

Compliance & Ethics Professional

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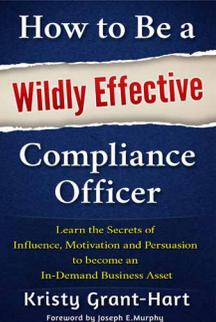
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Meet Kristy Grant-Hart

Owner of Spark Compliance Consulting
Author of *How to Be a Wildly Effective
Compliance Officer*
London, UK

See page 14



25

Put
compliance
chores on your
To Do list
Les Abromovitz

29

Privacy in the
European Union:
A data safekeeping
revolution
Daniel A. Cotter

33

The UK's new
Modern Slavery Act
and transparency in
supply chains
Sarah Powell

37

Compliance officers
share six strategies
to boost compliance
on a budget
Monica Modi Dalwadi

by Staci P. Miller, CCEP

A great partnership: Environmental health and safety + Compliance and ethics

- » Many organizations have strong compliance programs and control processes, but do not identify them as company metrics on public forums. They are not discussed or posted publicly for good reasons.
- » Knowing the laws and regulations that impact an organization are as important as knowing the regulatory exemption. Being able to demonstrate the qualifications for the exemption is required.
- » A visible environmental health and safety (EHS) culture and EHS compliance aren't always one and the same. Compliance with good work practices is often linked to other effective, behavior-based EHS programs.
- » Investing time and money on EHS activities that are crucial to compliance programs may not be seen as value added. Preparing the business case and demonstrating tangible links to risk management are critical to support compliance programs.
- » Input from the EHS team can be very relevant in business discussions to save time, money, and reduce risk. The knowledge brought by EHS teams can be a critical component to an organization's success.

Philosophically speaking, everyone understands the necessity for safety and health programs for employees. Many leaders are quoted as saying that people are a company's greatest asset. People are the heart of our

businesses. Environmentally speaking, it is relatively easy to understand why it makes good sense for a company to be kind to the environment. Preventing contamination of air, land, and water is obviously the right thing to do. Minimizing industrial impacts to the environmental

footprint is essential. When most people think of a world-class environmental health and safety program at a manufacturing facility, they visualize people holding the

handrails on the stairs, operators wearing safety glasses and personal protective equipment, and spills being cleaned up before they contaminate the ground or local waterway. People think of polished and documented policy statements, catchy slogans, and communicated goals of achieving zero incidents.

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Having a world-class regulatory compliance program is not as obvious. Environmental health and safety (EHS) compliance, and the tens of thousands



Miller

of international regulations that are the foundation for most programs, is less often identified as a priority. Only compliance professionals realize the deep and complex infrastructure of legislation that keeps organizations operating within the international, federal, provincial, state, and local mandates. Regulations can be obscure and convoluted, and are ever-changing. Sometimes they are intentionally written that way, and sometimes it is a necessity for the topic of study.

Knowing what laws are applicable to an organization is only half of the battle. For those regulations that you may have the fortunate luck of being exempted from, organizations still need to know

why they are exempt and, in the case of much environmental regulation, the burden of proof to demonstrate exemption is heavy. Volume calculations, threshold reports, and inventory analysis must be maintained as records so that data can serve as the objective evidence needed for the exclusion.

Since the 1970s when environmental health and safety regulations in the United States were being published, organizations have come a long way with evaluating and understanding their compliance obligations. And now, compliance is a given. Compliance is, or at least should be, the basic expectation of any EHS program. Compliance processes should be systematized with hazard ranking and control measures that are sustainable.

Since the 1970s when environmental health and safety regulations in the United States were being published, organizations have come a long way with evaluating and understanding their compliance obligations.

The rise of ethics discussions has only helped those of us in the EHS business, because the inextricable link to compliance and ethics is undeniable. It helps EHS professionals build stronger business cases for both human and financial resource allocations to manage documents and records that are so vital to the business.

The EHS link to ethics provides a greater visible connection to managing compliance, not just because there is the regulatory obligation, but because it makes good business sense. It's good for our employees, neighbors, customers, suppliers, and the list goes on.

Compliance for EHS can be linked to every facet of every organization. Whether it's the purchase of new manufacturing equipment that should be evaluated for new risks that need to be controlled, or working with suppliers and customers to validate sound commitments to environmental liability for processes, compliance and ethics are the heart of any EHS structure.

Everyone sees and talks about company culture, but compliance is rarely seen and even more rarely discussed in general conversation. The legality and sensitive nature often prevents the details from being shared. Metrics on compliance are never publicized, because compliance is the ticket to entry. It is and should be the commonly accepted standard that is the baseline for an organization's EHS program.

Those things that organizations implement above and beyond compliance are what create the competitive advantage for reducing the opportunity for employee and environmental incidents and possibly even obtaining increased market share.

Being proactive and considering the potential impact of EHS compliance may very well make the difference between success and significant success for an organization. These common errors are made by many organizations:

- ▶ Just because compliance is not identified as a company's metric on public forums does not mean a compliance program or compliance control processes do not exist. Many organizations have strong programs, and they are not discussed or posted publically for good reasons.
- ▶ Knowing the laws and regulations that impact an organization are as important as knowing about the regulatory exemption. Being able to demonstrate the qualifications for the exemption is required.
- ▶ Assuming a visible EHS culture and EHS compliance are one and the same may not be an accurate assessment. Observations of good work practices may be the result of a strong commitment to compliance, but are often linked to other effective behavior-based EHS programs.
- ▶ Allowing EHS resources to invest time and money on activities that are

crucial to compliance programs may not be seen as value added. Preparing the business case and demonstrating tangible links to risk management are critical to support compliance programs, and evidence validates the value of these investments.

- ▶ Excluding EHS resources in business discussions on compliance in larger parts of the business may introduce risk and impede improvement. Input from the EHS team can be very relevant to save time, money, and most importantly, reduce risk. The knowledge brought by EHS teams is vast, can be integrated seamlessly, and can be a critical component to an organization's success.

Just because compliance is not identified as a company's metric on public forums does not mean a compliance program or compliance control processes do not exist.

The most successful organizations have strong EHS programs that are integrated into other compliance functions and into the business overall. EHS should not be viewed as a separate function. Although the technical skill set needed to understand the EHS compliance framework is imperative, and EHS and Compliance need to function separately at times, good EHS professionals can bring the language and the regulatory complexity into balance for the organization.

When it comes to EHS compliance and business compliance and ethics, it is not just business—it's personal. *

Staci P. Miller (smiller@elliott-turbo.com) is Global Director, Environmental Health and Safety at Elliott Group in Jeannette, PA.