The Pennsylvania State University
Values & Culture Survey

University-Wide Findings
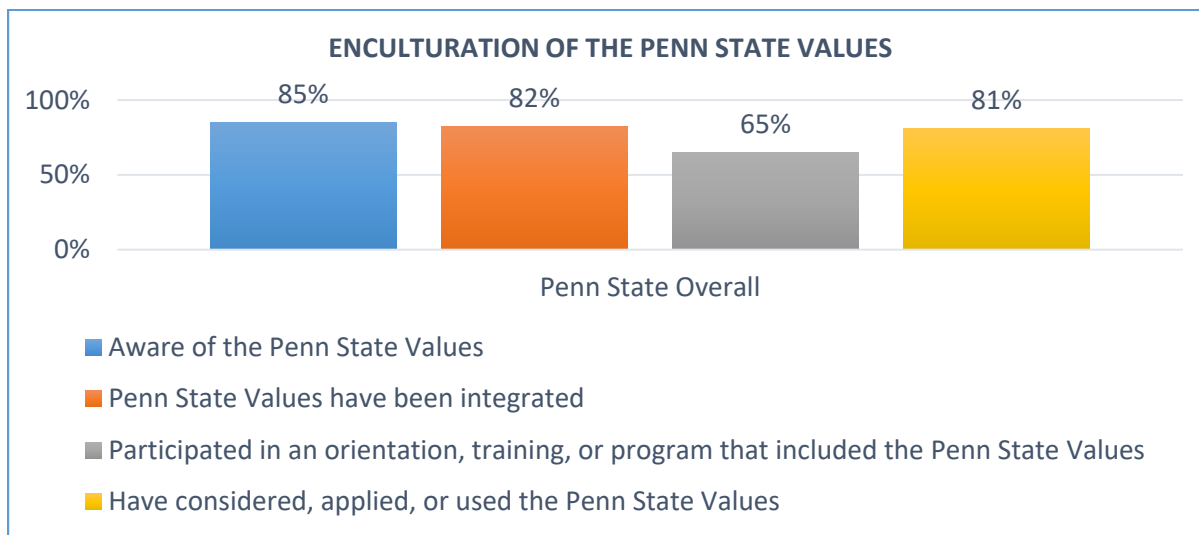
2018

Final Report

Executive Summary

The purpose of The Pennsylvania State University Values & Culture Survey was to further Penn State's understanding of its culture and the values that are commonly held among its faculty, staff, undergraduate and graduate students. The survey was fielded from October 4 through October 31, 2017. A total of 14,012 members of the Penn State community participated in the effort, yielding a university-wide response rate of 12%. Participant responses were compared to results from a similar survey conducted by the Penn State in 2013. This summary addresses key findings for the University overall.[1]

Note: ECI conducted statistical tests on several measures in order to determine if changes between 2013 and 2017 were statistically significant. Changes that were statistically significant are noted with "^^" in graphs throughout the report.[2]

Enculturation of the Penn State Values

In 2013, Penn State utilized the survey to seek input from its community to select the six core institutional values that now serve as the foundation for its overall strategic plan. The Penn State Values are *Integrity, Respect, Responsibility, Discovery, Excellence,* and *Community.* Since 2013, Penn State has undertaken several university-wide initiatives to educate its members about the core values, and to define each value based on the interests of various stakeholders. The data reveal that a majority of survey participants expressed both awareness and integration of the values.

ENCULTURATION OF THE PENN STATE VALUES

- ■ Aware of the Penn State Values
- ■ Penn State Values have been integrated
- ■ Participated in an orientation, training, or program that included the Penn State Values
- ■ Have considered, applied, or used the Penn State Values

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[1] Data tables with summary statistics for each survey question were provided to thePenn State. The purpose of this report is to highlight high-level themes and areas for attention.

[2] Analyses comparing the demographics of those who responded to the survey with population data from the University Budget Office indicated that the respondents were representative of the University. Please see "Summary of the Survey Process" for more detailed information about representation and non-response bias.

The Four Major Ethics Outcomes: Pressure, Observed Misconduct, Reported Misconduct and Retaliation Overall

Overall, there was improvement across three of the four major ethics outcomes that are expected to change when an ethics and compliance (E&C) effort is effective. The data reveal that when compared to 2013, survey participants experienced slightly less pressure to violate University policies or the law, observed fewer instances of misconduct within the last 12 months, and reported misconduct at substantially higher rates. The rate of retaliation against those who reported remained consistent between 2013 and 2017.

FOUR MAJOR ETHICS OUTCOMES
PENN STATE OVERALL

	2013	2017
Experienced Pressure^^	10%	9%
Observed Misconduct^^	58%	56%
Reported Misconduct^^	26%	40%
Experienced Retaliation	12%	12%
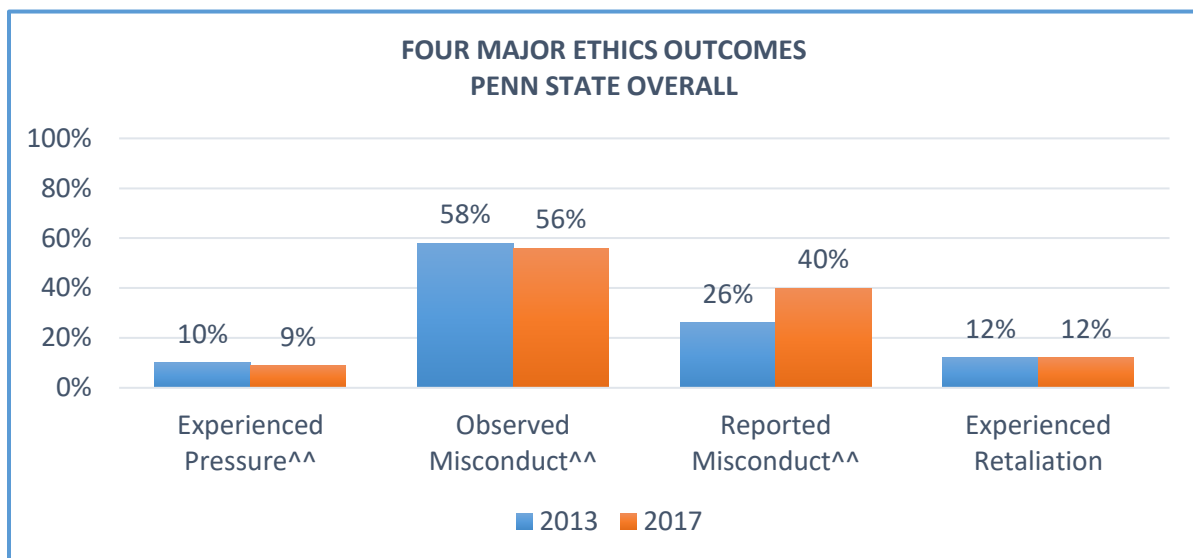
The Impact of the PSU Values – Reduced Pressure, Observed Misconduct and Retaliation

The data show that the University has largely succeeded in educating community members about the Penn State Values. Specifically, there is substantial evidence of a strong and positive relationship between the embodiment of the Penn State Values and three of the four outcome metrics that are indicative of the well-being of an organization from an ethics perspective. Participants who agreed that stakeholders in their primary location embodied four or fewer of the six PSU values were compared to participants who agreed that at least five values were embodied. Favorable results were observed when at least five values were embodied.

Participants were:

- 64% less likely to <u>feel pressure</u> to commit violations of policy or the law;
- 38% likely to <u>observe misconduct</u>; and
- 66% less likely to <u>experience retaliation</u> for reporting.

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A Strong Ethical Culture Drives the Embodiment of Values

There is a strong association between a participant's perception of the ethical culture at Penn State and the extent to which stakeholders in their primary location embody the Penn State Values. The data reveal that when members of the Penn State community demonstrate certain Ethics-Related Actions (ERAs), their respective campus, college or unit demonstrates engagement with the Penn State Values. Participants were asked to assess the ERAs of a different members throughout the Penn State community, including—but not limited to—the President, Provost, VP's and other University leaders, their Department Head or Director and their peers.

On average, participants who said that they work/live in strong ethical cultures were 16 times more likely (83% vs 4%) than those in weak cultures to say that their primary location embodies at least five of the Penn State Values.

PERCENTAGE OF PARTICIPANTS IN WEAK OR STRONG ETHICAL CULTURES WHO SAY THEIR PRIMARY LOCATION EMBODIES AT LEAST 5 VALUES

Penn State Overall
- Strong Ethical Culture: 83%
- Weak Ethical Culture: 4%

■ Strong Ethical Culture   ■ Weak Ethical Culture
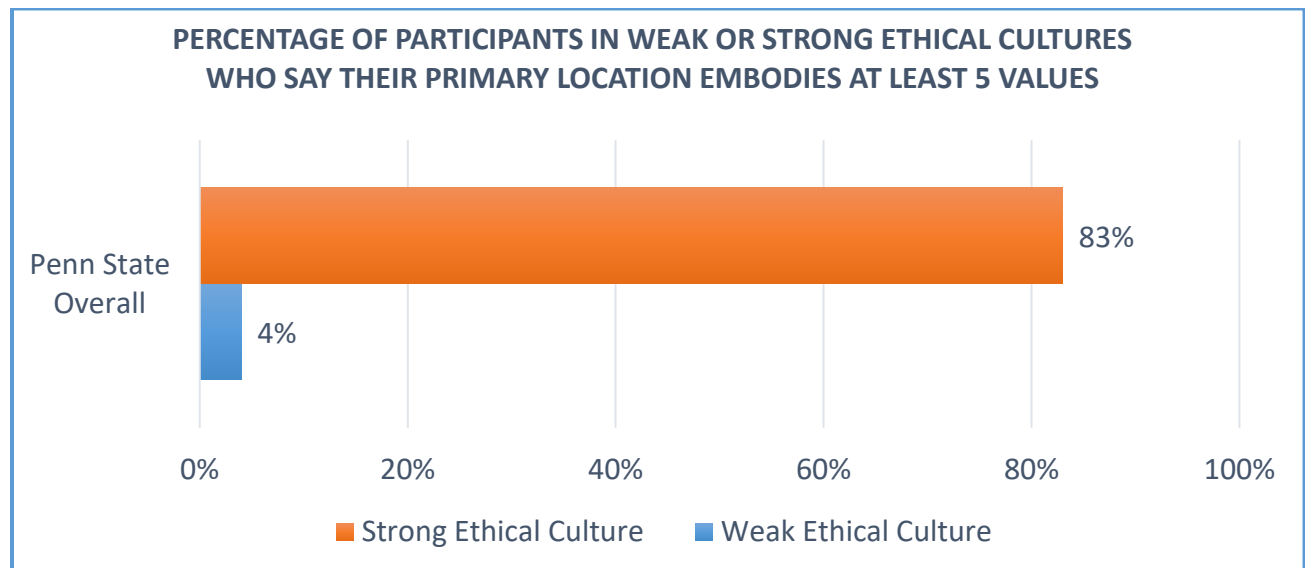
**Measuring Change between 2013 and 2017**

Program Awareness

Beginning in 2014, the University implemented a range of training programs designed to increase awareness and utilization of E&C resources. Specifically, the University's Office of Ethics & Compliance developed an Annual Compliance Training (ACT) Program in order to ensure that all employees were informed about the availability of E&C resources.

Substantial progress has been made at the University with regard to community members' awareness of the availability of E&C resources, particularly among faculty and staff. The data reveal that staff were 100% more likely to be aware of all program resources, while faculty were 125% more likely to be aware of all resources.

Specifically, the 2017 survey asked all participants if they were aware of the following resources:

- Stated policies regarding E&C;
- Orientation or training on E&C;
- A resource to obtain advice;
- Evaluation of ethical conduct compliance as part of performance assessments;
- A means to confidentially or anonymously report wrongdoing; and
- A formal process to discipline those who violate University policies.

Much of the improvement among faculty and staff can be attributed to improved awareness of evaluation of ethical conduct. In 2013, 27% of faculty and 39% of staff were aware of the practice, while in 2017, 47% of faculty and 67% staff said they were aware of the practice.[3]

PERCENTAGE OF PARTICIPANTS WHO WERE AWARE OF ALL PROGRAM RESOURCES

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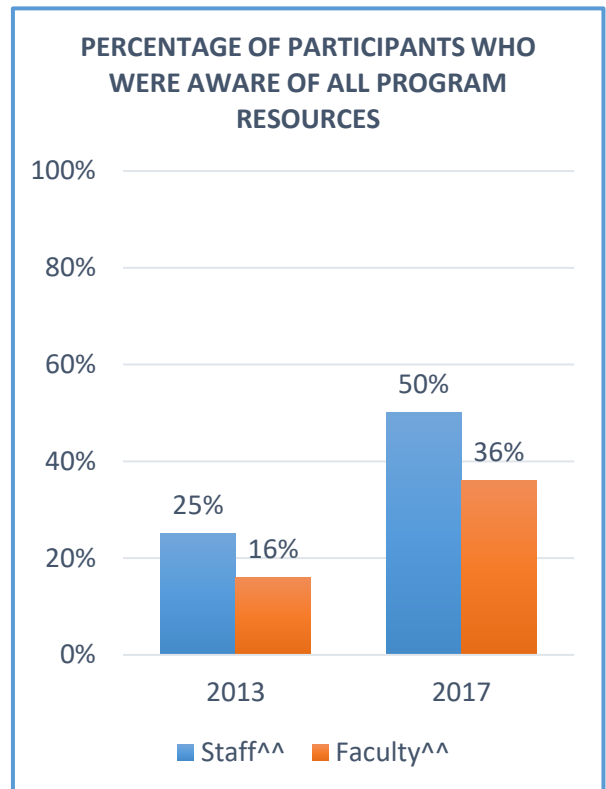
[3] There were several differences between the program resources questions in 2013 and 2017. In order to compare the two survey years, only resources that were asked about in both years were included as a part of this analysis. Below is a summary of those resources that were excluded from each group's analysis. Staff: All resources were used; Faculty: stated policies and orientation were excluded; Undergraduate students: evaluation of ethical conduct and orientation were excluded; Graduate students: stated policies, evaluation of ethical conduct and orientation were excluded.

Leadership & Commitment to Ethics

Alongside program awareness, perceptions of various leaders' commitment to ethics improved substantially between 2013 and 2017. Survey participants assessed leaders' demonstration of the following ERAs[4]:

I.   Senior administrators talk about the importance of ethics and doing the right thing;
II.   I trust that senior administrators will act with integrity and responsibility;
III.   Senior administrators would be held accountable if caught violating University policies;
IV.   Senior administrators act as good role models of ethical behavior; and
V.   Senior administrators support employees in following University policies.

There were improvements across all four groups of participants with the largest gains again occurring among staff and faculty between 2013 and 2017.

PERCENTAGE OF SURVEY PARTICIPANTS WHO HAD POSITIVE VIEWS ABOUT THE ETHICS-RELATED ACTIONS OF THE PRESIDENT, SENIOR VP'S, PROVOST AND OTHER UNIVERSITY LEADERS
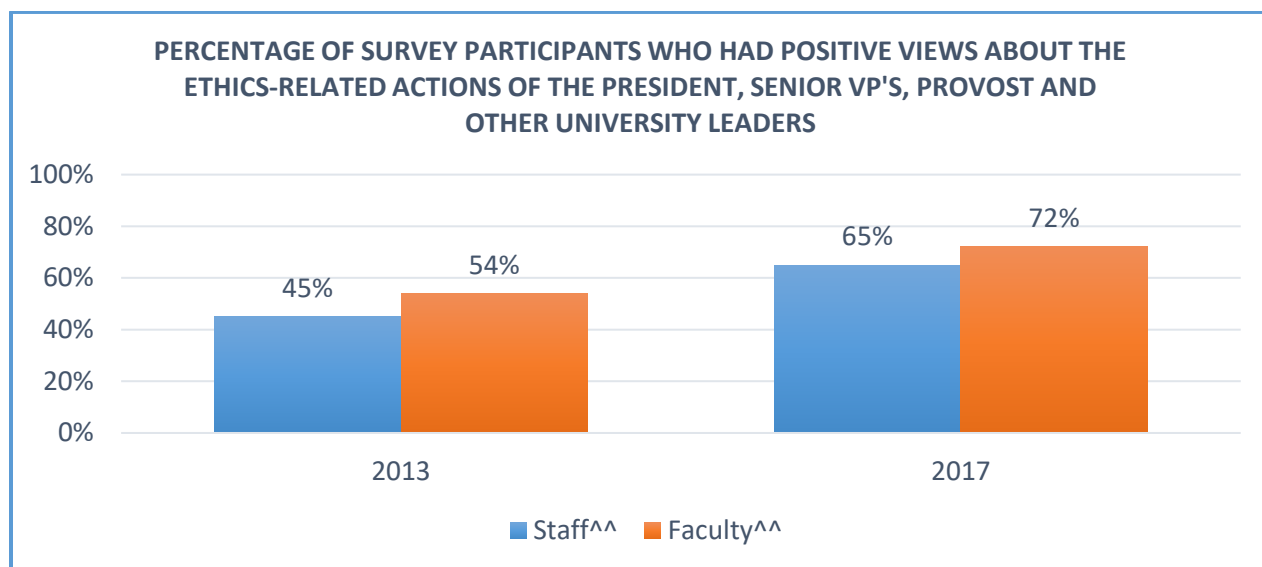
Conclusion

Over the past four years, Penn State has undertaken many initiatives to strengthen the culture (and subcultures) of the institution. Among its activities, the University has revised, defined, and communicated its values; established and promoted the University's Office of Ethics & Compliance; strengthened the reporting process; and implemented several mandatory training initiatives, including an Annual Compliance Training (ACT) Program. The results of the 2017 Values & Culture Survey demonstrate that these efforts have had a positive effect.

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[4] Unlike the 2013 survey, the 2017 survey asked survey participants to address the ERA's of six distinct groups.[4] In order to make a comparison between the two survey years, only those 2013 participants who selected "President and VP's" as senior administrators were compared to responses to the "The President, Provost, VPs and other University leaders" group from the 2017 survey.

Not surprisingly, some of the measures taken in 2013 did not improve or exhibited marginal improvement. Yet none of these indicators worsened. The areas where change has not yet taken place include overall levels of observed misconduct; retaliation for reporting wrongdoing; and satisfaction with the reporting process. This is likely a reflection of the early implementation of an E&C program. It takes time for some positive changes to occur.

Overall, based on ECI's research and experience with other organizations, it is our view that Penn State should be proud of the progress it has made over the past four years.

Suggested Next Steps:

ECI's research over the past two decades has shown that many of the positive aspects of a culture can be strengthened, and challenges raised by community members can be eased through a concerted effort to identify, promote, and reinforce the University's values. ECI therefore offers the following suggestions for the University to consider regarding next steps.

1. **Sustain Awareness, Integration, and Embodiment of the Penn State Values**

   In addition to the positive gains in awareness and embodiment of the Penn State Values, the data show that the degree to which a college, campus or unit embodied the values was associated with the strength of the ethical culture at that location. The University should continue to emphasize the Penn State Values and their role as a pillar of the University's mission. The values should be consistently and regularly communicated to remain in the forefront of daily decisions and actions, especially through the academic experience.

2. **Increase Awareness of Program Resources**

   Penn State should continue to educate faculty, staff, and students about the different E&C resources that are available to them. While there has been improvement, a significant portion of participants (29%) were not aware of a resource where they can obtain advice about E&C issues. Staff (82%) were the group most aware of a resource to obtain advice, which is likely the result of the training and communications efforts of the past four years that were directed towards them as a group. Future training efforts should be directed towards those groups who remain less aware of the resources that are available.

3. **Perpetuate Senior Leaders' Ethics-Related Actions**

   One of the most encouraging areas of growth over the past four years pertains to participant perceptions of senior leaders and their commitment to integrity. ECI's research has shown that the "tone from the top" has a significant impact on stakeholders' perceptions of culture, and on conduct throughout the organization. In order to maintain its current commitment to integrity, ECI suggests that the University implement a system to hold leaders accountable for demonstrating ERA's. The most effective means of doing this is

to introduce performance metrics on ethical leadership as a part of the formal evaluation of individuals who are in senior-level positions.

4. Equip Supervisors to Receive Reports of Wrongdoing

Consistent with findings in 2013, faculty and staff were most likely to make their first report of misconduct to their supervisors. Research suggests that responding to reports of misconduct can be difficult for managers, in large measure because they do not recognize reports when they come forward, and they are not sure what to say or do. A best practice that the University should consider is to develop a simple guide for managers and supervisors to help them both recognize and respond to reports of misconduct.

5. Communicate the Process of Reporting and Corrective Actions Taken

Similar to 2013, a majority of faculty and staff (75% and 59%, respectively) who did not report misconduct believed that corrective action would not have been taken if they had chosen to report. Penn State has worked to coordinate and consolidate the reporting process over the past four years; the next step is to strengthen communications about what happens when individuals come forward. One best practice is to release periodic summary reports of disciplinary actions that are taken.

6. Implement an Anti-Retaliation Program

Retaliation against individuals who report wrongdoing is one of the most difficult issues for any organization to address. ECI has observed that retaliation is a metric that often remains unchanged for several years despite substantive efforts by organizations to communicate their intolerance for such conduct. Penn State has taken the right steps to communicate that retaliation is not acceptable, and that such behavior is subject to disciplinary action. This communication needs to be consistently and frequently communicated amongst the stakeholders to become fully embedded within the Penn State culture. ECI suggests that the University implement an anti-retaliation program, which consists of a systematic effort to remain in touch with individuals who report, and to track their progress over time to ensure that they do not experience retribution for having come forward.

For more detail about the findings and suggested next steps, please see the full report.

Introduction

In 2013, The Pennsylvania State University (Penn State) contracted with the Ethics & Compliance Initiative (ECI)[5] to conduct the Values & Culture Survey, a census survey of its members – Faculty, Staff, and Graduate and Undergraduate Students. The project was part of a larger ongoing effort by the University to better understand its culture and the values that are commonly held among its members. The results of the survey informed the development of several major initiatives, including a greater emphasis on workplace ethics and various enhancements to the annual ethics training program.

In 2017, Penn State re-contracted with the ECI to implement a follow-up survey to the 2013 Values & Culture Survey. Penn State conducted the 2017 survey to build upon the findings from the first iteration. The areas of investigation remained largely similar in order to compare changes that may have occurred during the intervening years. The primary areas of focus included the following:

- Expression of Core Values in the University

- Measuring Change between 2013 and 2017

- Characteristics of Observed Misconduct

- Characteristics of Reported Misconduct

This report presents the key successes and opportunities revealed by the follow-up survey for Penn State overall and the four groups – Faculty, Staff, Graduate Students, and Undergraduate Students.

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[5] The Ethics & Compliance Initiative (ECI) is comprised by three nonprofit organizations, one of which is the Ethics Research Center (ERC). In both 2013 and 2017 the Penn State Values & Culture Survey were conducted by the ERC. For clarity, in this report the organization is referred to as ECI; the public brand of the organization.

Response Rates and Margins of Error

The total population invited to take the survey was 114,538; including all faculty, staff, administrators, technical service employees, undergraduate students, and graduate students at all Penn State campuses, including the World Campus. The final data set contains the input from 14,012 participants, yielding a university-wide response rate of 12%.

The table below indicates the responses across different Penn State groups. For each group the margin of error is also indicated. The margin of error is calculated for the 95% confidence interval.

Final Response Rates & Margins of Error by Designation

Designation	Total Population	Responses[6]		Margin of Error
Faculty	7,229	1,947	27%	+/-1.9%
Staff/Administrators/Technical Service Employees	14,308	5,358	37%	+/-1.1%
Undergraduate Students[7]	78,801	5,179	7%	+/-1.3%
Graduate Students	14,200	1,528	11%	+/-2.4%
Total Penn State	114,538	14,012	12%	+/-0.8%

Data for analysis were weighted based on two factors: designation as faculty, staff or technical service employee, undergraduate student, or graduate student; and primary campus location at the time of the survey. A full discussion of representativeness and limitations of the survey data can be found in Appendix A. In summary, ECI used one-way variance tests and determined that Penn State can be confident in the representativeness of the findings.

Additionally, ECI analyzed the survey results for non-response bias. The analyses revealed the presence of non-response bias; however, the mean differences were all marginal. Further detail about the presence of non-response bias can also be found in Appendix A.

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[6] The "Responses" count reflects the counts of the final data set, or the "usable" cases for analysis. This includes some partially-completed survey results.
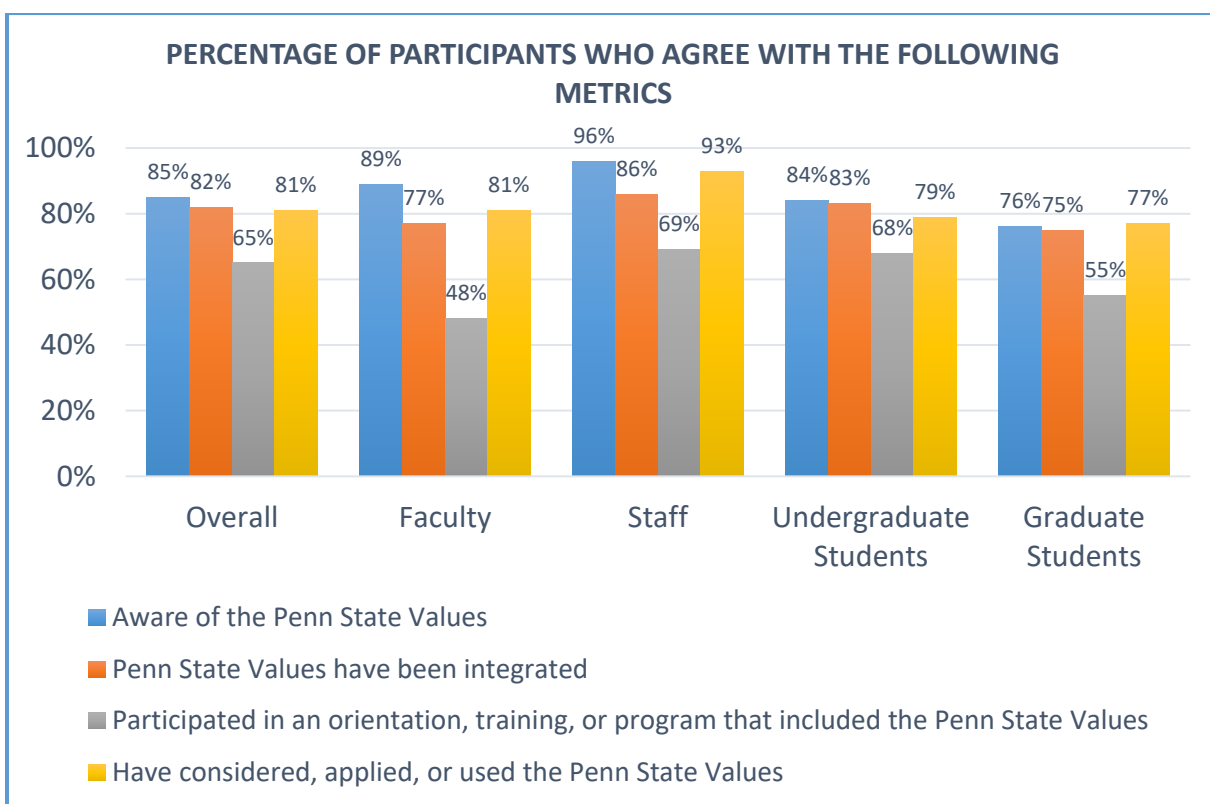
[7] A significant percentage of undergraduate students did not complete the survey past the first section. The response rate for the majority of the survey for undergraduate students is closer to 5.2% (4,119 responses). The margin of error using the 5.2% response rate is +/-1.5% for undergraduate students and the margin of error for the entire population remains the same at +/-0.8%.

KEY FINDINGS FROM THE SURVEY

1. **Expression of the Core Values in the University Environment**

Penn State used findings from the 2013 survey to help it select the six core institutional values that now serve as the foundation for the University's overall mission and strategic vision. The Penn State Values are *Integrity, Respect, Responsibility, Discovery, Excellence,* and *Community.* Since 2013, Penn State has undertaken several university-wide initiatives to educate its members about the core values and to integrate them at all levels of the university. The data reveal that a majority of survey participant's express engagement with the values.

- Overall, a majority of participants indicated that they were 1) aware of the values; 2) believe that the values have been integrated at their primary location; 3) have received orientation or training involving the values; and 4) have considered or applied the values in their daily responsibilities.

PERCENTAGE OF PARTICIPANTS WHO AGREE WITH THE FOLLOWING METRICS

- Aware of the Penn State Values
- Penn State Values have been integrated
- Participated in an orientation, training, or program that included the Penn State Values
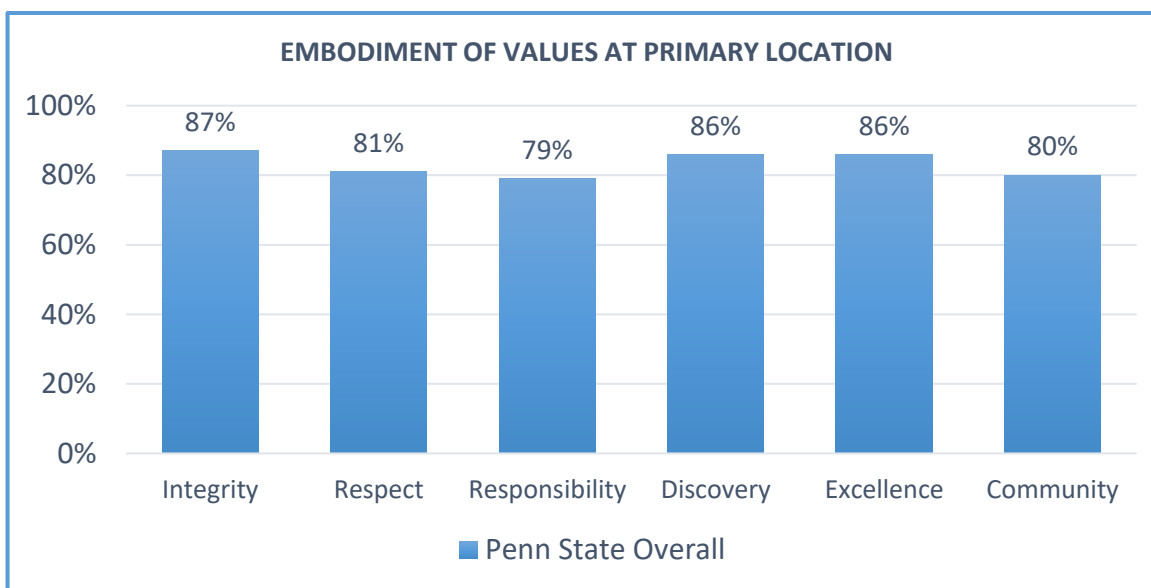- Have considered, applied, or used the Penn State Values

- Values were more likely to figure prominently in the workplace for staff compared to the other three groups. Among the four groups, staff were most likely to agree with all four measures about the values, while faculty were least likely to agree with all four of the items.

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	Faculty	Staff	Undergraduate Students	Graduate Students
Agreed with all four measures	37%	54%	47%	41%
Agreed with three or fewer measures	63%	46%	53%	59%

a. The Degree of Embodiment of the Core Values

As is shown in the previous chart, the vast majority of participants agreed that, in general, the University's values have been integrated into their primary location. In order to further assess the integration of the values, the survey asked participants additional questions to determine the extent to which each of the six values is *embodied* at their primary location. The data show that Integrity, Discovery and Excellence were the most embodied of the six values.

EMBODIMENT OF VALUES AT PRIMARY LOCATION

Integrity 87% | Respect 81% | Responsibility 79% | Discovery 86% | Excellence 86% | Community 80%

Penn State Overall

- Staff, undergraduate students, and graduate students all selected *Integrity* as the value most embodied at their primary location, while faculty selected *Discovery*.

- The vast majority of survey participants agreed that their primary location embodied at least one of the values. Overall, only 4% of survey participants felt that their primary location did not embody at least one value. Viewed in reverse, 61% of survey participants agreed that stakeholders at their primary location embodied all of the Penn State values.

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- Penn State has been able to drive the embodiment of values throughout the population, regardless of one's position at the University. The data reveal that the vast majority of participants felt that stakeholders at their primary location embodied at least one of the Penn State values. Additionally, a majority of participants felt that stakeholders at their primary location embodied at least five of the six values.

STAKEHOLDERS AT MY PRIMARY LOCATION EMBODY AT LEAST ONE VALUE

Category	Embodies at least one value	Embodies zero values
Overall	96%	4%
Faculty	94%	6%
Staff	92%	8%
Undergraduate Students	97%	3%
Graduate Students	96%	4%

STAKEHOLDERS AT MY PRIMARY LOCATION EMBODY ALL SIX VALUES

Category	Embodies all six values	Embodies zero to five values
Overall	61%	39%
Faculty	56%	44%
Staff	57%	43%
Undergraduate Students	62%	39%
Graduate Students	64%	36%
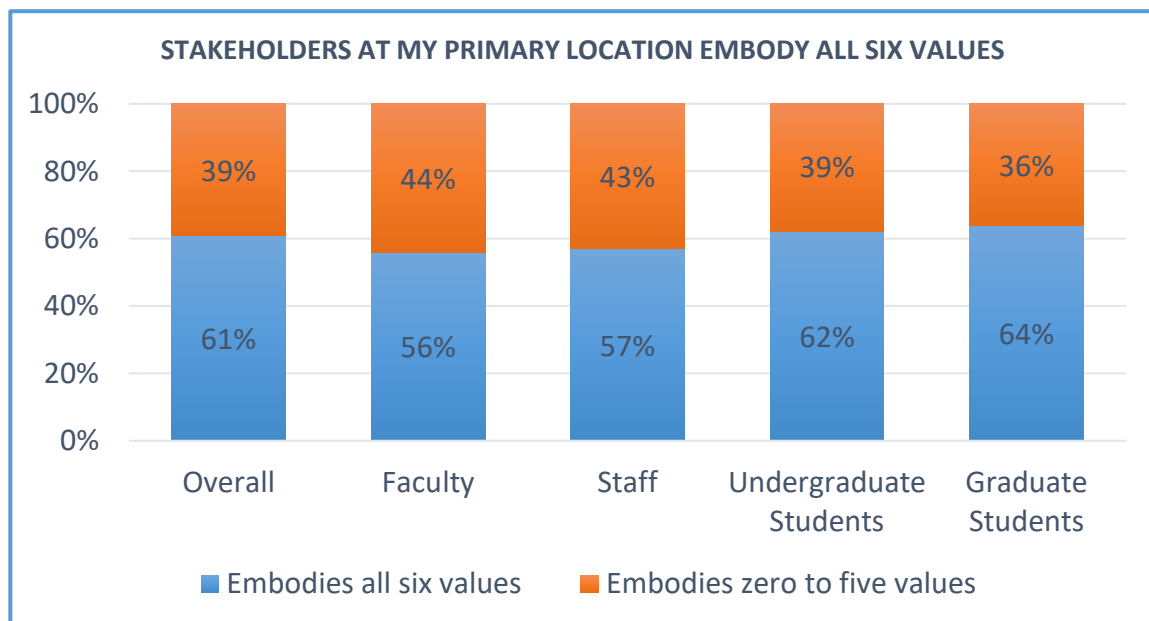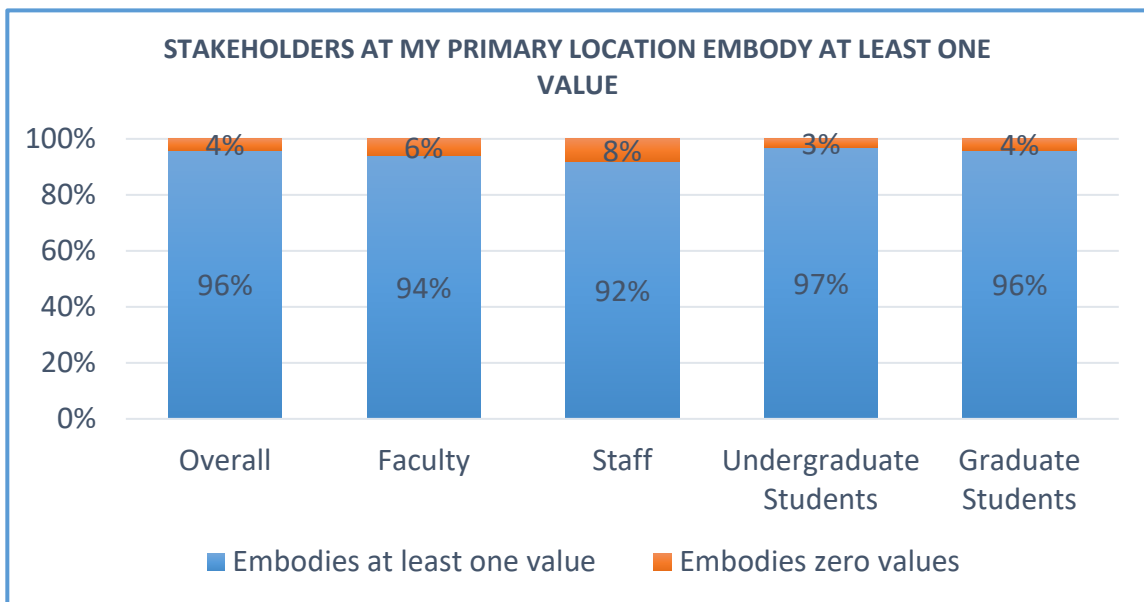
b. Embodiment of Values – The Impact on Reducing Pressure, Observed Misconduct and Retaliation

Note: In charts throughout this report, two "^^" denote changes that were statistically significant.

ECI's research has shown that certain outcomes can be expected from a concerted effort to strengthen a culture. As a culture strengthens, members of an organization should experience less pressure to commit violations of University policies or the law, observe fewer instances of misconduct,[8] report observations of misconduct at higher rates, and experience fewer instances of retaliation for reporting misconduct. These four major ethics outcomes demonstrate the extent to which the organization has a culture that supports and expects ethical behavior from its members.

At Penn State, the extent to which the values were embodied strongly correlates with three of the four major ethics outcomes:

- **Pressure**: Pressure to commit violations of University policies or the law
- **Misconduct**: Observations of misconduct
- **Reporting**: Retaliation for reporting misconduct

Reporting of misconduct is the only major ethics outcome not associated with the embodiment of values. Those survey participants who agreed that stakeholders at their primary location embodied at least five of the six values were:

- Less likely to feel <u>pressure</u> to commit violations University policies or the law;
- Less likely to experience <u>retaliation</u> for reporting; and,
- Less likely to observe <u>misconduct</u>.

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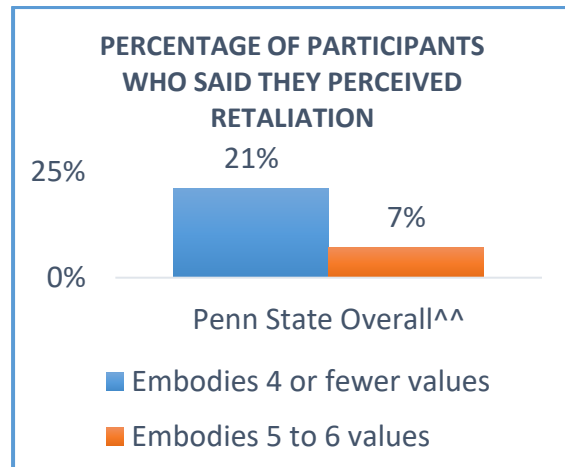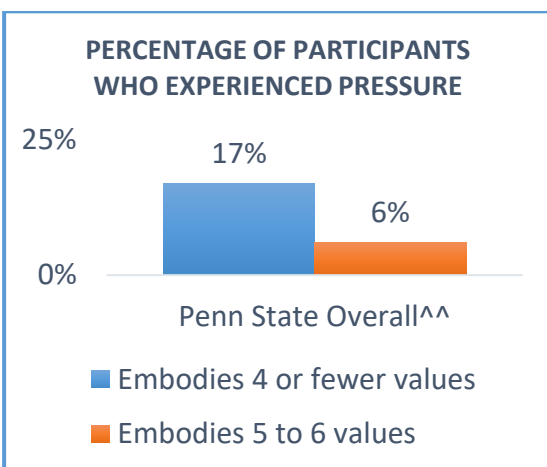
[8] [8] Ethics Resource Center. (2010). *The Importance of Ethical Culture: Increasing Trust and Driving Down Risks.* Arlington, VA: ERC.

PERCENTAGE OF PARTICIPANTS WHO SAID THEY PERSONALLY OBSERVED AT LEAST ONE INCIDENT OF MISCONDUCT WITHIN THE LAST 12 MONTHS
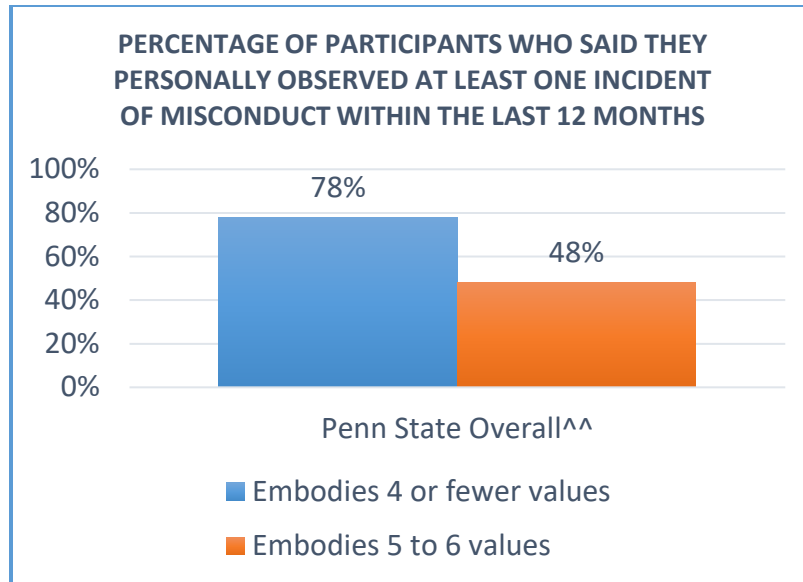
c. A Strong Ethical Culture Drives the Embodiment of Values

There exists a moderate, positive correlation[9] between the strength of ethical culture and the number of values embodied at survey participants' primary locations.

The survey measured the strength of the ethical culture in various locations by asking survey participants to assess the Ethics-Related Actions (ERA's) of different groups at the University. The ERAs as metrics were adapted from ECI's research about the drivers of culture. Ethical culture is shaped by the actions of individuals who set expectations for behavior that is acceptable. Therefore, any effort to understand the dynamics of culture must take into account the behaviors of influential groups. For example, one of the ERA questions in the survey asked participants if they agree that various members of the Penn State community act with integrity and responsibility.

Survey participants were asked to assess the ERA's of senior leaders, the people they report to, and their peers, among other groups. In order to develop a comprehensive culture index, each participant's answers were averaged across all groups to create an overall culture measure.[10]

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[9] P-values for all correlations = p < .000. The r-values were as follows: Faculty = .546; Staff = .544; Graduate = .479; Undergrad = .456.

[10] These overall culture metrics were developed by taking the average of all ERA questions asked of each respective key group. In order to be included in the analysis, a participant had to respond to at least one-third of the ERA questions they were asked, excluding the "Don't Know" and "Not Applicable" option choices.

The data reveal that:

- Strong[11] ethical cultures are associated with the number of values embodied at a survey participant's primary location. As can be seen below, strong ethical cultures were statistically significantly more likely to also embody at least five of the Penn State values.

- Those survey participants who felt that their primary location had a weak overall ethical culture were very unlikely to also feel that their primary location embodied at least 5 values. Only 1% of faculty, 4% of staff, 4% of undergraduate students and 8% of graduate students who felt that their primary location had a weak ethical culture agreed that their location embodied at least 5 of the values.

PERCENTAGE OF PARTICIPANTS IN WEAK OR STRONG ETHICAL CULTURES WHO SAID THEIR PRIMARY LOCATION EMBODIES AT LEAST FIVE VALUES

Category	Weak Ethical Culture	Strong Ethical Culture
Faculty^^	1%	82%
Staff^^	4%	81%
Undergraduate Students^^	4%	83%
Graduate Students^^	8%	85%
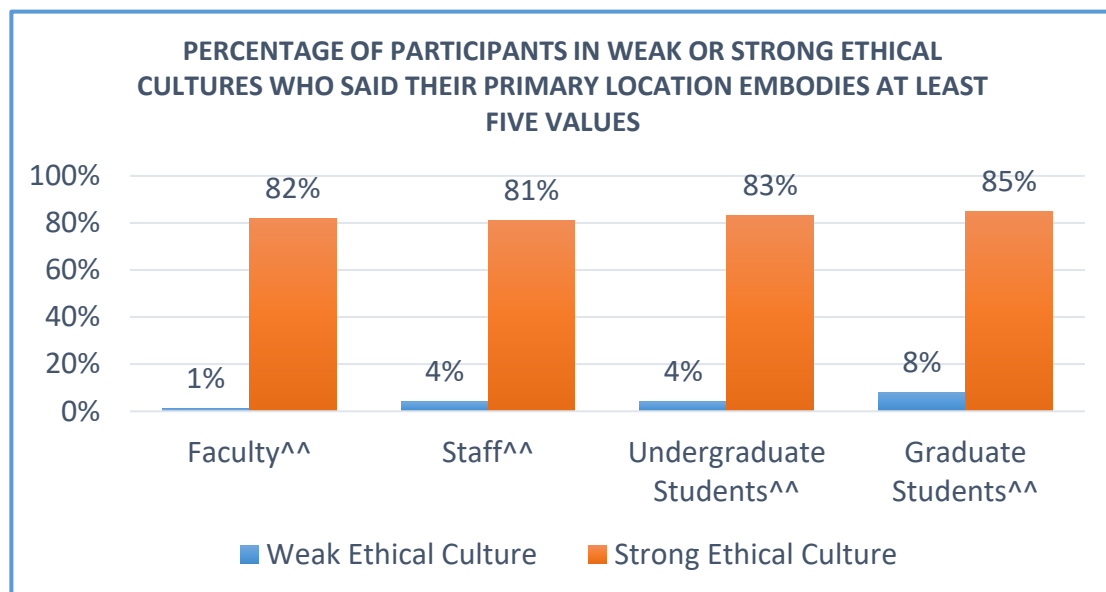
[11] Respondents were categorized as perceiving "strong ethical culture" amongst senior administrator if they, on average, agreed with all ERA questions. Respondents were categorized as perceiving "weak ethical culture" amongst senior administrator if they, on average, disagreed with all ERA questions. A third category captured those respondents who were, on average, "neutral" about all ERA questions.

Measuring Change between 2013 and 2017

One central goal of the 2017 survey was to assess how the ethical culture at Penn State has changed since 2013. The first part of this section briefly reviews several major findings from the 2013 survey that were largely replicated in 2017. The second part of the section addresses other areas of interest, ranging from program awareness to the changes in the major ethics outcomes.

a. **A Brief Review of Several Key Findings from 2013**

  i. **Connection to Penn State University**

  The 2013 survey found that survey participants across all four groups were, almost universally, strongly or moderately connected to the University. The 2017 survey reveals similarly high levels of connection.[12] Overall, 98% of respondents said that they were either strongly or moderately connected to the university, compared to 95% of respondents in 2013.

  ii. **The Penn State Culture - Emphasis on Football/Athletics**

  The 2013 survey asked survey participants whether or not the Penn State culture placed too much emphasis on football, and the data revealed that there was no consensus about the level of emphasis. In contrast, the 2017 survey asked participants to assess the emphasis on all athletics, instead of just football. Nevertheless, similar results emerged from the 2017 survey. Consensus did not appear among all four groups. A majority of faculty (56%) and close to a majority of graduate students (47%) agreed that the Penn State culture places too much of an emphasis on athletics. In comparison, staff (39%) and undergraduate students (40%) were less likely to believe that the Penn State culture places too much of an emphasis on athletics.

  iii. **Strong Ethical Cultures and Major Ethics Outcomes**

  Ethics-Related Actions of Leaders: In 2013, survey participants who agreed that senior administrators exhibited Ethics-Related Actions were less likely to experience pressure to compromise standards, to observe misconduct, and to experience retaliation for reporting misconduct. This association held in 2017, as strong perceptions of senior

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[12] The scale used to measure connection to the Penn State community differed between 2013 and 2017. The 2017 scale consisted of 5 items, while the 2013 survey consisted of 13 items. The scale was shortened in order to allow for the inclusion of additional questions in other sections of the survey. Additionally, factor analysis revealed that five of the items from the 2013 survey (those ultimately included in the 2017 survey) were sufficient as measures of "collective identity"; the strength of an individual's connection to an organization.

administrators[13], ranging from the President to Department Heads, again correlated with improved ethics outcomes at each participant's primary locations.

Ethics-Related Actions of Supervisors: Along with senior leaders, the presence of ERA's among supervisors is critical to developing strong ethical cultures. Similar to 2013, the 2017 findings revealed that those with strong perceptions of the ERAs of those they interact with frequently (supervisors, faculty members, advisors) were also less likely to experience pressure to violate Penn State's policies or the law, to observe misconduct and to experience retaliation for reporting. Among staff, only 3% of those in strong cultures experienced pressure, while 33% of those in weak cultures experienced pressure. Additionally, 10% of staff members in strong cultures experienced retaliation for reporting, while 59% experienced retaliation in weak cultures.

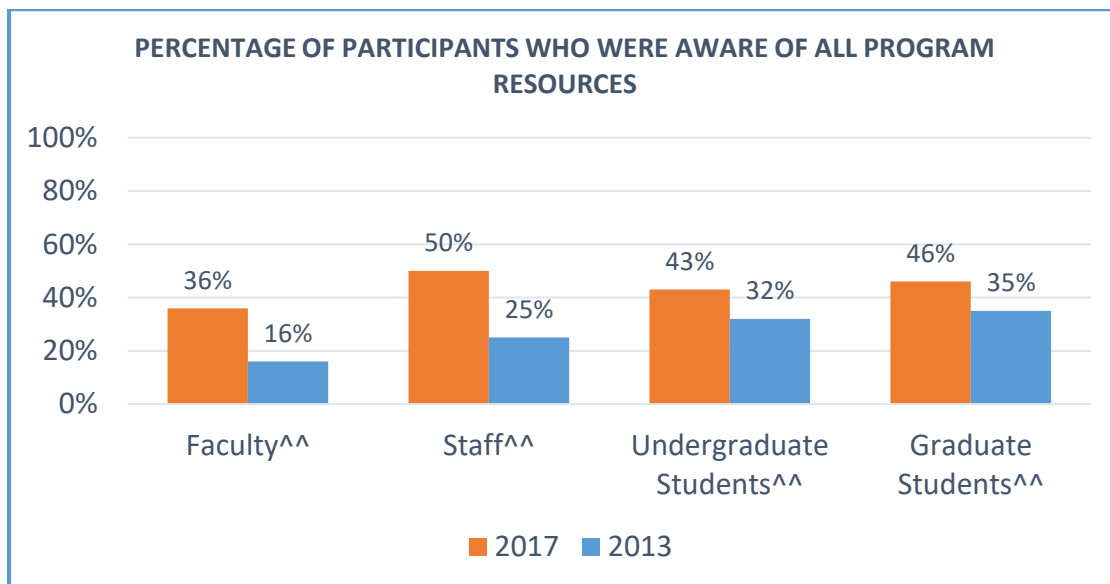**Primary Findings – Change between 2013 and 2017**

b. Members of the University Are Now Much More Aware of Program Resources

Both the 2013 and 2017 surveys asked survey participants whether or not they were aware of various E&C program resources, including those such as a "means to confidentially or anonymously report wrongdoing" and a "formal process to discipline employees who violate University policies." In order to raise awareness, the University instituted several mandatory training programs, including the Annual Compliance Training (ACT) Program. Beginning in 2016, all University employees, graduate assistants and graduate fellows were required to complete ACT. The 2017 survey posed the question again; however, changes were made to the answer choices. Participants were asked if they were aware of the following resources:

- A set of stated policies to help guide or regulate ethical conduct and compliance responsibilities;
- Orientation or training on policies regarding ethical conduct and compliance responsibilities;
- A resource (e.g., a specific office, telephone line, e-mail address or website) to obtain advice about ethics and compliance issues;
- Evaluation of ethical conduct and compliance responsibilities as part of regular performance assessments;
- A means to confidentially or anonymously report wrongdoing (e.g., a hotline); and,
- A formal process to discipline those who violate University policies.

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[13]The 2013 survey asked survey participants to assess the ERA's of those people they self-identified as senior administrators. In contrast, 2017 survey participants were instead asked to assess the ERA's of the following groups who could be considered analogous to "senior administrators" : "The President, Provost, VPs and other University leaders", "Dean/Chancellor/Unit Head", and "Department Head/Director."

A comparison between the two survey years reveals that program awareness improved across all four groups. These improvements were statistically significant for each group, with particularly notable gains among faculty and staff. [14]

PERCENTAGE OF PARTICIPANTS WHO WERE AWARE OF ALL PROGRAM RESOURCES

Group	2017	2013
Faculty^^	36%	16%
Staff^^	50%	25%
Undergraduate Students^^	43%	32%
Graduate Students^^	46%	35%

In 2017, faculty and staff were more likely to be aware that evaluation of ethical conduct is a part of regular performance appraisals.

- In 2013, 27% of faculty were aware of evaluation of ethical conduct, while 47% report being aware of the resource in 2017.

- In 2013, 39% of staff were aware of a process for the evaluation of ethical conduct. In comparison, 67% of staff report being aware of the resource in 2017.

- While overall awareness has increased, a significant percentage (29%) of those at Penn State were not aware of a resource to obtain advice about ethics and compliance issues.

c. **Senior Administrators Are Displaying More ERAs in 2017**

As was mentioned earlier, the ERAs of senior administrators continue to be correlated with three of the four major ethics outcomes in 2017. The following ERA measures were used to measure ethical culture:

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[14] There were several differences between the program resources questions in 2013 and 2017. In order to compare the two survey years, only resources that were asked about in both years were included as a part of this analysis.

- Senior administrators talk about the importance of ethics and doing the right thing;[15]
- I trust that senior administrators will act with integrity and responsibility;
- Senior administrators would be held accountable if caught violating University policies;
- Senior administrators act as good role models of ethical behavior; and
- Senior administrators support employees in following University policies.

Unlike the 2013 survey, the 2017 survey asked survey participants to address the ERA's of six distinct groups.[16] In order to make a comparison between the two survey years, only those 2013 participants who selected "President and VP's" as senior administrators were compared to responses to the "The President, Provost, VPs and other University leaders" group from the 2017 survey.

Compared to 2013, survey participants were more likely to agree that senior administrators (defined as the President, VP, Provost or "other University leader") exhibit ERAs.

PERCENTAGE OF PARTICIPANTS WHO HAD POSITIVE VIEWS ABOUT THE ETHICS-RELATED ACTIONS OF THE PRESIDENT, SENIOR VP'S, PROVOST AND OTHER UNIVERSITY LEADERS

Category	2013	2017
Overall^^	63%	78%
Faculty^^	45%	65%
Staff^^	54%	72%
Undergraduate Students^^	69%	81%
Graduate Students^^	62%	72%

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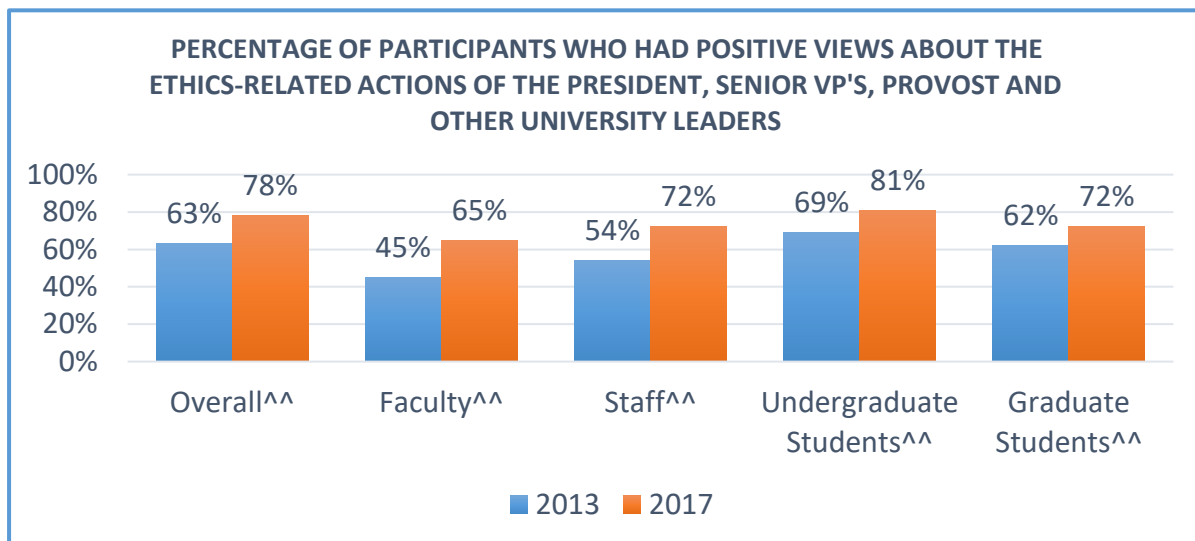
[15] The 2017 survey asked participants if the President, VP's, Provost, or other University Leaders exhibited ERAs.
[16] The 2013 survey asked survey participants to assess the ERA's of those people they self-identified as senior administrators. Those in the 2013 survey had the following options: "Board of Trustees"; "President and VP's"; "Chancellor of my campus"; "Deans or department heads"; "Other"; and "Don't Know." In contrast, 2017 survey participants did not self-identify senior administrators; instead they were asked to assess the ERA's of the following groups: "The President, Provost, VPs and other University leaders"; "Dean/Chancellor/Unit Head" and "Department Head/Director."

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These gains were driven by improvements throughout a range of ERA's. Survey participants were more likely to trust that senior administrators would act with integrity and responsibility; that senior administrators were good role models of ethical behavior; and that senior administrators would be held accountable if caught violating University policies.

- In 2013, 35% of faculty agreed that senior administrators would act with integrity or responsibility. In comparison, 60% believed that senior administrators would act with integrity or responsibility in 2017.
- In 2013, 42% of staff believed that senior administrators were acting as good role models of ethical behavior. In 2017, 68% believed that senior administrators were acting as good role models.

Other Groups Have Improved Their ERAs as Well

Commitment from senior leadership is critical to developing and strengthening ethical cultures. However, the commitment of other members of the community is also integral to developing a strong ethical culture. While not as "dramatic" as the changes mentioned above, two groups – faculty and staff - view their faculty or dean or direct supervisor as exhibiting stronger ERAs compared with 2013.

PERCENTAGE OF PARTICIPANTS AGREEING THAT THE RESPECTIVE GROUP DISPLAYS ERA'S

| Group	2013	2017
Faculty - Department Head/Director^^	74%	79%
Staff - Person I Report To^^	77%	82%
Undergraduate Students - Professors and Instructors^^	88%	90%
Graduate Students - My Advisor	90%	89%
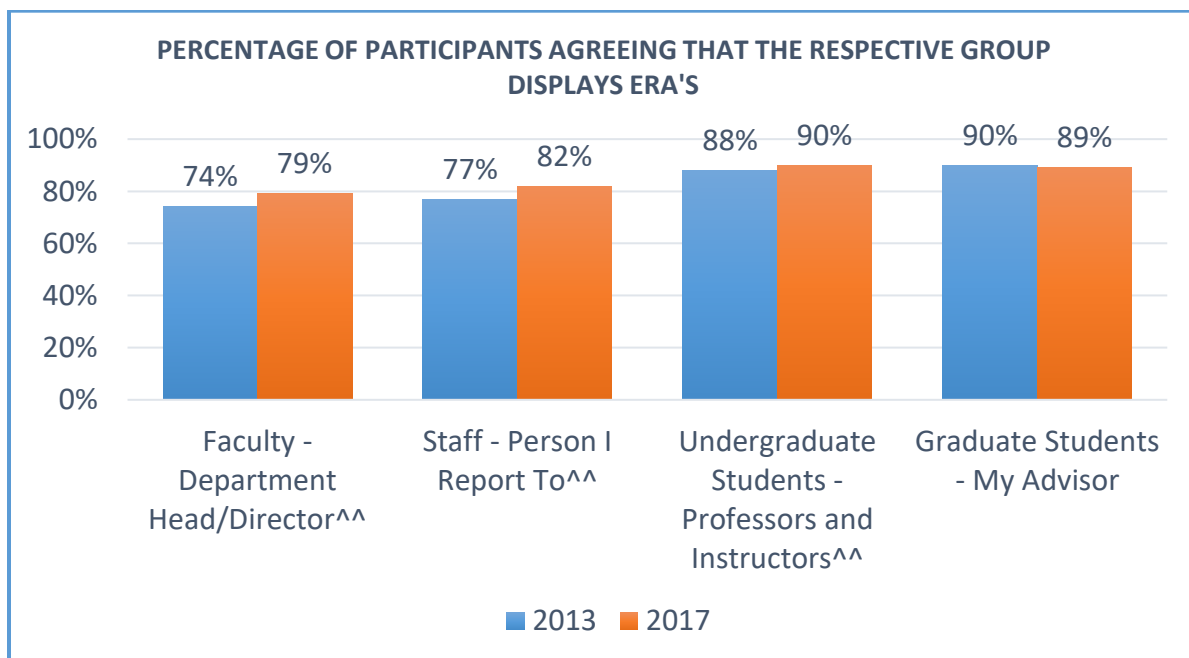
d. The Four Major Ethics Outcomes: Pressure, Observed Misconduct, Reported Misconduct and Retaliation

There were several statistically significant changes within three of the four outcomes, both for the overall University population and within the key groups. Pressure to compromise standards, rates of observed misconduct, and reporting of misconduct all changed favorably between 2013 and 2017. There were no statistically significant changes for retaliation against reporters.

i. Experienced Pressure to Violate University Policies or the Law

The rate at which participants experience pressure remained consistent within each group between 2013 and 2017. However, the overall rate of pressure decreased slightly between 2013 and 2017. The 9% overall rate of pressure is driven in large part by the experiences of undergraduate students.

PERCENTAGE OF PARTICIPANTS WHO EXPERIENCED PRESSURE TO VIOLATE UNIVERSITY POLICIES OR THE LAW
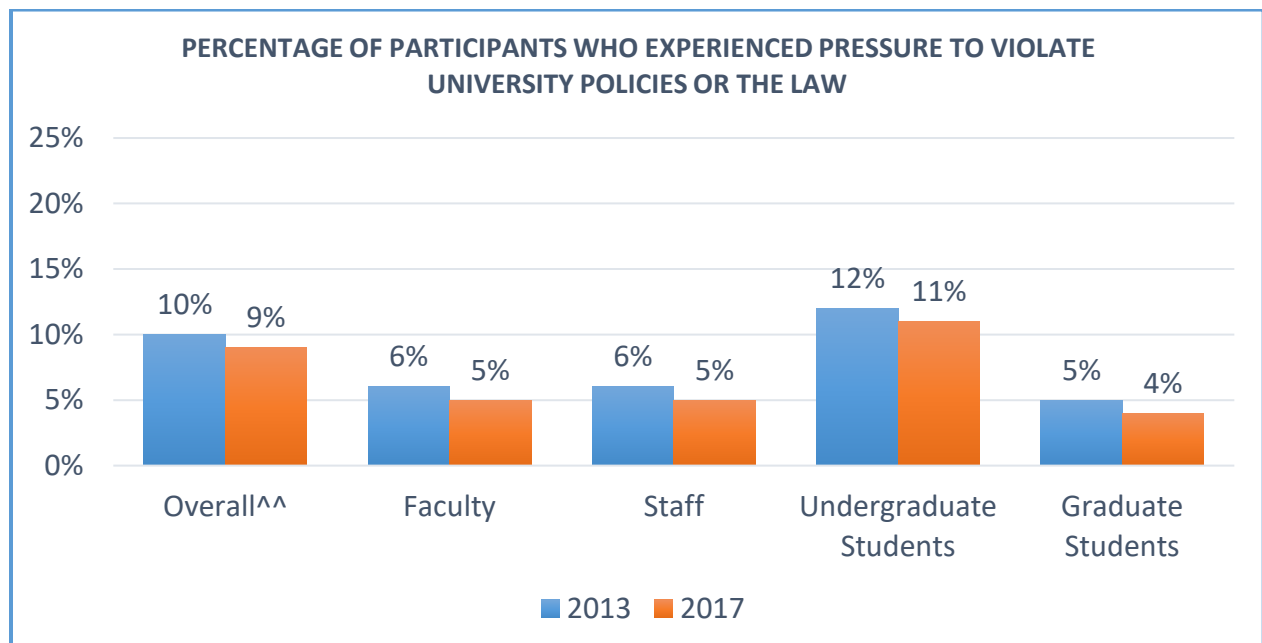
ii. Observed At Least One Incident of Misconduct within the last 12 Months

Three of the four key groups saw statistically significant changes with regard to observed misconduct. Both faculty and staff report observing misconduct more often, while undergraduate students report observing fewer instances of misconduct. The rate among graduate students is consistent between the two years.

PERCENTAGE OF PARTICIPANTS WHO SAID THEY PERSONALLY OBSERVED AT LEAST ONE INCIDENT OF MISCONDUCT IN THE LAST 12 MONTHS

Group	2013	2017
Overall^^	58%	56%
Faculty^^	59%	63%
Staff^^	48%	52%
Undergraduate Students^^	64%	59%
Graduate Students	34%	36%
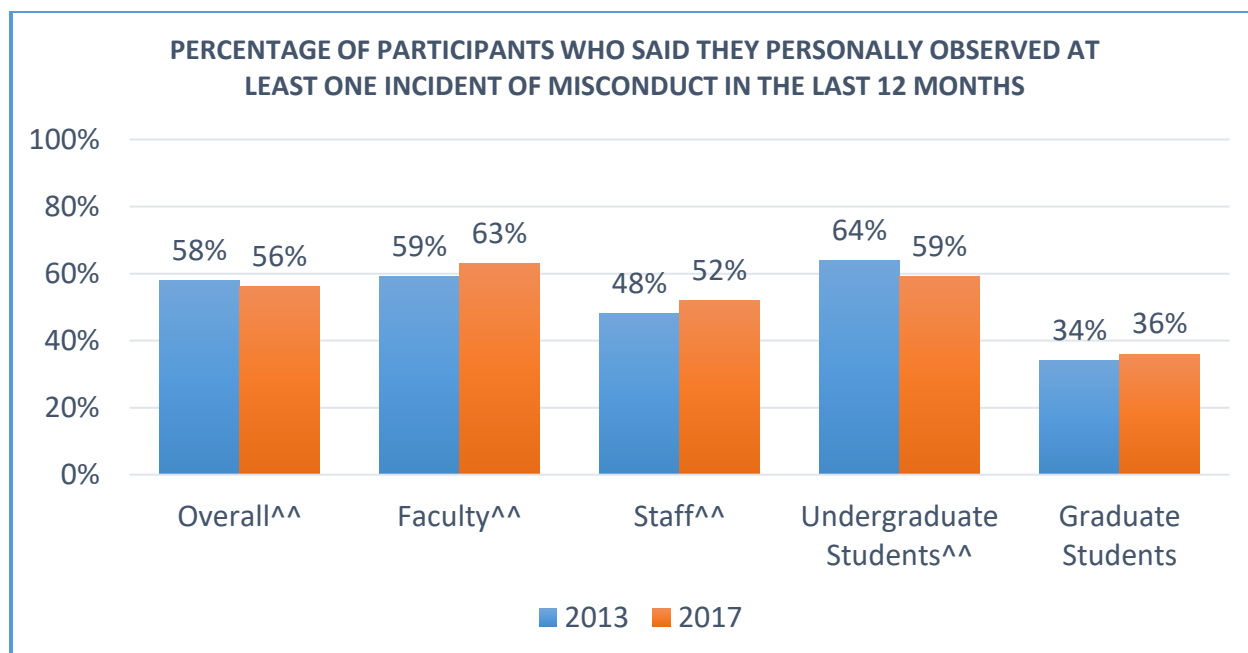
- The survey asked participants if they had observed the following types of misconduct within the last 12 months:

  - Abusive or intimidating behavior that creates a hostile environment (e.g., bullying);
  - Cheating, plagiarism, or other violations of academic integrity;
  - Acts of bias or discrimination;
  - Financial misconduct (e.g., falsifying expense reports, embezzlement);
  - Hazing (e.g., humiliating or dangerous activity required to join a group);
  - Research misconduct;
  - Sexual harassment, sexual misconduct, or relationship violence;
  - Stealing or theft;
  - Substance abuse by a faculty member or staff;
  - Substance abuse by a student; and
  - Other violations of University policies, the Student Code of Conduct, or the law.

- The most commonly observed misconduct varied by group. The table below highlights the two most common types of misconduct per group in 2013 and how the rates changed in 2017.
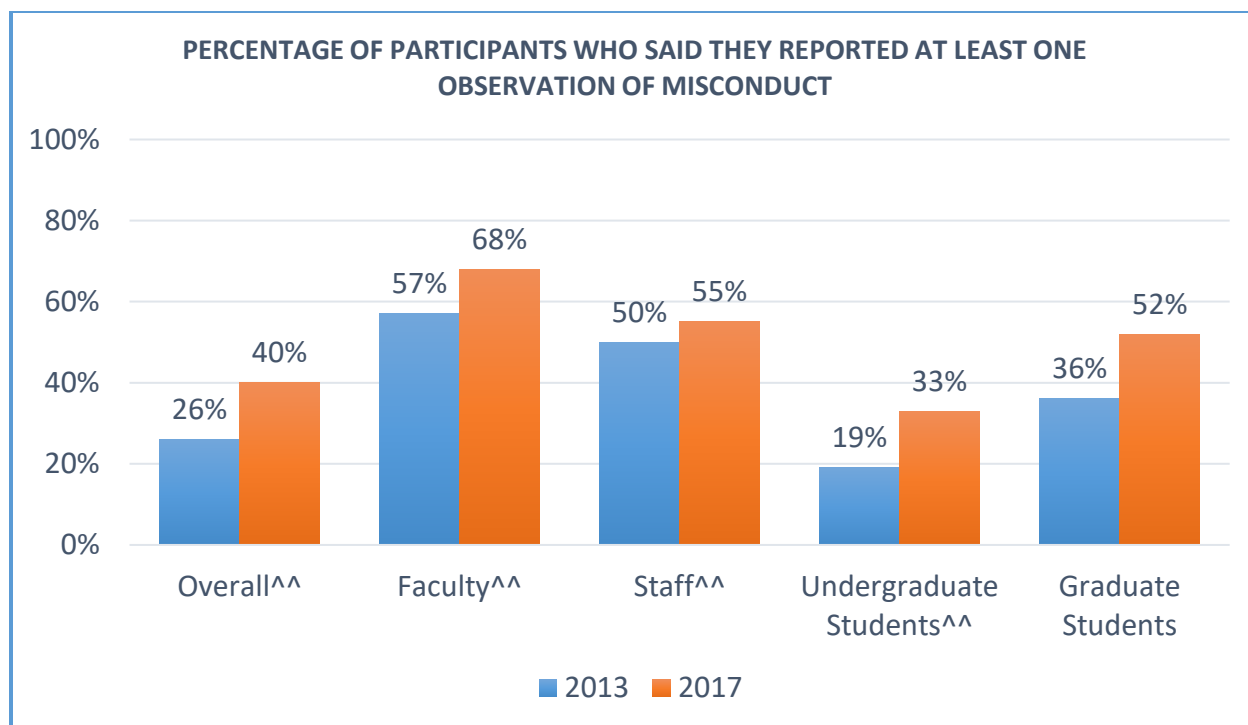
PERCENTAGE OF PARTICIPANTS WHO SAID THEY OBSERVED EACH TYPE OF MISCONDUCT WITHIN THE LAST 12 MONTHS	2013	2017
Faculty		
Abusive or intimidating behavior that creates a hostile environment (e.g., bullying)	27%	33%
Cheating, plagiarism, or other violations of academic integrity	38%	36%
Staff		
Abusive or intimidating behavior that creates a hostile environment (e.g., bullying)	35%	37%
Acts of bias or discrimination	17%	28%
Undergraduate		
Cheating, plagiarism, or other violations of academic integrity	37%	33%
Substance abuse by a student	45%	38%
Graduate		
Abusive or intimidating behavior that creates a hostile environment (e.g., bullying)	13%	17%
Cheating, plagiarism, or other violations of academic integrity	18%	17%

iii.   Reporting of At Least One Incident of Observed Misconduct

One of the primary findings in 2013 was that over three-quarters of those who observed misconduct did not report the misconduct they observed. As a result, the University's Office of Ethics & Compliance partnered with other offices and departments throughout the University to build a more robust reporting process. Additionally, the University worked to ensure that all employees understood their reporting responsibilities.

Based on the 2017 survey results, the efforts by the University's Office of Ethics & Compliance appear to have substantially improved the rate of reporting across all four groups. Overall, the number of participants that reported misconduct rose from 26% to 40%, with particularly notable improvements among undergraduate and graduate students.[17]

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[17] It is possible that part of the increase in reporting rates is due to changes between the 2013 and 2017 sections on reporting. Research by ECI has shown that survey participants are more likely to say that they reported misconduct when presented with a list of reporting locations. The 2013 survey asked a general reporting question first, while the 2017 survey immediately asked participants about specific locations.

PERCENTAGE OF PARTICIPANTS WHO SAID THEY REPORTED AT LEAST ONE OBSERVATION OF MISCONDUCT

Bar chart showing percentage of participants who reported at least one observation of misconduct, comparing 2013 and 2017:
- Overall^^: 2013 = 26%, 2017 = 40%
- Faculty^^: 2013 = 57%, 2017 = 68%
- Staff^^: 2013 = 50%, 2017 = 55%
- Undergraduate Students^^: 2013 = 19%, 2017 = 33%
- Graduate Students: 2013 = 36%, 2017 = 52%

Further analysis shows that the rise in reporting rates can be at least partially attributed to the following developments:

Faculty:
- In 2013, 42% of faculty reported their observation of abusive or intimidating behavior. In comparison, 54% reported abusive or intimidating behavior in 2017.

Staff:
- In 2013, 34% of staff reported acts of bias or discrimination, while 40% reported acts of bias or discrimination in 2017.
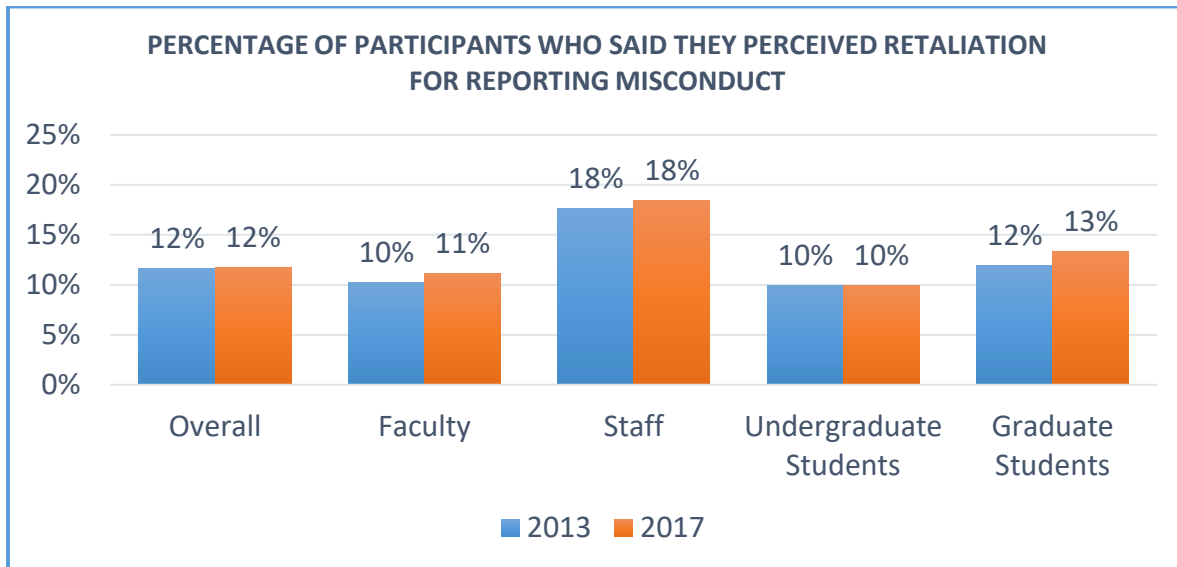
Undergraduate Students:
- In 2013, 22% of undergraduate students reported abusive or intimidating behavior, while 37% reported abusive or intimidating behavior in 2017.
- Additionally, in 2013, 5% reported their observations of substance abuse by a student. The rate more than doubled in 2017, with 12% now reporting observations of substance abuse by a student.
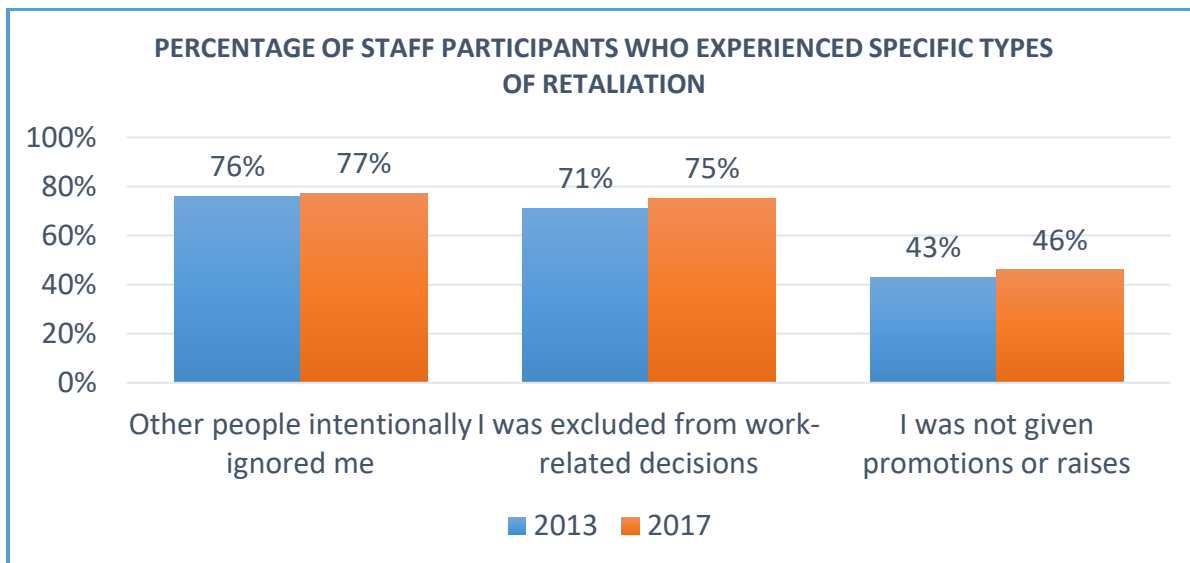
Graduate Students:
- In 2013, 21% of graduate students reported acts of abusive behavior, while 47% reported acts of abusive behavior in 2017.
- Additionally, in 2013, 15% reported acts of bias or discrimination, while 36% reported acts of bias or discrimination in 2017.

iv.   Retaliation for Reporting

The rate at which survey participants experienced retaliation for reporting remained consistent between 2013 and 2017. There were no statistically significant changes, either within groups or overall.

PERCENTAGE OF PARTICIPANTS WHO SAID THEY PERCEIVED RETALIATION FOR REPORTING MISCONDUCT

Group	2013	2017
Overall	12%	12%
Faculty	10%	11%
Staff	18%	18%
Undergraduate Students	10%	10%
Graduate Students	12%	13%

- **Retaliation among Staff:** Staff participants were again the most likely to indicate that they had experience retaliation for reporting.[18] The most frequently cited types of retaliation remained consistent between 2013 and 2017.

PERCENTAGE OF STAFF PARTICIPANTS WHO EXPERIENCED SPECIFIC TYPES OF RETALIATION

Type	2013	2017
Other people intentionally ignored me	76%	77%
I was excluded from work-related decisions	71%	75%
I was not given promotions or raises	43%	46%

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[18] The 2017 survey expanded the types of retaliation participants could choose from.

27

- **Harm to Reputation:** Among the new options in 2017, staff were asked if the retaliation they experienced consisted of "harm to their reputation." This was the second most common type of retaliation identified in 2017, with 76% of staff reporting that they had experienced harm to their reputation.[19]

e. The Reporting Process

Any respondent who observed misconduct and did not report *any* of the types of misconduct they observed were asked why they did not report. Overall, 56% of respondents observed at least one type of misconduct. Of those who observed misconduct but did not report it, 25% of faculty, 11% of staff, 22% of undergraduate students and 15% of graduate students did not report because they resolved the issue themselves.

i. Leading Reasons for Not Reporting

While rates of reporting misconduct improved significantly, those who did *not* report cited many of the same reasons as participants in 2013 for their decision to not report. For both faculty and staff, a belief that corrective action would not be taken was cited most often as the reason for not reporting. Undergraduate students were again most likely to say that the issue was not significant enough to report.

Reasons for Not Reporting		
I did not believe corrective would be taken	**2013**	**2017**
Staff	75%	75%
Faculty	58%	59%

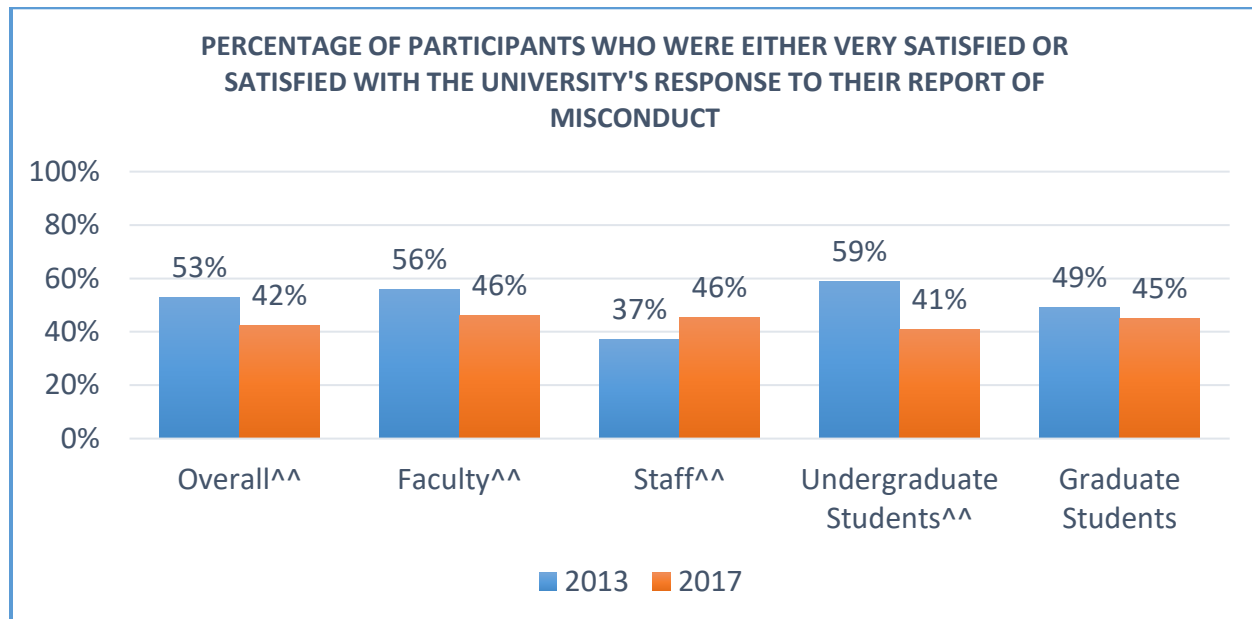| Reasons for Not Reporting		
I did not think the issue was significant enough to report	**2013**	**2017**
Undergraduate Students	73%	78%

Among graduate students, the most likely reason for not reporting changed between the two years. Instead of believing that the issue was not significant enough to report, graduate students were more likely to think that corrective action would not be taken.

Reasons for Not Reporting		
Graduate Students	**2013**	**2017**
I did not think it was significant enough to report	63%	60%
I did not believe corrective action would be taken	51%	70%

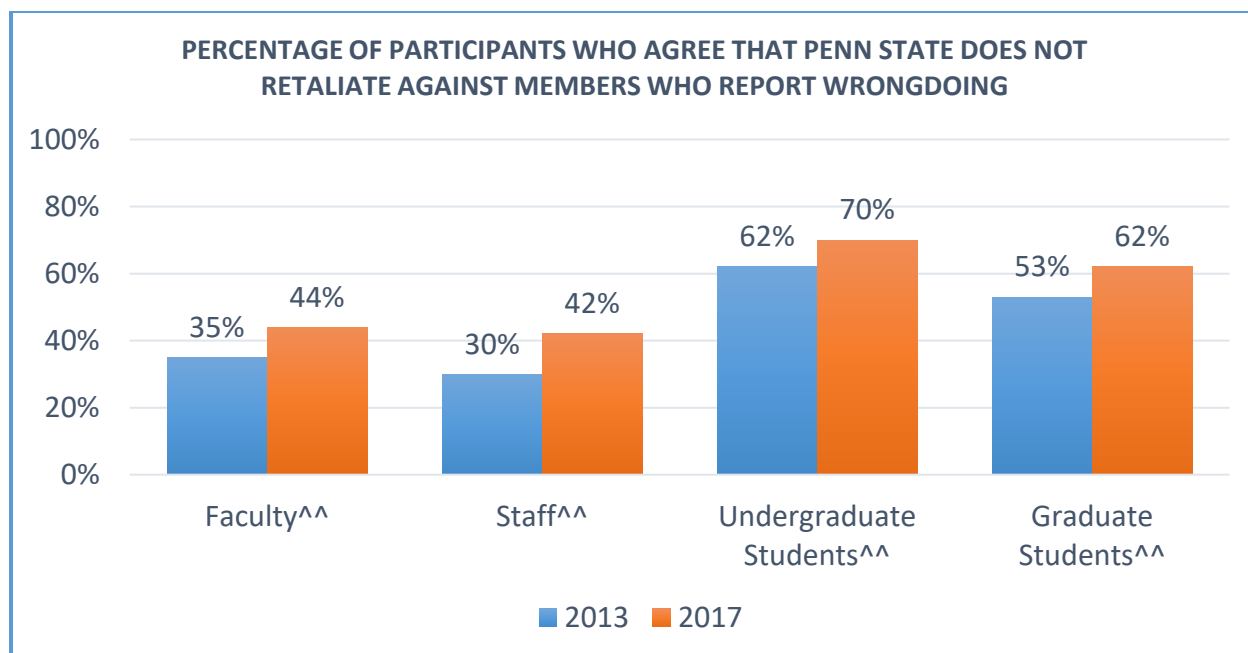[19] None of the differences were statistically significant.

ii. Satisfaction with Reporting

Fewer survey participants indicated that they were satisfied with the University's response to their reports of misconduct in 2017.

PERCENTAGE OF PARTICIPANTS WHO WERE EITHER VERY SATISFIED OR SATISFIED WITH THE UNIVERSITY'S RESPONSE TO THEIR REPORT OF MISCONDUCT

	2013	2017
Overall^^	53%	42%
Faculty^^	56%	46%
Staff^^	37%	46%
Undergraduate Students^^	59%	41%
Graduate Students	49%	45%

- While satisfaction with the reporting process decreased overall, there was significant improvement among staff members. Conversely, undergraduate students were less likely to signal satisfaction with the reporting process.

- There are several possible reasons for the decrease in satisfaction. First, the survey results revealed that the majority of people who report went to their supervisor, adviser or faculty member/instructor first, and it may be the case that the individual who received the report did not handle it in a satisfactory manner. It can often take several years, if not longer, to be properly trained in how to recognize and handle reports of misconduct. Second, increased awareness of retaliatory behavior can make reporters more attuned to any type of retaliation and thus more likely to signal dissatisfaction with the reporting process.

iii. Fewer Survey Participants Believe That Retaliation Occurs against Reporters

Although retaliation remained flat and satisfaction with reporting decreased, there were some notable improvements with regard to perceptions about retaliation. Fewer participants believed that retaliation occurs against those who report. Nevertheless, a majority of faculty and staff continued to think that retaliation occurs following reports of misconduct.

PERCENTAGE OF PARTICIPANTS WHO AGREE THAT PENN STATE DOES NOT RETALIATE AGAINST MEMBERS WHO REPORT WRONGDOING

	Faculty^^	Staff^^	Undergraduate Students^^	Graduate Students^^
2013	35%	30%	62%	53%
2017	44%	42%	70%	62%

Additional Insights from the 2017 Survey

The 2017 survey built upon the observed misconduct section from 2013 by also asking participants to identify who had committed the misconduct they observed and where they witnessed the misconduct taking place.
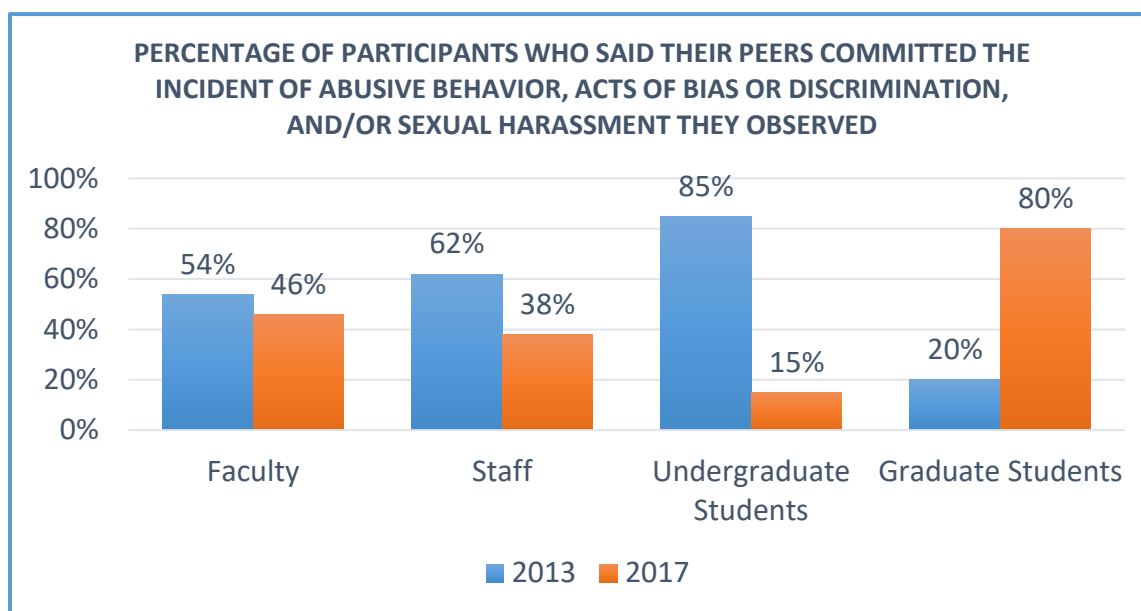
1.) Characteristics of Observed Misconduct

Who Committed Misconduct

- When examining at the three most common types of misconduct – abusive behavior, acts of bias or discrimination, and sexual harassment (excluding misconduct that would typically be observed[20] and committed by certain groups[21]) – three out of the four groups were most likely to identify their peers as those who committed the misconduct. In contrast, graduate students were much more likely to say that members from another group had committed the misconduct.

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[20]Undergraduate students, graduate students and faculty were much more likely than staff to observe violations of academic integrity. Undergraduate students and graduate students were much more likely than staff or faculty to observe hazing or substance abuse by a student.

[21] Undergraduate students and graduate students were the groups most likely to commit acts of hazing, violations of academic integrity, and substance abuse by a student. Comparatively few staff and faculty committed acts of hazing, violations of academic integrity or substance abuse by a student.

PERCENTAGE OF PARTICIPANTS WHO SAID THEIR PEERS COMMITTED THE INCIDENT OF ABUSIVE BEHAVIOR, ACTS OF BIAS OR DISCRIMINATION, AND/OR SEXUAL HARASSMENT THEY OBSERVED

Violations of Academic Integrity

- Faculty (36%) and undergraduate students (33%) were those most likely to observe violations of academic integrity. Of those who observed violations of academic integrity, 73% of faculty reported the misconduct and 20% of undergraduate students reported the misconduct.

- A majority of faculty (82%) and undergraduate students (92%) said that "undergraduate students committed violations of academic integrity." In contrast, little more than half of graduate students (51%) and less than half of staff (46%) said that "undergraduates committed the acts of violations of academic integrity" that they had observed.
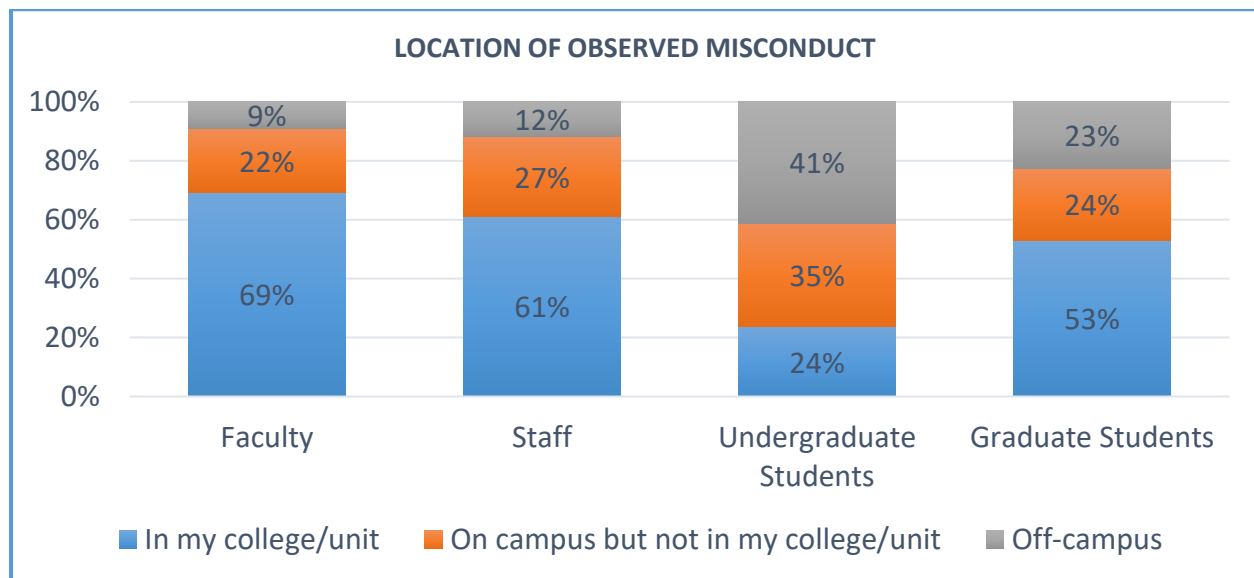
Substance Abuse by a Student

- Lastly, three of the four groups were most likely to say that "substance abuse by a student" was committed by an undergraduate student. Faculty (87%), staff (79%) and undergraduate students (90%) said that the vast majority of "substance abuse by a student" was committed by an undergraduate student. In contrast, graduate students were equally as likely to say that undergraduate students (49%) and graduate students (48%) committed "substance abuse by a student."
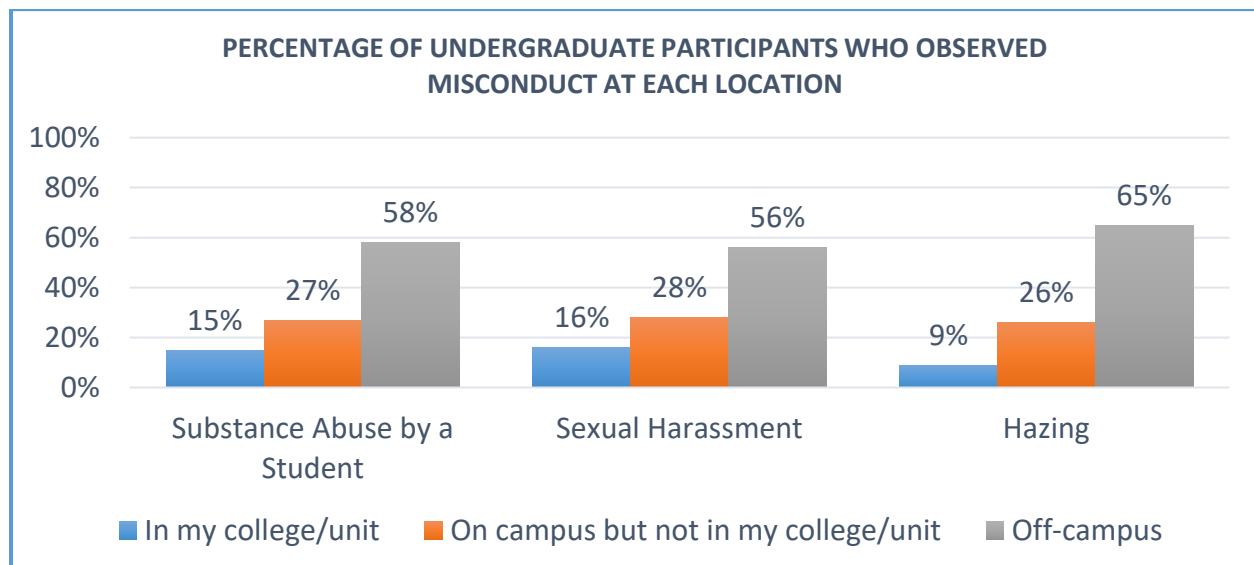
Location of Observed Misconduct

- Additionally, survey participants were asked to identify if the misconduct that they observed occurred at their college/unit, on-campus but not at their college/unit, or off-

campus. A majority of participants within three of the four key groups identified their college/unit as the location where they observed misconduct. Undergraduate students were distinct, with only 24% reporting that they observed misconduct on-campus.

LOCATION OF OBSERVED MISCONDUCT

Group	In my college/unit	On campus but not in my college/unit	Off-campus
Faculty	69%	22%	9%
Staff	61%	27%	12%
Undergraduate Students	24%	35%	41%
Graduate Students	53%	24%	23%

Off-Campus Misconduct – Undergraduate Students

Undergraduate students reported that substance abuse by a student, sexual harassment and hazing were all most likely to occur off-campus.

PERCENTAGE OF UNDERGRADUATE PARTICIPANTS WHO OBSERVED MISCONDUCT AT EACH LOCATION

	In my college/unit	On campus but not in my college/unit	Off-campus
Substance Abuse by a Student	15%	27%	58%
Sexual Harassment	16%	28%	56%
Hazing	9%	26%	65%

- In contrast to the aforementioned types of misconduct, a majority of undergraduate students (82%) said that violations of academic integrity occurred on-campus.

2.) Characteristics of Reported Misconduct

Throughout the last four years, Penn State has made substantial efforts to provide faculty, staff and students with different ways to report misconduct. The 2017 survey provided participants with these additional reporting locations and also asked them if they had reported to other locations beyond their first report. Similar to 2013, the data show that survey participants continue to be most likely to report to a known entity first.

First Reporting Location

- Faculty (40%) and Staff (47%) reported to their supervisor, while graduate students (26%) reported to the person they report to.
- Undergraduate students (26%) reported to a faculty member or instructor.

However, participants were also likely to make their first report to "other" locations not listed in the survey. Of those who made a report, 22% of faculty, 19% of staff, 13% of undergraduate students and 13% of graduate students made their first report to a location not provided in the survey. Respondents mentioned an array of "other" locations, ranging from family and friends to coworkers. Additionally, many participants indicated that they resolved the issue themselves by speaking directly with those involved.

Other Reporting Locations

Survey participants were also asked if they had reported their observations to other places beyond their first reporting location. The reporting options remained consistent between the first reporting question and this section, and survey participants could select multiple secondary reporting locations.

Approximately half of all survey participants who reported misconduct reported to other locations, with many of the secondary and additional reports going to another known entity.[22] However, staff and faculty also made many of their additional reports to Human Resources, while many undergraduate students made secondary reports to University or campus police and graduate students made secondary reports to their Department Head, Program Director or Dean.

- Both faculty and staff are required to report certain types of misconduct to particular offices at Penn State. Specifically, both groups must report any claims or observations of sexual harassment to the Office of Sexual Misconduct Prevention & Response (Title IX), while any acts of bias or discrimination must be reported to the

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[22] Percentage of respondents who observed misconduct and reported to other locations – 51% of faculty, 46% of staff, 56% of undergraduate students, 50% of graduate students

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Office of Affirmative Action. Below is an overview of the reporting rates for each type of misconduct:

SEXUAL HARASSMENT, SEXUAL MISCONDUCT, OR RELATIONSHIP VIOLENCE	First Report to Office of Sexual Misconduct Prevention & Response (Title IX)	Other Report to Office of Sexual Misconduct Prevention & Response (Title IX)	Did Not Report Observation
Staff (5% observed)	15%	15%	48%
Faculty (8% observed)	18%	6%	48%

ACTS OF BIAS OR DISCRIMINATION	First Report to Office of Affirmative Action	Other Report to Office of Affirmative Action	Did Not Report Observation
Staff (28% observed)	1%	8%	59%
Faculty (32% observed)	3%	12%	60%

Conclusions

ECI's research has shown that when an organization takes certain steps to strengthen its ethical culture(s), several positive changes take place. The steps include identifying and promoting core institutional values; implementing a best-practice E&C program; and encouraging leaders to demonstrate several ethics-related actions (ERAs). The result is that stakeholders are:

- Less likely to feel <u>pressure</u> to violate ethics standards;
- Less likely to <u>observe</u> misconduct;
- More likely to <u>report</u> misconduct they observe; and

Over the past four years, Penn State has undertaken these and other additional steps to strengthen the culture (and subcultures) of the institution. Among its activities, the University has revised, defined, and communicated its values; established and promoted the University's Office of Ethics & Compliance; strengthened the reporting process; and implemented several mandatory training initiatives, including an Annual Compliance Training (ACT) Program. The results of the 2017 Values & Culture Survey demonstrate that these efforts have had a positive effect. The data show that:

1. The University has succeeded in making the Penn State values an active component of the culture for all members of the community. Overall, 85% of faculty, staff, undergraduate and graduate students were aware of the Penn State Values.

Comparable numbers say the values have been integrated and applied. These findings signal widespread engagement with the Penn State values.

2. Awareness of key resources (now a part of the University's Office of Ethics & Compliance) has improved substantially since 2013, with particularly notable gains amongst faculty and staff. In 2017, 36% of staff and 50% of faculty were aware of all resources – compared to 14% of staff and 25% of faculty in 2013.

3. Stakeholders were substantially more positive about the ERAs of senior administrators. Compared to 2013, survey participants' belief that the President, Senior VP's, Provost, and other University leaders were displaying ERA's increased by 24%. More specifically, trust that senior administrators will act with integrity increased by 71%. Belief that senior administrators model ethical conduct increased by 62%. Overall, the greatest increases in positive perception were among faculty (by 44%) and staff (by 33%).

4. Penn State demonstrated improvement towards three of the four positive outcomes that are expected from an effort to strengthen culture. [23]   Most notably, reporting of observed misconduct rose by 54%. Additionally, the belief that reporting wrongdoing will *not* result in retaliation rose by 20% among faculty; by 29% among staff; 11% among undergraduate students; and 15% among graduate students.

Not surprisingly, some of the measures taken in 2013 did not improve. Yet none of these indicators worsened. This is likely a reflection of the early implementation of an ethics & compliance program. It takes time for positive changes to occur. Overall, the areas where change has not yet taken place include overall levels of observed misconduct; retaliation for reporting wrongdoing; and satisfaction with the reporting process. Other areas for future attention also emerged from the data; these are addressed in the next section.

Overall, based on ECI's research and experience with directly with other organizations, it is our view that Penn State should be proud of the progress it has made over the past four years.

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[23] Pressure to compromise standards; observed misconduct; reporting of observed misconduct; and retaliation for reporting.

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Suggested Next Steps

ECI recommends the following next steps for sustaining the good work that already taken place, and for addressing the areas where we have noted that change takes a longer amount of time to occur.

1. **Sustain Awareness, Integration, and Embodiment of the Penn State Values**

   In addition to the positive gains in awareness and embodiment of the Penn State Values, the data show that the degree to which a college, campus or unit embodied the values was associated with the strength of the ethical culture at that location. The University should continue to find ways to emphasize the Penn State Values and their role as a pillar of the University's mission. The values should be consistently and regularly communicated to remain in the forefront of daily decisions and actions, especially through the academic experience.

   One suggested area of focus would be to increase the consistency and frequency with which orientation or training programs incorporate education on the Penn State Values. Specifically, the University could also devote additional resources to developing orientation and training programs for faculty.

2. **Increase Awareness of Program Resources**

   Penn State should continue to educate faculty, staff, and students about the different E&C resources that are available to them. While there has been improvement, a significant portion of participants (29%) were not aware of a resource where they can obtain advice about E&C issues. Staff (82%) were the group most aware of a resource to obtain advice which is likely the result of the training and communications efforts of the past four years that were directed towards them as a group. Future training efforts should be directed towards those groups who remain less aware of the resources that are available, namely faculty, undergraduate and graduate students—all of whom reported significantly less awareness than staff.

3. **Perpetuate Senior Leaders' Ethics-Related Actions**

   One of the most encouraging areas of growth over the past four years pertains to perceptions of senior leaders and their commitment to integrity. ECI's research has shown that the "tone from the top" has a significant impact on stakeholders' perceptions of culture, and on conduct throughout the organization.

   In 2013, ECI observed that the perceptions expressed by survey respondents were not a measure of *actual* commitment by senior leaders. Nevertheless, the perception of their commitment signaled a need for further attention. Having now made strides in this area, it is critical that senior leaders maintain their current efforts to focus on ethics as a priority.

One way to do this is to implement a system to hold leaders accountable for demonstrating ERA's. The most effective means of doing this is to introduce performance metrics on ethical leadership as a part of the formal evaluation of individuals who are in senior-level positions.

4. Equip Supervisors to Receive Reports of Wrongdoing

Consistent with findings in 2013, faculty and staff were most likely to make their first report of misconduct to their supervisors. Research suggests that responding to reports of misconduct can be difficult for managers, in large measure because they do not recognize reports when they come forward, and they are not sure what to say or do. It is possible that the survey results in 2017—namely the high percentage of reports that go to supervisors and low rates of satisfaction—are an indication that managers and supervisors could use more support from the University and E&C professionals. To do so, one best practice is to develop a simple guide for managers and supervisors to help them both recognize and respond to reports of misconduct. This guide could include instructions, general talking points, and recommendations of next steps in the reporting process. Managers could be encouraged to consult the guide when handling reports of misconduct.

5. Communicate the Process of Reporting and Corrective Actions Taken

Similar to 2013, a majority of faculty and staff (75% and 59%, respectively) who did not report misconduct believed that corrective action would not have been taken if they had chosen to report. Penn State has worked to coordinate and consolidate the reporting process over the past four years; the next step is to strengthen communications about what happens when individuals come forward. One best practice is to release periodic summary reports of disciplinary actions that are taken.

Another area for attention is the decreased satisfaction with the reporting process, by those who came forward to report. One way to learn more is to ask individuals who report to complete a confidential evaluation of the process after their case is closed. Additionally, ECI's research has shown that the more stakeholders know about the process of reporting, the more they will be satisfied with the outcome of any action taken (Ethics & Compliance Initiative, 2017) Penn State could implement a communications effort to explain, in detail, what happens when an individual decides to report suspected wrongdoing.

6. Implement an Anti-Retaliation Program

Retaliation against individuals who report wrongdoing is one of the most difficult issues for any organization to address. ECI has found that retaliation is a metric that often remains unchanged for several years despite substantive efforts by organizations to communicate their intolerance for such conduct. Penn State has taken the right steps to communicate that retaliation is not acceptable, and that such behavior is subject to disciplinary action. The key now is to continue this communications effort. This communication needs to be

consistently and frequently communicated amongst the stakeholders to become fully embedded within the Penn State culture.

ECI suggests that the University implement an anti-retaliation program, which consists of a systematic effort to remain in touch with individuals who report, and to track their progress over time to ensure that they do not experience retribution for having come forward. This may require periodically contacting reporters and monitoring the metrics for success for those individuals (grades, performance reviews, etc.). If it appears that retaliation might be taking place, an investigation is launched.

Appendix

The Pennsylvania State University Values & Culture Survey

Summary of the Survey Process

Introduction

In 2013, The Pennsylvania State University (Penn State) contracted with the Ethics & Compliance Initiative (ECI)[24] to conduct the Values & Culture Survey, a census survey of its members – Faculty, Staff, and Graduate and Undergraduate Students. The project was part of a larger ongoing effort by the University to better understand its culture and the values that are commonly held among its members. The results of the survey informed the development of several major initiatives, including a greater emphasis on workplace ethics and various enhancements to the annual ethics training program.

In 2017, Penn State re-contracted with the ECI to implement a follow-up survey to the 2013 Values & Culture Survey. Penn State conducted the 2017 survey to build upon the findings from the first iteration. The areas of investigation remained largely similar in order to compare changes that may have occurred during the intervening years.

Definition of Culture

The survey asked current members of the Penn State community about their perceptions of the University culture as they experience it on a daily basis. Metrics for the 2017 survey were based on the same generally accepted definition of culture that served as the foundation for the 2013 survey. The following describes the definition of culture, and the metrics that were central to the survey effort.

Like any organization, there are many aspects to the "Penn State culture," and what is thought of as "Penn State" is actually the sum of countless subcultures. The University is a large, multifaceted organization comprised of many campuses, colleges, offices, and student groups. Although no two people can be expected to experience the Penn State culture in exactly the same way, research has shown that in even the most dynamic and differentiated cultures (like Penn State), there is a set of formal and informal systems that are widely shared. Additionally, in complex cultures there are beliefs that are commonly held, and stakeholders have an experience of "the culture" as an overarching entity that embodies all its subcultures (Schein, 2004).

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[24] The Ethics & Compliance Initiative (ECI) is comprised by three nonprofit organizations, one of which is the Ethics Research Center (ERC). In both 2013 and 2017 the Penn State Values & Culture Survey were conducted by the ERC. For clarity, in this report the organization is referred to as ECI; the public brand of the organization.

Clifford Geertz, a pioneer in the field of anthropology, defined culture as "an historically transmitted pattern of meanings embodied in symbols, a system of inherited conceptions … by which [people] communicate, perpetuate and develop their knowledge … and attitudes" (1973, p. 89). Put another way, culture is "non-biological inheritance" (Hoebel, 1966, p. 52). Through the culture, members of a community learn about the behaviors that are considered to be acceptable, the activities that should be prioritized, and the moments in the history of the group that still shape the way things are done. This is true whether the culture is a nation, a school, or a company (Schein, 2004).

At the heart of a culture is its values: the ideals about how people should act that ultimately guide their decisions and behavior. Members of the culture both explicitly and implicitly nurture certain values and discourage others by giving recognition, attention, or punishment. This dimension of an organization's culture is referred to as its "ethics culture."[25] An organization's *ethics culture* is the extent to which the organization makes doing what is right a priority and promotes and embodies its values. Ethics culture is the (often unwritten) code of conduct by which stakeholders learn what they should think and do, and then do it. Through the ethics culture of an organization, individuals learn which rules must be followed, and how rigidly; how people ought to treat one another; whether it is acceptable to question authority figures; if it is safe to report observed misconduct; and more (Ethics Research Center [ERC], 2013). Ethics culture determines "how [stakeholders] understand what is expected of them, and how things really get done" (Trevino, Weaver, Gibson, & Toffler, 1999).

Research has shown that the ethics culture of an organization is a powerful influence on the behavior of its stakeholders, particularly when problems arise. The extent to which an individual will take a stand to uphold the values of the organization in the face of misconduct is largely dependent upon their views about the ethics of senior leaders, the support they are provided by trusted advisors, and the extent to which they believe that action will be taken if they come forward to report wrongdoing. For example, ECI's research has shown that when this "ethical commitment" is higher, rates of reported misconduct rise. In the 2017 *Global Business Ethics Survey®*, ECI found that 52% of employees reported misconduct when they perceived the ethical commitment of their organization to be weak, compared to 88% of employees who perceived a strong ethical commitment in their organization (ECI, 2017, p.10).

Key Metrics in the Survey

The Penn State Values & Culture Survey was designed to help the University better understand the views of its community with regard to its overall culture as well as its ethics culture. To be able to measure change, the survey explored many of the same areas as the 2013 survey. However, several sections were modified in order to investigate certain areas in more detail. Specifically, the questions pertaining to ERAs, Observed Misconduct and Reporting of

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[25] In academic literature and in ERC research prior to 2012, the term "ethical culture" is used to refer to the ethical dimension of organizational culture. In 2012, ERC began to use the more neutral term "ethics culture," reserving "ethical culture" for instances in which an organizational is promoting positive, ethical values.

Misconduct were both updated substantially. The goal of the survey was to focus on several key areas:

- *Expression of Core Values.* In 2013, participants were asked to assess how important specific values were to the Penn State community, and which five values they felt should have been most important. The results of the 2013 survey informed the development and adoption of six core values. The 2017 survey investigated the enculturation of the six values at the University. Community members' were asked about their awareness of the values and the extent to which their primary location "embodied" each value, among other areas of investigation.

- *Awareness of Standards and Resources.* Participants were asked to indicate their level of awareness of University resources that a) establish or educate the community about standards of conduct (i.e. regulating ethical conduct in research), or b) provide support to individuals who have questions or who have observed violations of University standards (i.e. a means to confidentially report wrongdoing).

- *Ethical Leadership and Commitment.* The 2017 survey built upon the 2013 survey by asking participants to address the ERAs of a range of groups at the University. Participants were asked to assess the following groups:

    - The President, VP's, Provost and other University leaders (All groups);
    - Dean/Chancellor/Unit Head (All groups);
    - Department Head/Director/Program Director (All groups);
    - The Person I Report to (All groups);
    - Staff Members (All groups);
    - Faculty/My Faculty (All groups);
    - Undergraduate Students (Graduate and Undergraduate Students);
    - Graduate Students (Graduate Students and Undergraduate Students); and
    - My Advisor (Graduate Students).

    The purpose of these questions was to measure whether these groups prioritize, model, and support ethical conduct. Several of the groups were modified depending on the classification of the participant as a staff member, faculty member, undergraduate student or graduate student.

- *Personal Experiences Related to Ethics and Conduct.* The survey inquired about perceived pressure to violate University policies or the law; observations of misconduct in the past twelve months; decisions to report any misconduct they observed; and, when applicable, the results of their report, including whether they experienced retaliation as a result.

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o The 2017 survey expanded upon the 2013 survey by asking participants where misconduct was committed and who committed the misconduct. Additionally, participants were asked about reporting locations such as the following:

- The person they report to (All Groups);
- Faculty member of instructor (Undergraduate Students); and,
- My Advisor(s) (Graduate Students).

Overview of the Process

The survey development process involved several phases: 1) Questionnaire development, 2) Pilot testing & revision, 3) Implementation of the survey to the entire Penn State community. Representatives from the Penn State community were involved in each portion of the process.

- Questionnaire Development – ECI utilized the 2013 survey as the foundation for the 2017 survey. Based on the input from the University and ECI's longstanding research, ECI drafted an updated survey question set and then further refined the questionnaire in collaboration with members of the Office of Ethics & Compliance and the University Ethics Committee.

- Pilot Testing & Revision – While a portion of the questions in the survey were based on ECI's standard ethics survey questionnaire (and were therefore previously tested and validated), a number of questions were new and required testing. Furthermore, it was important to test the online delivery of the survey with the University's servers, and also to be sure that survey questions were posed in a way that could be easily understood. Therefore, a pilot of the survey was conducted from September 28 to October 2, 2017. This phase included the following activities.

  o *Pilot survey implementation*: Invitations to participate in the survey were sent to 12 individuals (either 9 staff members and 3 faculty members or 12 staff members) at a range of campus and administrative locations. Where applicable, three faculty members completed the faculty survey, while three staff members each completed the staff survey, the graduate survey and the undergraduate survey. Additionally, all members of the University Ethics Committee completed the pilot survey.

  o *Development of Communications Materials*: ECI provided support to the University Ethics Committee as they developed a communications strategy and related materials to promote participation in the full survey. The University undertook a comprehensive effort to raise awareness about the survey, on all campuses.

- Implementation to the Entire Penn State Community – The Penn State Values & Culture Survey launched on October 4, 2017 and remained in field until October 31, 2017.

Participants received an invitation email from the ECI, containing a link that directed them to the survey site. The total population invited to participate in the survey was 114,538; including all faculty, staff, administrators, technical service employees, undergraduate students and graduate students at all Penn State campuses, including the World Campus. The final data set contains the input from 14,012 participants. Across the University as a whole, the response rate for the survey was 12%. For breakdowns of response, please see the "Response Rates and Margins of Error" section that follows.

Throughout the entire survey process, ECI staff regularly reported on progress during meetings with the Office of Ethics & Compliance.

Survey Instrument

Given the unique nature of the University and the populations that comprise it, questions for the survey had to be tailored so that participants could answer as accurately as possible. For that reason, four versions of the questionnaire were developed and implemented. Participants were divided into the following groups:

- Faculty;
- Staff/administrators/technical service employees;
- Undergraduate students; and
- Graduate students.

Surveys varied in the number of questions asked of participants; a core set of questions were common to all. Each survey also contained branching patterns based on how a participant answered; therefore, no participants were asked the full set of questions. Each version of the survey also contained questions at the end to collect demographic information.

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Response Rates and Margins of Error

The following tables indicate the response by the Penn State community to the survey effort. For each group and campus, the margin of error is also indicated. The margin of error is calculated for the 95% confidence interval and estimates the range in which we can be 95% certain the true population figure exists.[26]

Penn State Values & Culture Survey Final Response Rates & Margins of Error - Designation			
Designation	**Total Population**	**Responses[27]**	**Margin of Error**
Faculty	7229	1947 **27%**	+/- 1.9%
Staff/Administrators/Technical Service Employees	14308	5358 **37%**	+/- 1.1%
Undergraduate Students[28]	78801	5179 **7%**	+/- 1.3%
Graduate Students	14200	1528 **11%**	+/- 2.4%
Total Penn State	**114538**	**14012 12%**	**+/- 0.8%**

Limitations of the Survey Data

ECI implemented a system comparable to the process used in 2013 to assess the representativeness of the survey data. Similar to 2013, there were particularly low responses from both student groups in 2017. As a result, ECI conducted chi-square tests on demographic variables that were able to be matched to data from the University Budget Office. Results indicated that the survey distribution differed from the expected distribution. Random subsets were drawn from the data for each demographic matched to the population distribution in order to determine if any significant differences arose between the random subset and the survey population. The demographic data included the following: gender and age for all four

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[26] Margin of error means that within +/- X percent, a response given by a sample of survey participants is representative of the target population. The "confidence level" is the degree to which we can be sure that that is the case within a given "confidence interval," here 95%. For example, if 80% of responding participants on "Campus A" say they believe sustainability is very important to Penn State now, and the margin of error for that question in that sample of participants is +/- 5%, that means that a reader can be 95% certain that the true percentage of all members of this group who believe that sustainability is very important to Penn State now is between 75% and 85%.

[27] The "Responses" counts in Tables 2 & 3 reflect the counts of the final data set, or the "usable cases" for analysis. This includes some partially-completed surveys.

[28] A significant percentage of undergraduate students did not complete the survey past the first section. The response rate for the majority of the survey for undergraduate students is closer to 5.2% (4,119 responses). The margin of error using the 5.2% response rate is +/-.1.5% for undergraduate students and the margin of error for the entire population remains the same at +/-0.8%.

groups, standing for undergraduate students, part time or full time status for graduate students, and tenure and rank for faculty. One-way analysis of variance tests determined that no significant differences existed between the random subsets and the survey population, providing evidence that the survey data can be considered representative of the Penn State population.

One other important concern was the extent to which there is a bias in the data because particular groups opted not to complete the survey. ECI examined the Penn State Values & Culture Survey data for evidence suggesting the presence of significant nonresponse bias. Time trend extrapolation was conducted on the data, which compared survey participants who completed the survey during the first fourteen days the survey was in field ("early responders") to participants who completed the survey during the last fourteen days the survey was in field ("late responders"). Theory suggests that individuals who answer a survey later, after more prodding through direct reminders and other communications, are more similar to those who do not answer a survey at all than those who answer a survey early (Armstrong & Overton, 1977).

After some statistically significant differences were found between early responders and late responders, the composition of each test group was adjusted to represent faculty, staff, undergraduate students, and graduate students by their representation in the overall Penn State population, thereby controlling for differences in answers attributable to the different populations. Statistically significant differences did continue to appear; however, the mean differences for these questions were not large enough to impact the practical interpretation of these findings.[29] Therefore, the presence of nonresponse bias cannot be definitively ruled out. It exists as one consideration that must be acknowledged when examining results as with any other survey research project. The amount estimated to be present in this survey does not appear to be enough to be a sufficient cause for practical concern. Combined with the results of testing conducted to examine the representativeness of the data, ECI believes that Penn State can be confident in the data and findings.

About ECI

The Ethics & Compliance Initiative (ECI) is America's oldest private, non-profit organization devoted to empowering organizations to build and sustain high quality ethics & compliance programs. Since 1922, the ECI has been a resource for institutions committed to a strong ethics culture.

For more than two decades, ECI has regularly fielded surveys of employees and other stakeholders in organizations of all types and sizes. Data from these efforts have helped

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[29] For example, among graduate students, the mean difference for the question, "Undergraduate students communicate the importance of ethics and doing the right thing" is -.162 (early responders' mean = 3.314; late responders' mean = 3.476); this difference is statistically significant. This is the largest difference found among tested questions.

organizational leaders to gauge their ethics cultures, to identify emerging issues, and also to develop programs and resources to help stakeholders consistently live out their values.

ECI's survey metrics are based on its longstanding research in the areas of culture and ethics/compliance program effectiveness. ECI is widely known for its *National Business Ethics Survey* research, including the *Global Business Ethics Survey®.* ECI's culture metrics have been developed collaboratively with leading academics specializing in organizational culture.

For more information about the ECI or to download our research reports, please visit www.ethics.org

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