time; that on average, they can devote very little time to it (67% < 4 hours per week) and often have not followed any specific training for it (40%). These figures are disappointing. Especially in larger organisations, a well-trained integrity manager who can devote a substantial portion of his/her time to integrity work should be the norm.

It is important for integrity managers to have a specific job description that defines the relevant integrity/compliance duties and responsibilities. For less than half (42%) of the integrity managers who participated in this survey, this appears to be the case. That's worrisome. Integrity managers should raise this issue with their employers or can take the lead and take action.

The more process-oriented aspects of integrity management such as coordinating, evaluating, and accounting for the integrity or compliance programme conducted are rated as relatively less important by integrity managers. Other studies confirm the weak process development of integrity management systems.[27] Regular monitoring and evaluation of integrity policies deserves more attention because it enables organisations to assess the quality of the policies and to make timely and appropriate adjustments to new developments.

The external orientation (connecting with external integrity networks and partners) of integrity managers could be developed much more strongly. Given the generally limited time available to perform the integrity function, it is wise to have access to external sparring partners. Partnerships between organisations can be developed at their own initiative, but the umbrella organisation and employer associations also have a facilitating and mediating role to play in this respect.

Integrity managers are also recommended to make greater use of internal integrity networks. In these networks, the integrity manager directs the various officers and departments responsible for components of the integrity policy/compliance programme. Given the limited time available to integrity managers, but also based on support considerations, it is wise to start making more use of internal integrity networks. Currently, only one in five integrity managers make use of this option.

Almost all (92%) of the organisations participating in this survey appear to have a regulation or procedure for reporting actual or suspected misconduct or wrongdoing in accordance with the Dutch Whistleblowers Authority Act. This is good news, but this does not alter the fact that improvements in this area are also possible and desirable:

- For example, it appears that the reporting procedures are not always accessible via the Internet, which makes them less readily available to (former) employees, suppliers and partners.
- The survey also shows that the clarity of the reporting procedure is open to improvement so that employees know better where they stand.
- In addition, a substantial proportion of organisations do not yet appear to have an investigation protocol. This is necessary, however, to be able to subsequently investigate reports properly.

Integrity managers were asked several questions about the status of integrity policies within their organisations. In summary, the following development points emerged:

- More structural attention, support and sense of urgency from management for integrity management (including more time for the integrity manager).
- Work toward a more systematic and coherent integrity approach that provides for better embedding and evaluation of integrity policies.
- To increase the visibility and awareness of the existing integrity policy by investing in information, training and awareness.
- Ensure a safe reporting climate, clear -procedures, confidential counsellors and enforcement mechanisms.
- Attention to new topical issues and challenges such as the risks associated with long-term home working.

27　See, for example: Hoekstra, A., Huberts, L., Van Montfort, A., Demmke, C., & Maesschalck, J. (2021). *Local integrity systems in the Netherlands, Germany and Flanders. What is there and lessons to be learned.* Amsterdam: Vrije Universiteit Amsterdam.