NAVEX Global: Reports of Harassment Continue to Increase in Wake of #MeToo

Leading ethics and compliance software and services company NAVEX Global announced the release of its **2019 Ethics & Compliance Hotline Benchmark Report**. The report, which includes the first full year of results since the #MeToo era began, shows an overall 18 percent increase in harassment reports during 2017 and 2018 with 41 percent of these reports substantiated.

“These findings reflect strong growth in the number of employees willing to speak out against harassment – and they should serve as notice to employers that #MeToo is a fundamental shift in employees’ willingness to tolerate harassment,” said Carrie Penman, chief compliance officer and senior vice president, Advisory Services, NAVEX Global. “That said, the problem of harassing conduct is larger than these numbers reflect as many employees still fear reporting. Failed cultures, ineffective internal processes, fear of retaliation and lack of leadership support will continue to result in numbers that do not reflect the true pervasiveness of workplace harassment.”

In addition to claims of sexual harassment, employees are also reluctant to raise reports of retaliation when they lack trust in internal processes. “Reports of retaliation remain extremely low in comparison to the trends we are seeing in external reporting to government agencies,” said Penman. “The gap between internal and external retaliation reporting should be concerning to all boards, executives and compliance professionals. It is time to focus the attention and resources needed to identify, address and prevent retaliatory behaviour.”

The report also found a substantial 18 percent increase in discrimination reports in 2018. However, the substantiation rate of these cases remains significantly lower than the overall case substantiation rate of 29 percent. This is likely because discrimination claims, like retaliation claims, are often based on perceived behaviour rather than on a clear statement or evidence, making these types of cases more difficult to prove.

The 2019 hotline report is the first in which NAVEX Global received and analysed over 1 million employee reports in a single year. One of the key findings is that availability and tracking of all report intake methods matters. Organizations that offer and track the full range of intake methods (hotline, web, open door, etc.) show a much higher reporting rate than do organizations that track only phone and web: 2.1 per 100 employees versus 1.1 per 100. Organizations in the latter category are missing a significant percentage of concerns and risks that employees could be raising.

Finally, this year's hotline benchmark report included several other results that organizations should consider as they look to improve their own programs.

•Follow-ups to anonymous reporting dropped to a disappointing level, from a median 32 percent in 2017 to 20 percent in 2018. This is particularly striking given that overall report substantiation for anonymous reporters remained high at 38 percent, only slightly lower than the overall rate of 42 percent. "More than half of reports received on hotlines are made by anonymous reporters, so employee failure to follow up on those reports can impact the ability to successfully resolve an issue," said Penman.

•There was some improvement in case closure time with a median rate of 40 days in 2018, compared with 44 in 2017 and the all-time high of 46 days in 2015. But the 2018 median was still far higher than a best-practice average of 30 to 32 days.

Given that employees can become cynical if reports aren’t handled promptly, these findings show that many organizations should review their case-handling and investigation procedures, while also consulting with senior leadership about gaps in available resources.

•Reports made to hotlines that were inquiries, not allegations, decreased to an all-time low of 15 percent. Accepting questions before action is taken is the best way to avoid a problem later. Organizations should encourage employees to use the hotline as a helpline that can offer advice and assistance – and not just a place to file reports.

NAVEX Global will present **a webinar** covering the survey results. The full 2019 Hotline Benchmark report will be available for download during the webinar.