

# Compliance that takes you from "Good" to "Great"

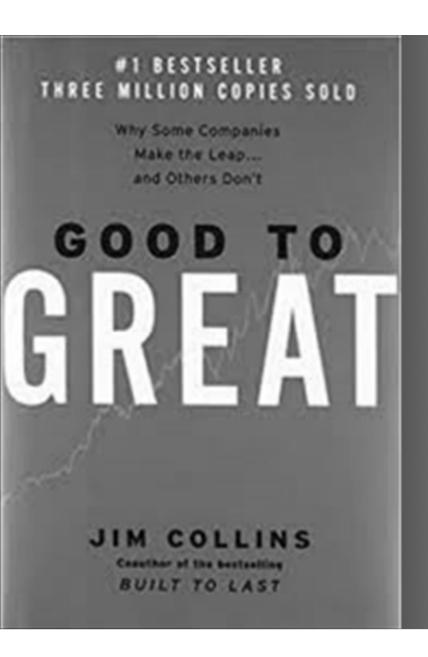
- What are the critical components to take your compliance organization from "good" to "great?"
- How can you ensure that compliance reaches the critical risk areas needed to effectively administer your duties?
- What should you avoid in the process of establishing a new compliance organization?

# **Background**

- Born and Raised in Chicago, Illinois
- Stanford University (BA)
- GCC Resident for 11 Years
- Head of Compliance at Careem (Uber)
- Regional Compliance Officer MENAT at Bilfinger
- Ethics and Compliance Lead ENOC
- Head of Corporate Governance TOTAL Middle East







# **Excellent Leadership Book**

• "[The book is about] about how you take a good organization and turn it into one that produces sustained great results, using whatever definition of results best applies to your organization" (pg. 15)





10 "Golden Rules" to take your Compliance Organization from "Good" to "GREAT!"

# 1) Define "Great"

- What does "Great" mean to you and your compliance organization?
- Does your team have an ethos/mission statement?
- How do your compliance KPIs map to the larger organizations?

### 2) Good is the Enemy of Great

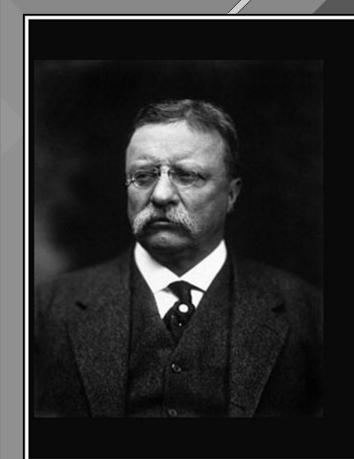
 "We don't have great schools, principally because we have good schools. We don't have great government, principally because we have good government. Few people attain great lives, in large part because it is just so easy to settle for a good life. The vast majority of companies never become great, precisely because the vast majority become quite good—and that is their main problem." (pg. 1)

### 3) Humility and Questions are your Great Assets

 "Leading from 'good' to 'great' does not mean coming up with the answers and then motivating everyone to follow your messianic vision, it means having the humility to grasp the fact that you do not yet understand enough to have the answers and then to ask the questions that will lead to the best possible insights." (pg. 75)

### 4) Accept it. Compliance is Really, Really Political

- Don't resist the politics. "Be like flowing water."
- Understand and respect the power structure...to an extent...
- Strive to create "balance of power" dynamics. Create alliances and advocates in all parts of the business.
- Your independence is your golden ticket. Strive for a reporting structure to the CEO, Board or very senior positions.
- Being truthful, honest and straightforward can also be done with a measure of "diplomacy."



Speak softly and carry a big stick; you will go far.

(Theodore Roosevelt)

izquotes.com

### 5) Move from back-office to front-office

- Be a "strategic partner" not a "cost center"
- Mindset difference from 'reactive' to 'proactive'
- Ensure there are routine business meetings with ALL key business leaders, including the CEO. If it doesn't exist, CREATE IT.
- Consider adapting and incorporating other untraditional compliance areas (e.g. operational compliance, corporate governance, risk management). Increased touchpoints with the business will strengthen your standing.

#### 6) Centralize your Global Compliance Operations

- Utilizing several platforms to manage your compliance solutions creates inefficacies and confusion.
- Consider new technology solutions to centralize and assist in all compliance work-flows (COI, GEHT, TPDD, E-Learning)
- Centralization strengthens internal controls, governance and exceptions management.

# 7) Be Innovative!

- Don't be afraid to break the mold and use untraditional tactics to reach your organization.
- Compliance can be extremely dry and boring. Leverage and tap into the characteristics and culture of your firm to make the topics engaging.
- Utilize a diverse range of marketing outreach (e.g. videos, mascots, logos, marketing tools)

# 7) Be Innovative!

- Case Study: Careem Compliance Department Launch
- Challenge: To introduce a topic to a company with a median age of 27 and age range from 20 – 55 to a very serious topic, all the while holding their attention and interest.
- Solution: Fun (But Informative) Compliance Video Launch

#### 8) "Scare tactics" are momentary. Use Credibility & Trust.

- "Scare" strategies (e.g. fines, jail time, etc) are certainly necessary and useful, but quickly fade in terms of effectiveness.
- Trust and Credibility are the currencies that you spend to win over the business.
- How well do you know your business?
- Is the department consulted as a decision maker during key moments, or any after thought?

### 9) Compliance is a People Business

- Compliance is about people and people are governed fundamentally by culture, not just rules.
- Ultimately success lies not in what rules, process and procedures we establish, but to what extent people who are entirely out of our control, trust and follow those guidelines.
- Building a "culture of compliance" and longer lasting than policies and procedures.
- Is there an open culture? How is this being measured? Do people feel comfortable to speak to you? How do you know?

## 10) Attention to Detail is the Key!

- This is sometimes nuanced and challenging for non-legal compliance professionals, but a critical lesson.
- Know the business as good as or better than the businesspeople themselves!
- Making errors and mistakes is a human attribute and normal part, but as an assurance function all effort should be made to minimize it as much as possible.



## Address the White Bephants in the Room



- Reporting Line? Are you empowered enough, is it the right person to be reporting to? Do you have the independence, visibility and internal authority that you need to get the job done?
- Corporate Governance Restrictions? Is the fundamental legal or corporate structure getting in the way? E.G. JV, Separate Boards, Minority Ownership, Unclear scope of work, lack of mandate, unclear accountability, over accountability?
- Office Politics? What levers and recourse do you have to create a "balance of power" dynamic? Difficult to create in privately owned company, but necessary.

#### Other elements:

- Comprehensive Compliance Risk Assessment.
- Face-to-face meetings with Senior and Mid Management.
- Constant information flow from junior staff, do they raise issues to you?
- Never be too senior to be out of reach.

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If compliance is not a part of that business discussion, including setting strategy, goals and incentives, especially in high-risk areas, then the compliance team may be left with the unpleasant task of 'catching falling knives.'



- You may be saving the company, but you lose leverage and authority.
- Being on the proactive side of business is always the right posture

### Some small tips to avoid!

- 1) Don't allow the organization to be unclear or undefined regarding how and where you add value. If there is no clarity, CREATE IT.
- 2) When stakeholders get annoyed, angry or egotistical, avoid taking it personally. Be professional and MOVE ON.
- 3) Don't try to over-deliver when you are under-resourced. Clearly define what can and cannot be done within the allocated resource. No one wins if shortcuts are made. Remember you're an assurance function and your assurance can carry personal and corporate liability!



# Questions? Comments? Concerns?



Thank you