

## ***The Compliance Champion: Getting People to Solve Problems Without You***

One of new areas of a *best practices* compliance program is to engage a company's non-legal and non-compliance department employees in a role of "Compliance Champion". Such a concept has several different functions: it allows a small compliance department to leverage resources and to expand the compliance footprint in the workforce and it (hopefully) fosters a workforce that is more committed to compliance through non-lawyer participation. One of the goals of such a Compliance Champion program is to train such employees to be your first line of compliance people on the ground, both to respond to routine queries and to alert the Legal/Compliance Department if a problem needs to be escalated.

This new *best practice* occurred to me as I read an article in the September issue of the Harvard Business Journal, entitled "*Smart Rules: Six Ways to Get People to Solve Problems Without You*" by Yes Morieux. Bringing a 'Compliance Champion' to a business unit usually means bringing a business person, new to the compliance field to a role which may have a different focus than their previous experience. It can often add complexity to their existing job. Morieux speaks to the issue of managing complexity and the "smart rules" set out in the article can assist the transition of an employee into a Compliance Champion.

### ***Rule 1 - Improve Understanding of What Co-Workers Do***

The key here is for the Compliance Champion to understand what is being asked of them, the goals and challenges they are expected to meet and the constraints under which they operate within their role as Compliance Champion. Clearly the dissemination of such information is the responsibility of the Compliance Department through training. However, this type of information also comes from observation and interaction; the 'Doing' part of on the job training.

### ***Rule 2 - Reinforce People Who Are Integrators***

This involves the inevitable tension between the Compliance Department which creates the standards and process and the business unit which is involved in sales and marketing. One of the key roles that a Compliance Champion can fulfill is to interact with these multiple stakeholders. As a business unit representative, often times, the Compliance Champion can obtain cooperation more quickly and at a greater frequency than the Compliance Department. The Compliance Department should increase the discretionary powers of the Compliance Champion as they become more comfortable and proficient in the role.

### ***Rule 3 - Expand the Amount of Power Available***

This is somewhat related to a portion of the points raised in Rule 2. However, this Rule 3 has a different focus. Recognizing that people always dislike losing power within an organization, your company will need to make certain that the Compliance Champion role is created without taking power away from others within the company. You should make certain that the

Compliance Champions have new and different responsibilities from others within the organization.

#### ***Rule 4 - Increase the Need for Reciprocity***

Morieux defines this Rule as expanding “the responsibilities of integrators beyond the activities over which they have direct control.” This means that you must challenge the Compliance Champions to negotiate and make trade-offs rather than simply avoid issues. By expanding the goals of the Compliance Champions, you will encourage them to work cooperatively with the business unit.

#### ***Rule 5 - Make the Employees Feel the Shadow of the Future***

Morieux posits that the longer that “it takes for the consequences of a decision to take effect, the more difficult it is to hold a decision maker accountable.” The Compliance Champions need to feel that there will be consequences to their actions so that the “shadow” of the future needs to be relevant to them. This can be accomplished by reducing lead times on the projects involving Compliance Champions. Another technique might be to more regularly review measurable performance outputs. The key here is to make the Compliance Champion feel that their work is real, relevant and the final future of their work is close by.

#### ***Rule 6 - Put the Blame on the Uncooperative***

There must be accountability for those who fail to cooperate in ways which cause project delays. This can be done by adjustment of a company reward criteria, such as bonuses. If a Compliance Champion says they need more resources to complete a project and the resources are provided and they fail to do so, a bonus reduction should be made. But this means more than simply sanctioning the Compliance Champion. Once there is a communication of a problem, such as the business unit failing to provide information required by the Compliance Champion to complete their assigned task, then the business unit personnel involved also need to have some type of sanction as well.

The author notes that not all of these Rules are required to have a successful management of complexity. I would submit that the same is true for a business unit employee who is assigned to be a Compliance Champion. Nevertheless, the use of a business unit Compliance Champion can help to manage the compliance process in a manner which enhances the overall compliance process and, more importantly, the overall compliance message. Greater diversity in the compliance approach can allow for customized solutions with significant business unit input and allow for greater business unit buy-in for the compliance solution.

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