Visualizing Compliance: Working with Senior Management

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A previous post touched on the advantages of visualizing compliance when the CCO interacts with a board member about a company's compliance program. This post touches on the advantages of using visual compliance when working with fellow members of senior management.

Visual compliance – in both static and dynamic forms – helps CCOs to manage and simplify compliance activities. It also helps them to communicate the “big picture” to senior management, and to get granular in particular operating areas, as needed. Words are present, but there are far fewer of them, and they basically operate to help explain and amplify the main messages expressed in visual forms.

Take a situation where a new VP of international sales had joined your company. She stops by at your office one morning, introduces herself, and asks you for information about the company’s compliance program. When given a choice between a 17-page document to take away and read, or visual views into program components and operations right now, she chooses the latter.

Maps: Program overviews

You begin by pointing at one wall – at an attached and laminated 3’ x 4’ program overview map. Using graphics, it shows how the program operates, the standards it follows, and how the various components interrelate.

You walk her through who has responsibility for what parts of the program, including her special role as the officer in charge of international sales: a high-corruption risk activity. The discussion covers how the sales and compliance functions currently work together, and also generates ideas for changes that could help increase transparency and improve compliance messaging effectiveness.

Below the primary program map on the wall are smaller paper maps. You generate these periodically and cover program priority metrics and the particular operational areas that are significant for the period covered. You point out one map’s coverage of the company’s higher risk geographies, and discuss the key indicators that produced the different colored rankings. Training of the employees of a newly merged entity took place recently, and you and she discuss the key performance indicators for that activity as expressed in the map.

The above scenario involves the use of static tools: point-in-time depictions of a program expressed in process flows, pie charts and other graphical representations. What could have been a passive exercise (reading 17 pages) is instead turned into an interactive information exchange.

The international sales VP, in her management role, has a more holistic understanding of how the program operates through the “big picture” visualization, related discussion and opportunity to ask questions. You have a better idea of her operational priorities and her views towards compliance.

Compliance management systems: Real-time views of risk

The map review has made a positive impression on the VP. She says that she'd like to schedule a regular quarterly meeting to review new map versions, and to dive deeper into higher risk identification and mitigation activities. But before she leaves, she asks you to go into detail on the compliance aspects of a particular area of concern: 3rd party agent relationships.

"No problem," you reply, as you bring up a cloud-based compliance program management software platform on your computer. And after 20 minutes, she is more knowledgeable about both the risks associated with 3rd party agents and how the company manages those risks. You have given her a verbal overview of the FCPA liability for principals that agency relationships can produce. Through visual displays within the program, she now knows how many such relationships the company is part of, where they are located, the length of those relationships, what due diligence has been performed when and the types of controls that apply to each such relationship. The ability to manipulate and analyze data on the screen during the discussion helps deepen her overall understanding.

Visual compliance tools effectively cut through the time and "noise" associated with pure textual formats. The size and comprehensiveness of the static maps help viewers more readily understand the logic, purpose and conceptual components that form a program. The compliance management software offers the ability to get tactical and specific (e.g., what's the status of this particular activity where, and how does this result compare with prior periods?).

Although you're now behind in terms of getting a promised response out to another colleague, consider how much future time has been saved, and how much goodwill has been generated during this "stopping by" session. An objective and fact-based compliance discussion with the VP has taken place as she is coming on board, and not in the midst of a crisis involving compliance-related allegations against one of her team. She has asked to stay engaged in programmatic activities and developments. There is a going forward dialogue. Most importantly, and facilitated by visual compliance tools, you've begun a constructive working relationship.

Image credit: Stefan, Flickr.

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