

Ethical Advocate Case Study:

Traylor Bros., Inc.



Headquarters: Evansville, IN
Founded: 1946
Employees: 1,000+ direct,
and hundreds via
subcontractors
Website: www.traylor.com

A Well-Designed System

"Anonymity is especially vital. Sometimes people know of an issue but they don't want to put their job, name, or reputation at risk."

Demonstrating Leadership

"We have to be ethical. We've got to hold ourselves out there as meeting a set of parameters that is above the minimum."

Mitigating Risk as a Good Business Practice

"It's important to us to have the earliest viable notification of an issue. The farther you go down that road, the harder it is to resolve."

The Challenge

"It's important for us to do the right thing even when no one is looking. We try to comply with not just the baseline, but with a higher ethical standard that we can be proud of."

Steve Owen, General Counsel and Secretary, Traylor Bros., Inc.

Traylor Bros., Inc. (www.traylor.com) takes its mission to be the most respected, preferred, and consistently performing heavy civil contractor in the U.S. very seriously. The company made its reputation tackling complex construction jobs that others didn't want to handle—bridges, tunnels and marine infrastructure.

Traylor is one of the founding members of the Construction Industry Ethics & Compliance Initiative (cieci.org), which unites companies within the U.S. construction industry that are

committed to the highest level of ethics and conduct and compliance with the law. This high profile provides extra incentive for Traylor to demonstrate good ethics.

"We've set fairly lofty goals for ourselves," said Steve Owen, General Counsel and Secretary for Traylor Bros., Inc. "It's important for us to do the right thing even when no one is looking. We try to comply with not just the baseline, but with a higher ethical standard that we can be proud of. That's when it counts."

Traylor chose Ethical Advocate to deliver "a better handle on issues," and to be ahead of Federal Acquisition Regulation changes requiring anonymous reporting for federal contractors. In 2009, Traylor first implemented Ethical Advocate's anonymous reporting system, which has now helped Traylor manage roughly 20 incidents, each without a claim.

The Solution

The Ethical Advocate reporting system at Traylor consists of a web-based application and a toll-free phone hotline, both allowing people to make anonymous reports. The Ethical Advocate reporting mechanism is prominently noted and linked to from the company's website. A person making a report creates a unique username and password for an electronic report, or simply calls in anonymously.

If the report is made online, the report filer can select from eight customized categories to help characterize the type of report; such as environmental, policy, safety, or personal. These choices help the company route the report for follow-up. Notifications for reports involving senior management will go to an outside director or a member of the board, ensuring that the system works regardless of position.

"Once a report goes to the appropriate person for follow-up, we work to resolve it," Owen said. "While the report filer can remain anonymous, a great feature of the service allows us to leave questions in the report page inviting the report filer to respond to them. Depending upon the information received, we may take additional measures such as visiting the location, analyzing further information, or conducting additional investigation and making a recommendation."

About Traylor Bros., Inc.

Traylor Bros., Inc. is a heavy civil contractor specializing in the most complex construction projects in the industry. We have chosen to focus our services on work that challenges our talented staff and puts to best use our vast array of specialty construction equipment. The result is a portfolio of projects that reflect the innovation and quality execution on which Traylor has built our stellar reputation.

The Results

"We want to address an issue at a low level before it becomes more serious—before it becomes a claim or a lawsuit."

Steve Owen, General Counsel and Secretary, Traylor Bros., Inc.

According to Owen, both the web-based reporting and the hotline have done their job.

"The Ethical Advocate system functions very smoothly," Owen said. "When reports come in, we manage them using the website to allow continuous, confidential communication with an anonymous individual."

For Traylor, Ethical Advocate is an important way to mitigate risk. "We want to address an issue at a low level before it becomes more

serious— before it becomes a claim or a lawsuit," Owen said. "The good news is that none of the issues that have been reported have turned into anything more serious than a disciplinary action. For us, that's a mark in the success column."

About Ethical Advocate

Ethical Advocate provides confidential and anonymous incident reporting, meeting Sarbanes-Oxley, HIPAA, Federal Acquisition Regulation and many other regulatory and reporting needs. Ethical Advocate delivers confidential and anonymous reporting 24 hours a day, every day of the year. Persons desiring to report incidents, indiscretions, or suggestions can do so securely in multiple languages; with privacy and anonymity; by phone; or through Ethical Advocate's secure website.

