







# An Internal Hotline vs. Ethico





## Make Sure You're Asking the Right Question

The same question comes up again and again: *"Why pay for a third party when I have so few cases?"* But this is the wrong question to ask. You should be asking why you are getting so few cases. Our benchmark reveals an organization with an effective compliance program should receive approximately 3.5 cases annually for every 100 employees. There can be a myriad number of problems causing you to have few cases, but allowing trained intake specialists to take your calls is the first step to addressing these. You will find a third party hotline can offer clarity on where your compliance program actually stands while assuring your stakeholders of your commitment to compliance and ethics.

## Weighing Your Options

This document breaks down the advantages and disadvantages of using an internal hotline in comparison with using a third party hotline provided by Ethico. Keep in mind not all third party hotlines are created equal. For example, you will not find the same level of customization or specialized training for intake staff members outside of Ethico.

Topic	ETHICO	Internal Hotline	Conclusion
 Live Availability	24/7/365	Standard business hours	Ethico's call center will also be open and staffed ensuring your workforce can speak with a live person at anytime
 Call Answering	All calls answered by a live representative even through high volume periods	Live during business hours (if staff are free); must leave voicemail messages after hours	Ethico understands when a live representative answers the phone, callers' faith in their compliance program is justified since they get to speak with a real person
 Emergencies	Default or customized severity tiers; contact can be made with clients immediately after call received	Only handled immediately during business hours	Some people might call a hotline to report imminent or indirect dangers which you need to know about ASAP and not days later
 Intake Staff	Internal employees with specialized training in elicitation and empathetic intake; 3-7 year tenure	Compliance, legal, HR staff; likely without specialized elicitation training	Using compliance, legal, and HR staff to take hotline calls means there is a loss of time for them which could be better spend on other projects

Topic	ETHICO	Internal Hotline	Conclusion
 <p><b>Interview Process</b></p>	<p>Specialized intake process known as an "adaptive interview" to maximize the intake of <i>actionable information</i></p>	<p>Varies; using compliance, HR, and legal professionals can hinder intake if they lack elicitation training, use jargon, or have no standardized intake</p>	<p>Compliance, HR, and legal professionals are trained for those fields and not on how to coax information from reluctant reporters. Ethico's adaptive interviews ensures consist yet non-restrictive call handling</p>
 <p><b>Reporter Perception</b></p>	<p>Lower retaliation fears when speaking to a neutral person; reporters are more candid if they know they are not talking to someone within their company</p>	<p>Higher retaliation fears; reporters are less candid about their company if they are speaking to a fellow employee;</p>	<p>Fear of retaliation by speaking with internal employees will decrease reporting rates and create a culture of silence. Ethico's staff is trained to assuage caller's fears and make sure they always feel heard by the end of their call</p>
 <p><b>Reporting Rate</b></p>	<p>2.05-4.68 calls per 100 employees (varies by company size)</p>	<p>Varies; ideal standard is 1.5 calls annual per 100 employees</p>	<p>A high reporting rate means there is a more trust in your compliance program; Ethico's intake processes help to increase trust and the reporting rates</p>
 <p><b>Abandonment Rate</b></p>	<p>Industry-leading with only 0.97% of incoming calls abandoned</p>	<p>High; due to long waits and holds</p>	<p>With a priority on not missing a critical report, Ethico is dedicated to fielding each report and this success is the result of live answering every incoming call</p>
 <p><b>Language Options</b></p>	<p>Can take calls in over 200 different languages</p>	<p>Limited to the languages spoken by those taking the calls</p>	<p>Stakeholders can speak any language and you must be ready when they call. Ethico can have an interpreter on the line within moments</p>
 <p><b>Basic Compliance</b></p>	<p>Ethico's systems were built by compliance officers to (at the very least) keep you in line with the regulations.</p>	<p>Varies by industry; internal hotline can compromise the effectiveness of a compliance program</p>	<p>The U.S. Federal Sentencing Guidelines state an organization needs an "efficient and trusted mechanism;" the drawbacks of internal lines can compromise trust in the reporting hotline</p>
 <p><b>Scalability</b></p>	<p>Ethico's platform was created to scale if you grow</p>	<p>Cannot handle sudden large scale changes</p>	<p>Mergers and acquisitions can suddenly overwhelm an internal line; within a week, Ethico is been able scale services for others in similar circumstances</p>

Topic	ETHICO	Internal Hotline	Conclusion
 <p>Case Management System</p>	<p>Ethico has a robust tool with a lot of features: automatic workflows, user access controls, and customization to meet clients needs to monitor investigations</p>	<p>A spreadsheet in most cases; sometimes unspecialized HR management tools</p>	<p>A case management system is low hanging fruit to those who want to get an easy win for their compliance program. Ethico's platform has been developed to be a comprehensive solution driven by our clients' needs</p>
 <p>Case Management Workflows</p>	<p>Controllable workflows so when a certain type of report comes in it goes to people with automatic reminders to ensure timeliness and efficiency</p>	<p>Paper-based: Inbox-outbox style workflows, sticky note reminders; digital-based or else calendar dependent digital workflows;</p>	<p>Ethico's case management tool significantly reduces potential oversights caused by human error. Its easy to forgot paper reports and digital reminders can get lost amidst a crowded schedule</p>
 <p>System Customization</p>	<p>Internally developed and controlled end-to-end systems with available full-scope, client-customized instances</p>	<p>No software improvements; limited paper system changes like moving your inbox closer to your desk or using more sticky notes</p>	<p>Because Ethico has crafted its own case management system, we are able to customize it to suit any reporting need</p>

## Executive Summary

Ethico has over 20 years of experience in Ethics and Compliance management and continues to stand out for:

- **High Reliability:** With over two decades of dedicated compliance and hotline experience, Ethico is uniquely positioned to meet the high specificity, customization, security, and service demands of companies and compliance teams in any industry. Ethico now serves the needs of over 6 million employees around the world.
- **High Scalability:** Ethico serves some of the largest companies and most exacting compliance institutions, including CommonSpirit, Genesis HealthCare, and AT&T, and has the scalability to field volume spikes around crises and onboard large employee counts in a matter of weeks.
- **Deep Specialization:** Founded with a focus on serving the high complexity, severity, and risk-management needs of clients. Ethico was built from the ground up (rather than compiled through rushed M&A). Ethico provides the systems, experience, and culture to serve clients from many industries with tenacity, accountability, and servanthood.