

Compliance & Ethics Professional

October
2017



A PUBLICATION OF THE SOCIETY OF CORPORATE COMPLIANCE AND ETHICS

www.corporatecompliance.org

Meet Waleed Alghosoon

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See page 16

27

Information security guidelines for Pakistani e-court
Syeda Uzma Gardazi

31

Are people at the core of your ethics and compliance program?
Bettye Hill

35

Communication tips for compliance officers to encourage culture of compliance across organizational levels
Sally Afonso

41

Effective ethics and compliance board reporting: The need for direct and autonomous access
Maurice L. Crescenzi, Jr.



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Communication tips for compliance officers to encourage culture of compliance across organizational levels

- » Effective compliance program management requires equal engagement in the top, middle, and bottom organizational levels.
- » Tone at the top is best achieved by suggesting that board members' legacy is in promoting compliance values.
- » Mood in the middle can be encouraged by portraying compliance as essential to performance standards.
- » Buzz at the bottom is inspired by invoking a sense of duty for compliance awareness and ambition for ethics.
- » Strategic compliance officers should craft communications tailored to the interests and priorities of each level to encourage a robust culture of compliance.

Strategic compliance officers must view an organization's culture of compliance holistically. Absent a genuine commitment to compliance values, an ineffective "tick the box" model of compliance dominates. The controls of a rules-based approach to compliance risk management can only be meaningfully implemented if ethical decision-making is prioritized throughout all levels.



Afonso

In this perspective, the top, middle, and bottom must be equally engaged in the culture of compliance. Buy-in from one level can't overcome the disengagement of the other two; likewise, failing to speak compellingly

to one can't be cancelled out by the involvement of the remainder. All three levels must be convinced of the compliance mission and motivated to evangelize for the program's goals.

But how best to pitch a unified culture of compliance to three audiences? The most successful strategy is to craft communications that appeal directly to the distinct interests of each group. With these differing points of access in mind, the compliance officer can encourage all parties to pursue their own goals in service of a substantive, fully integrated culture of compliance.

At the top, board members can be addressed in light of their power and stature. In the middle, management should

be encouraged to view compliance as a way to execute defined achievements. At the bottom, employees' sense of responsibility and desire for development can evoke adherence to compliance principles.

Therefore an effective compliance officer should tailor approaches to the culture of compliance at all levels of the organization. The tone at the top, mood in the middle, and buzz at the bottom should all be considered when instilling awareness of the key values of an ongoing compliance program.

Tone at the top

Board members are often the focus of compliance messaging at an organization, with the expectation that a strong tone at the top will trickle down. However, if the board gives mere lip service to compliance, without taking concrete

action, then management will have no real mandate to promote compliance as performance, and employees will not embrace compliance as part of their job duties. Worse, if the board is silent on compliance, focusing on shareholder value and commercial developments, then it can only be seen as a potential hindrance to doing business, with no role in corporate strategy.

The compliance officer should aim to convince board members that the tone at the top is their legacy. Regulators expect that organizations will value integrity beyond just creating paper programs. In exchange, board members can improve

social responsibility and public trust. Instilling a culture of compliance appeals emotionally to board members who are in a position of influence. When successfully accomplished, promoting the tone at the top can provide both power and loyalty through the ranks that outlast any individual.

Mood in the middle

While the focus is frequently on the tone at the top in public or other large companies, the mood in the middle is just as important

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at these organizations, as well as at small and medium enterprises. If only management takes up the compliance cause, they will lack the resourcing and support to reward progress or deter nonadherence, and employees reporting to them

will see compliance as aspirational, not actual. On the contrary, if management does not engage with compliance, then the tone at the top becomes empty rhetoric, and employees will have no direct outlet to take ethical questions when struggling with dilemmas and maturing their own internal compliance awareness.

The compliance officer can most effectively encourage a mood in the middle that is friendly to compliance by focusing on performance. Management can be motivated by sustainable client relationships and mitigation of business risks. These drivers go to the heart of commercial or reputational interests.

Serving these for the future, rather than impeding these in the present, gives management a powerful ownership opportunity to view compliance as a strategic partner. When compliance is practical, and is measured and performed rather than circumvented, the culture of compliance becomes routine for management.

Buzz at the bottom

Culture must evolve and grow with an organization or it becomes artificial and outdated.

Therefore, the buzz at the bottom must be nurtured by the mood in the middle and guided by the tone at the top. If only employees are eager to embrace the message of compliance, then once they do not see these values reinforced by their supervisors or in the public posture of the top management, they will disengage from the culture of compliance. Alternatively, if employees have no true interest in compliance, then management's efforts to promote it will only be superficial, and the board's communications on compliance will fall on deaf ears.

Within the employee level, the compliance officer's most successful tactic is to appeal to the individual's sense of duty. A feeling of personal responsibility for compliance can set expectations and behavior. A job scope that includes compliance awareness and a career path that is distinguished by ethical character set a positive buzz at the bottom. It is

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enthusiasm for work well done, motivation to advance in a role, or desire to satisfy a supervisor that drives the individual employee. Invoking this sense of duty can help the compliance officer to inspire employees to prioritize compliance

awareness and expertise.

As the foregoing expresses, an organization's compliance program must be addressed in bespoke ways to different populations.

At the top, independent appeals to emotion and legacy could

make inroads with powerful and busy board members.

Among management, measureable incentives and performance metrics can practically integrate compliance into daily work and make the function a key partner to the business.

Finally, at the employee level, a sense of duty and a broader, less hierarchical view of an individual's intellectual scope can introduce a passion for compliance.

With all three of these groups engaged and accounted for in the compliance officer's ambitious planning, an organization has its best chance to cultivate a meaningful and successful culture of compliance. *

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