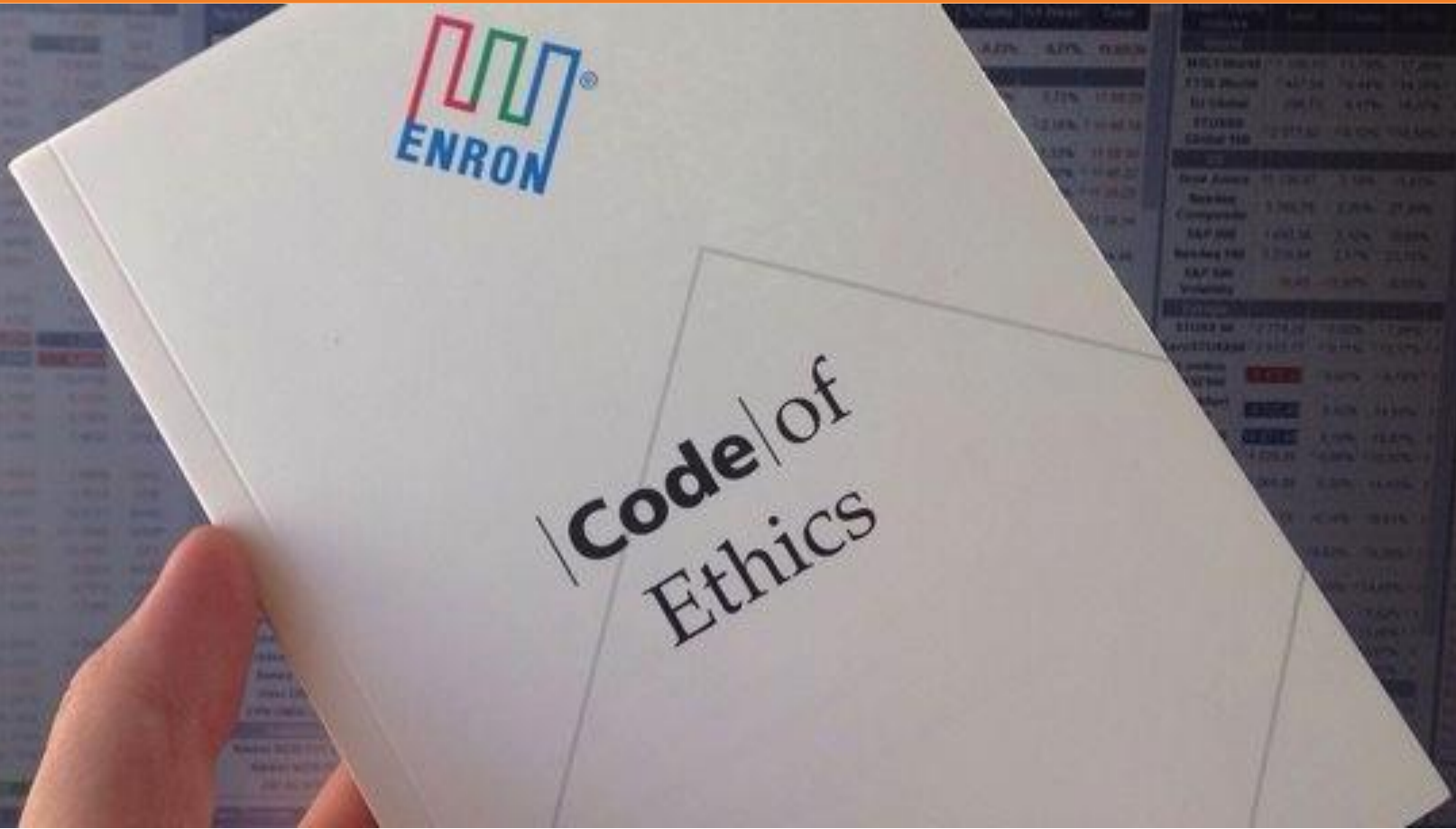


Providing Defensibility in Compliance

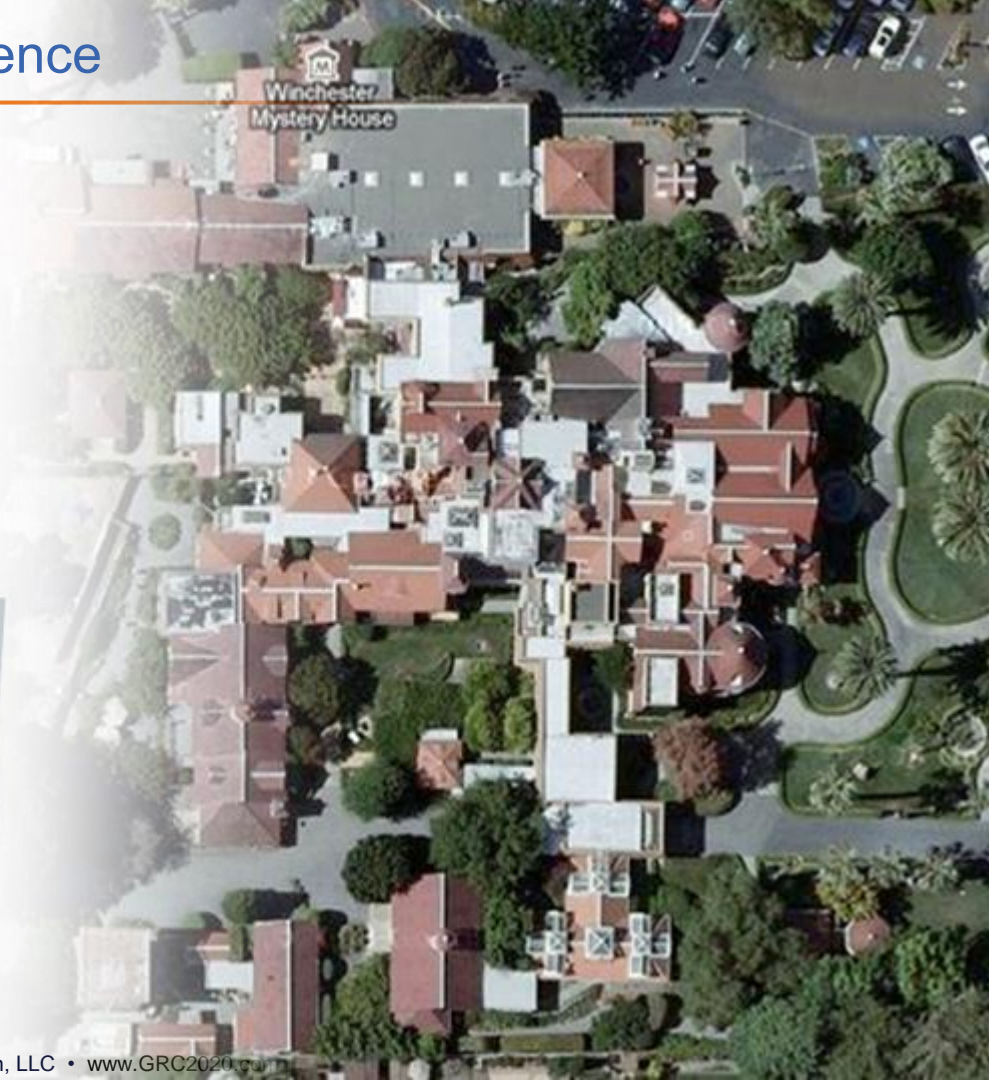
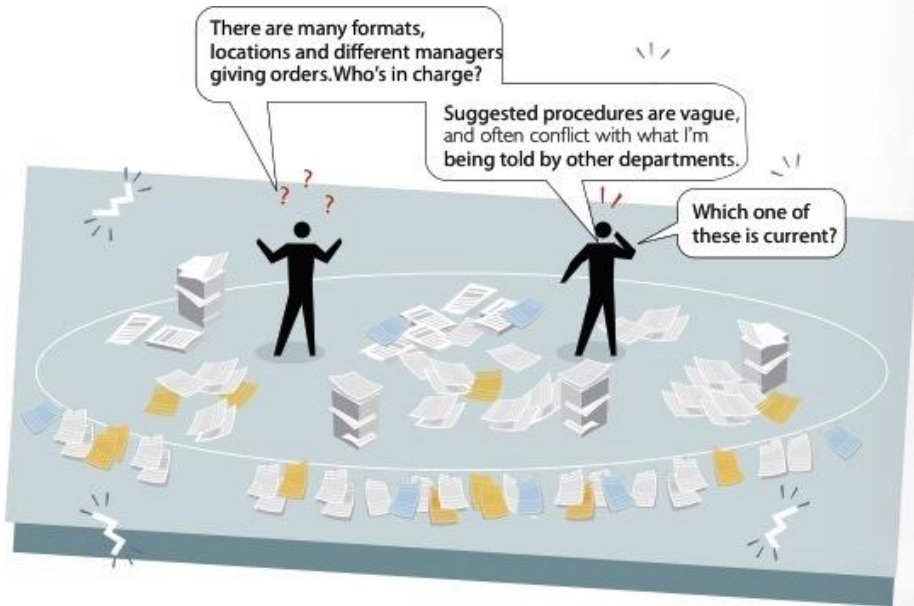
PRESENTATION

Governance, Risk Management & Compliance Insight

Having Well Written Policy/Compliance Documents is Not Enough



... Confusing Compliance User Experience



Culture: Confusing Communications



TOO MANY PEOPLE SENDING TOO MANY MESSAGES IN TOO MANY WAYS

Inevitability of Failure: Too Many Documents & Manual Approaches



Accountability Regimes



Accountability Regime's put senior management/executive accountability for risk, compliance, and conduct:

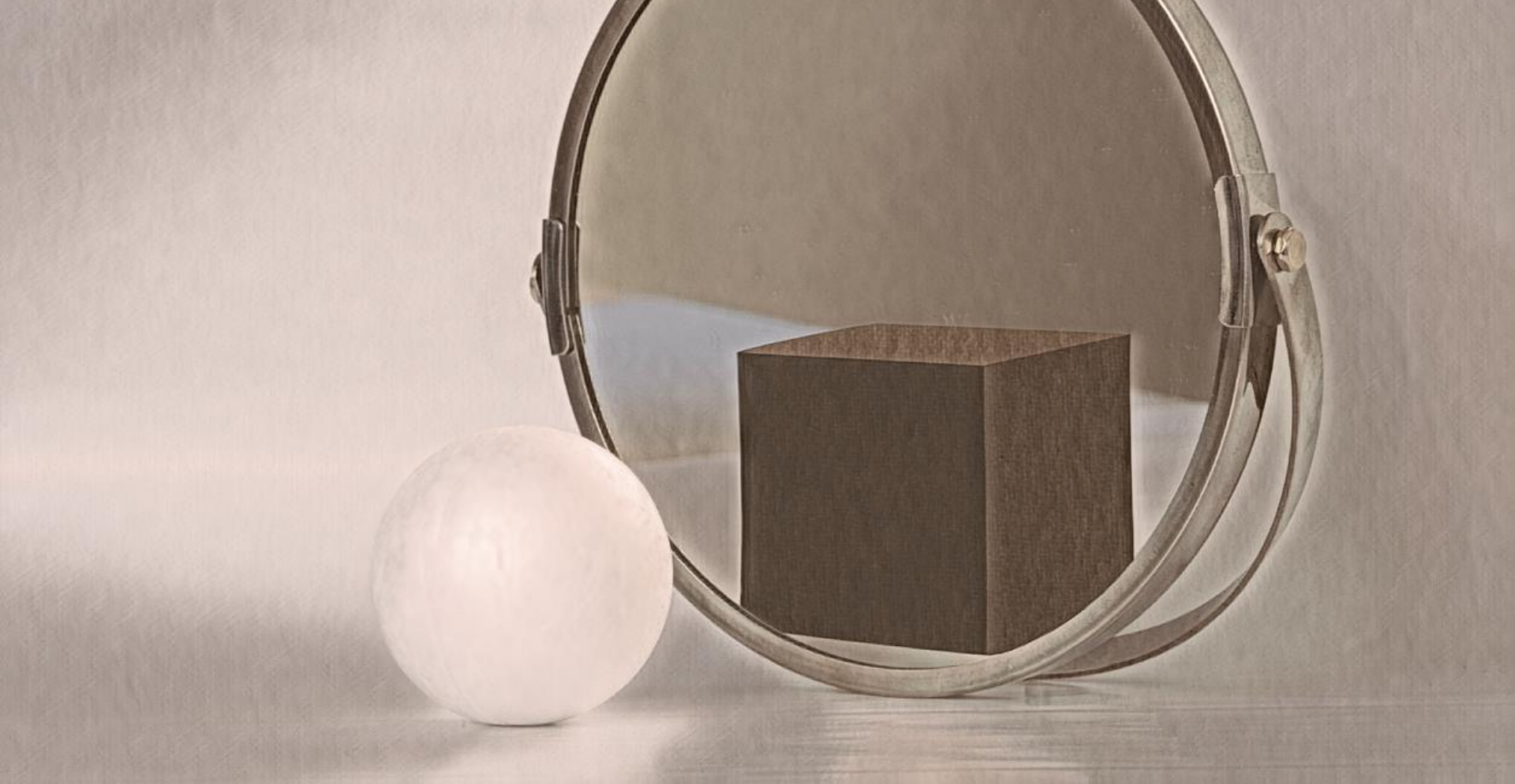
- ❑ **United Kingdom's** Senior Manager's Regime & Certification Regime (SMCR)
- ❑ **Ireland's** Senior Executive Accountability Regime (SEAR)
- ❑ **Australia's** Banking Executive Accountability Regime (BEAR)
- ❑ **Hong Kong's** Manager's in Charge Regime (MIC)
- ❑ **Singapore's** Individual Accountability & Conduct Regime (IACR)

Accountability Regimes

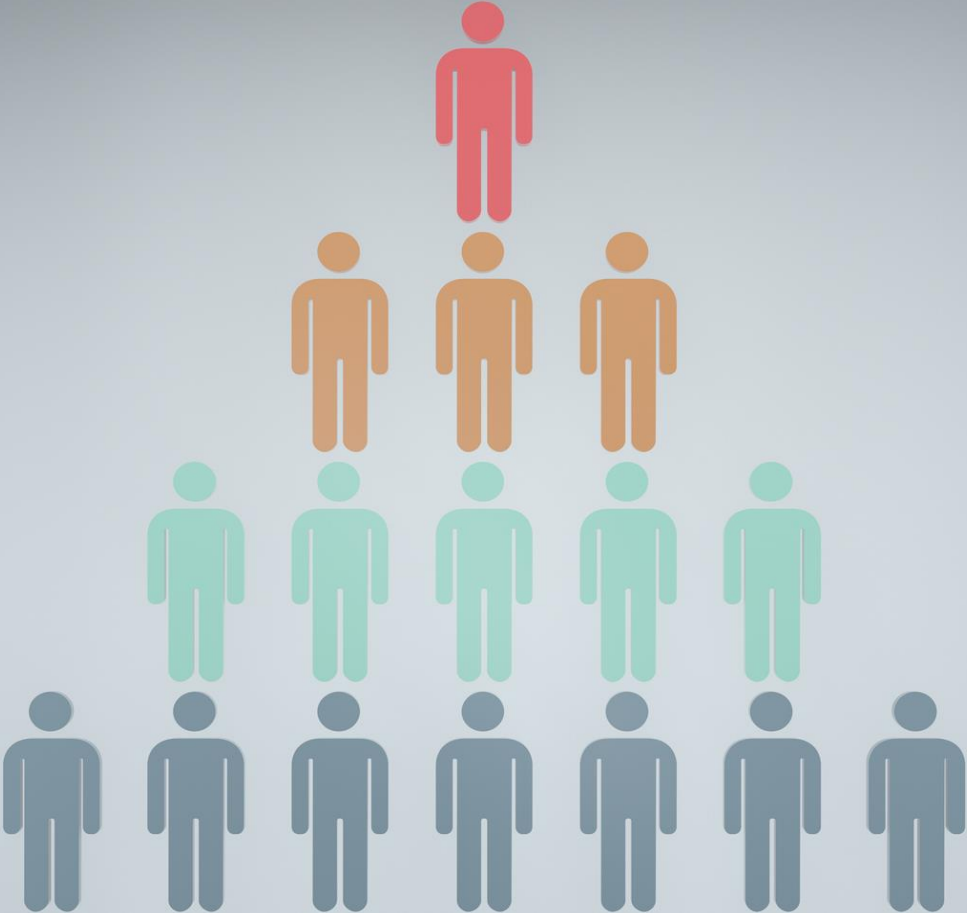


One [REGULATION] to rule them all, One [REGULATION] to find them
[RISK, COMPLIANCE, CONTROL], One [REGULATION] to bring them
all, and in the [ENFORCEMENT] bind them.

Culture: Integrity, Does the Organization Pretend It is Something Else?



Culture is Measured at All Levels of the Organization



Culture: Requires Front-Office / First-Line Engagement



Aspects of Corporate Culture . . .

ETHICS CULTURE

Does management and the organization as a whole behave with integrity?


Do you feel pressured to compromise our values?



RISK CULTURE

This deal is really important for this quarter.

But it is not in-sync with our risk appetite.



GOVERNANCE CULTURE

Here is the plan...

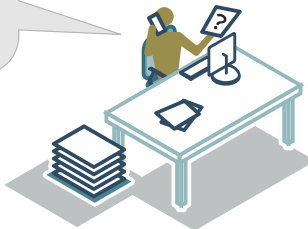
CEO

I need to challenge you on that...

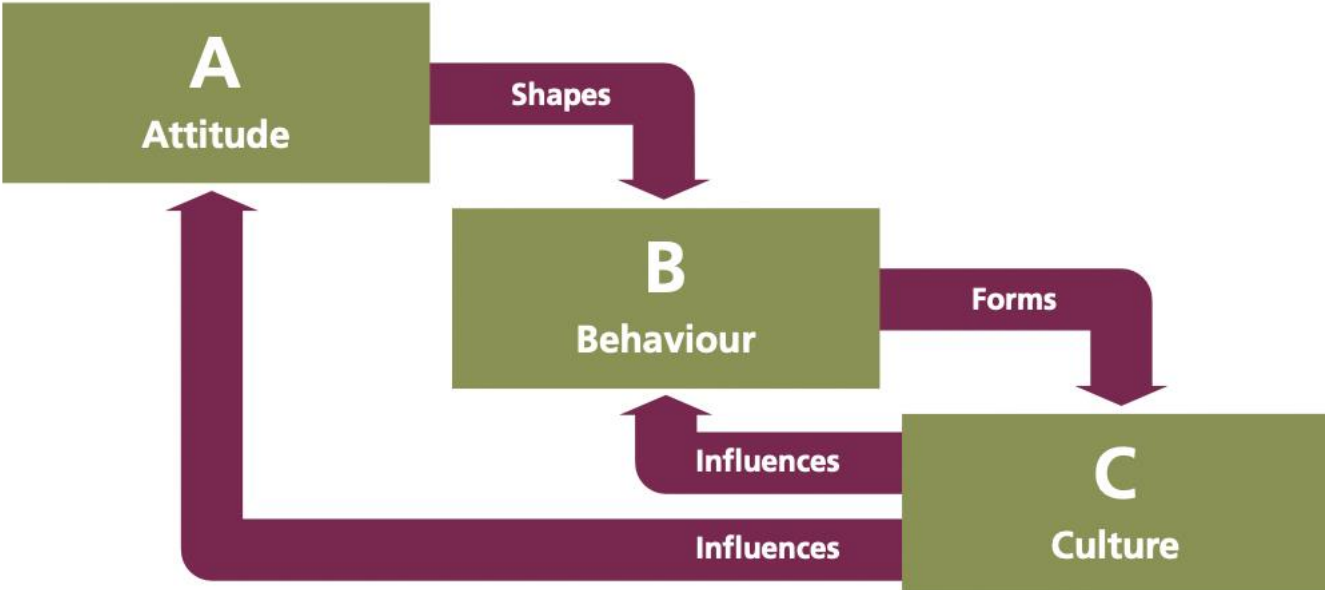


WORKFORCE CULTURE

I know where I fit and how to succeed!



Culture: A-B-C Model



Source: The Institute of Risk Management; *Risk Culture: Resources for Practitioners*

Culture: Policies are a Foundation to Compliance Defensibility

GOVERNANCE

Policies define the organization's governance structure, culture, and behavior to reliably achieve objectives. Without good policy as a guide, corporate culture and control morphs, changes, and takes unintended paths.

RISK MANAGEMENT

Policies address uncertainty – there would not be a policy if there was not a risk of exposure to uncertainty. Policies are risk documents that establish risk responsibility, communication, appetites, tolerance, boundaries, controls, and risk ownership.

POLICY MANAGEMENT

When fully integrated into the GRC ecosystem, policy management benefits from timely notification about changes throughout the organization that may demand policy issuance or revision. The organization benefits from standardization of policy development, distribution, enforcement, and review. This enables better selection of other internal controls, accurate reporting, and more efficient use of resources.

COMPLIANCE

Policies that are understood and followed develop a culture of compliance and integrity. Policies establish how an organization meets its obligations and commitments and how it will stay within legal, regulatory, and contractual boundaries.



Elements of a Compliance Engagement/Communication Plan



GOALS

Define specific communication goals and strategies for distribution, certification and training for each policy.



AUDIENCE

Write the communication and training plan to meet the unique needs of each target group.



RESOURCES

Assign the appropriate people, budget and other resources to ensure communication goals are met.



ACCESSIBILITY

Develop each policy training program to be accessible, understandable and actionable by



MEASUREMENT

Decide on metrics that will constitute 'success' for each phase of the communication process.



ALIGNMENT

Align communication and training strategies with the corporate culture. Gain support of executives and management.

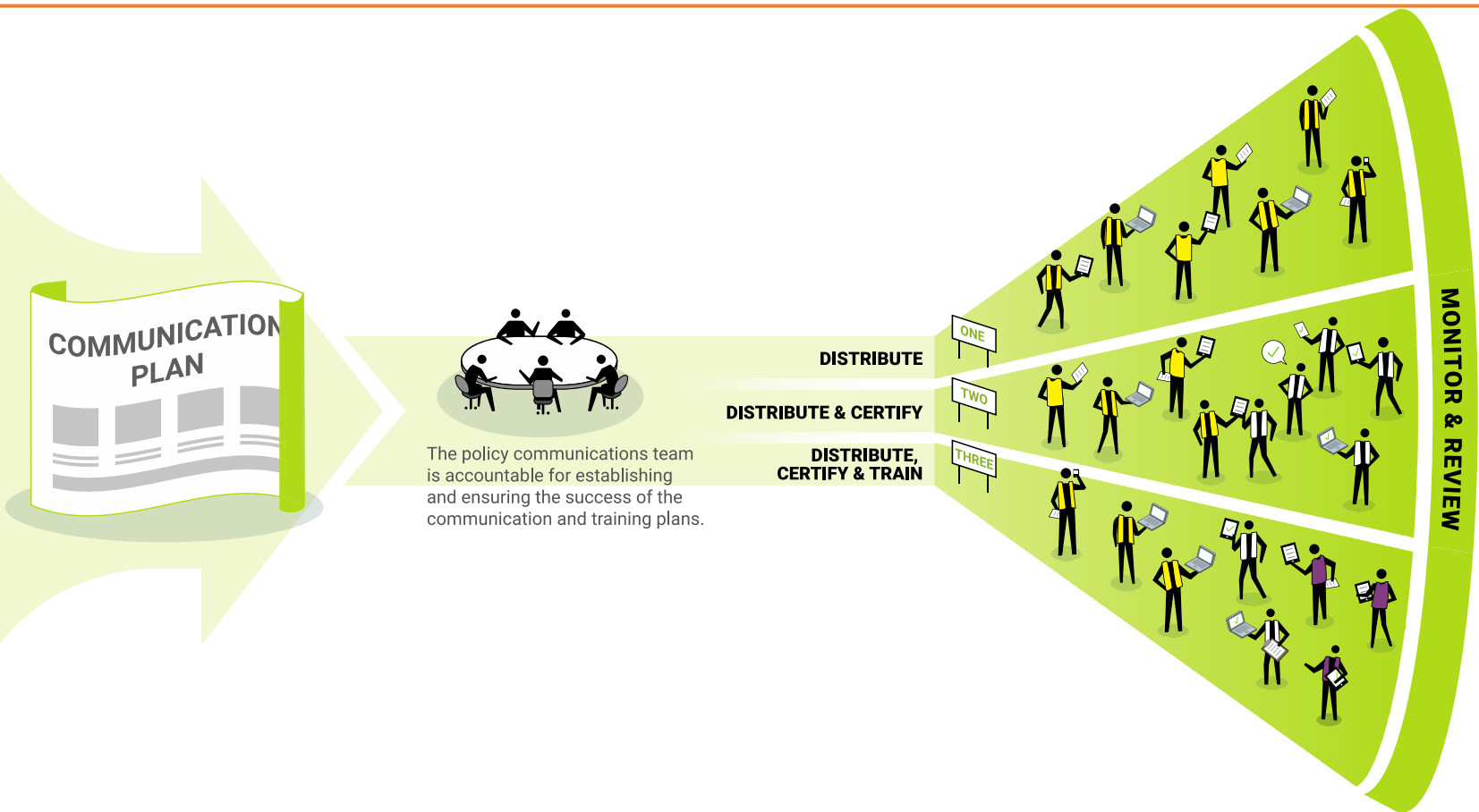


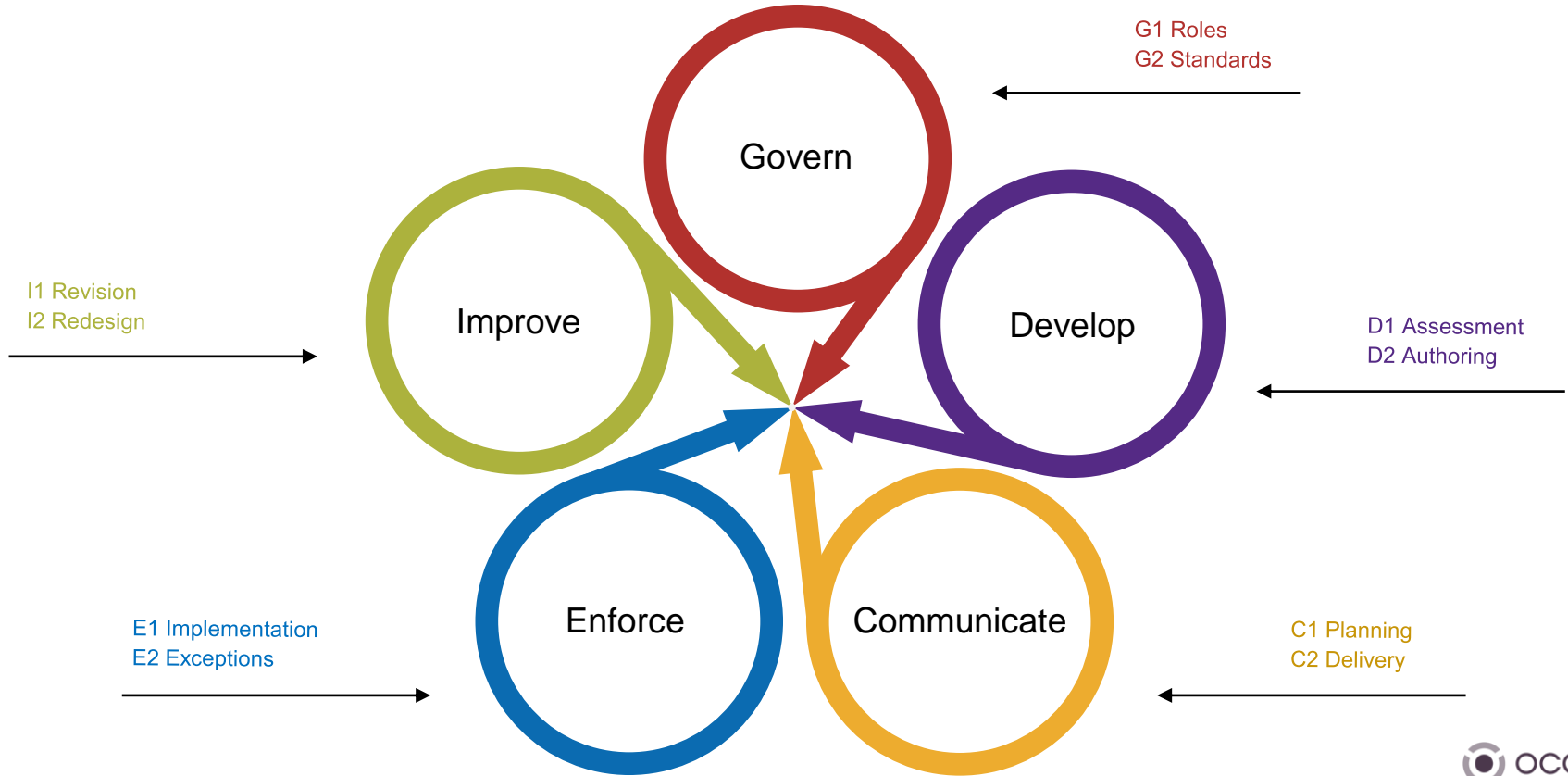
STAKEHOLDERS

Collaborate with and enlist the support of internal stakeholders across the business.



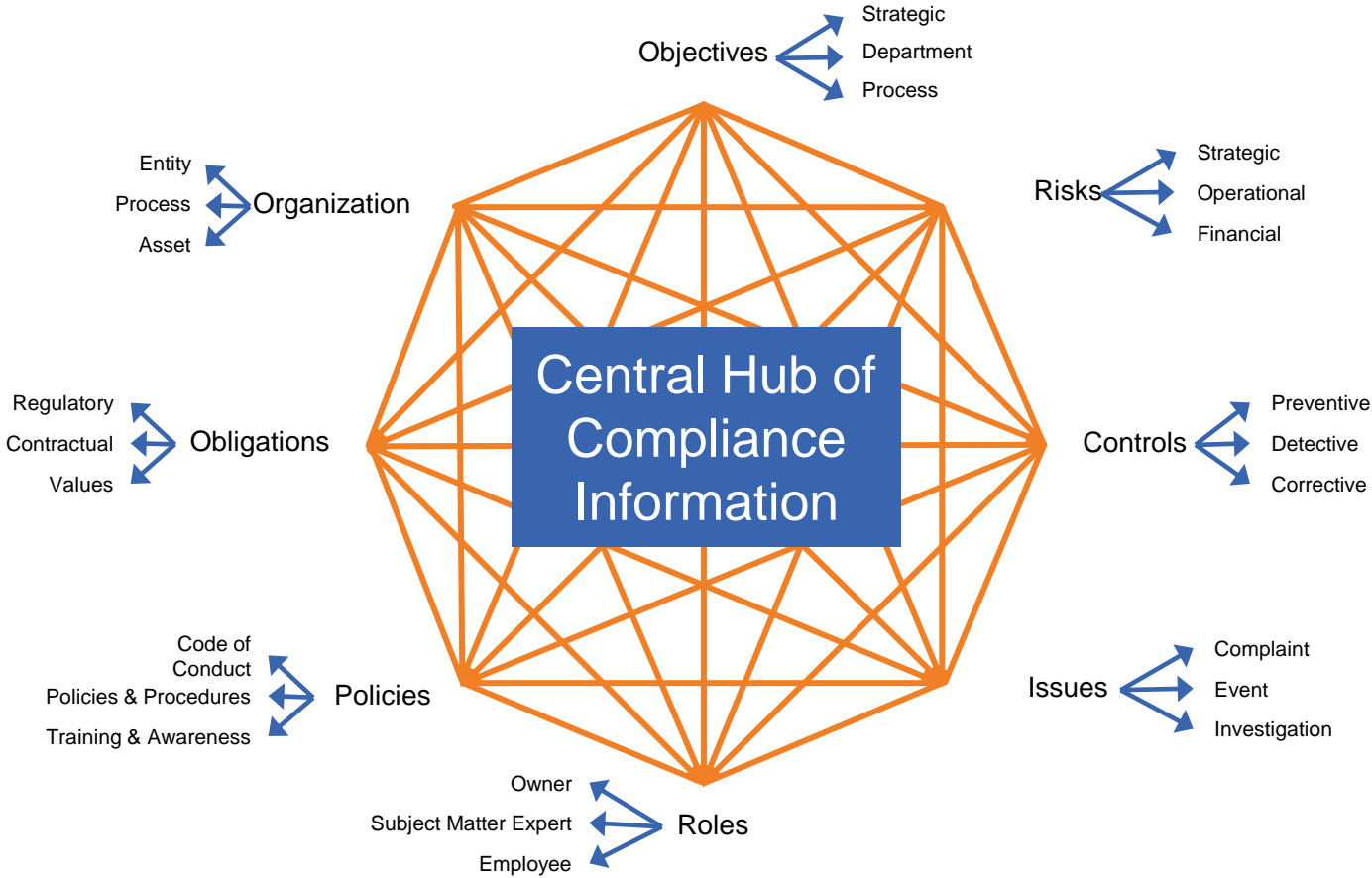
Implementation of Defensible Compliance Communications





www.PolicyManagementPro.com

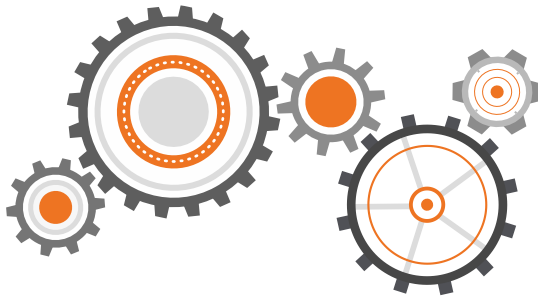
Compliance Information Architecture Provides 360° Contextual Intelligence



Leverage Technology for Compliance Management

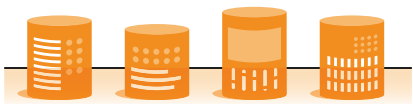
TECHNOLOGY

Policy management software can be leveraged to streamline policy development, alignment, change management, communication and performance monitoring. Policy training and awareness, acceptance, metrics gathering and archival can be automated to ensure the effectiveness of the policy program is understood in context.



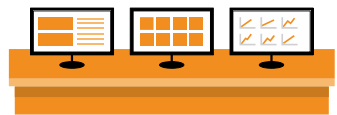
REPOSITORY

Technology enables policy implementation and enforcement by creating a repository of all policies, procedures, and controls that are cross-referenced to each other and not treated as isolated documents.



CONSISTENCY

Technology creates a consistent environment to conduct assessments, track issues of non-compliance, and take corrective actions. Technology allows an organization to easily and efficiently manage hundreds to thousands of policies especially during audits and assessments.



ACCOUNTABILITY

Technology provides for a complete picture and defensible audit trail of the 'who, what, when, where, how and why' including the role and actions of each individual.



AUTOMATION

Technology enables the automation of workflows and tasks to complete audits and assessments related to policy compliance. No longer is the organization encumbered by unanswered or lost emails or documents that are out of sync.



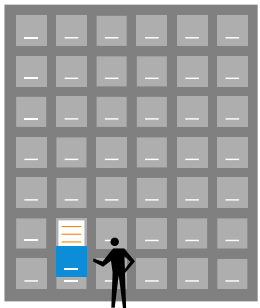
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Compliance Technology Provides Automation and Tracking

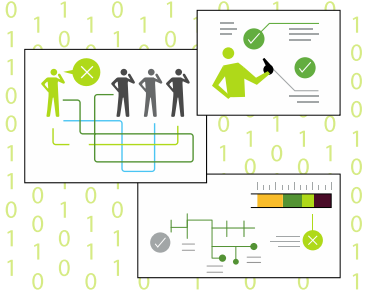
MANAGEMENT REPORTING



AUDIT TRAIL



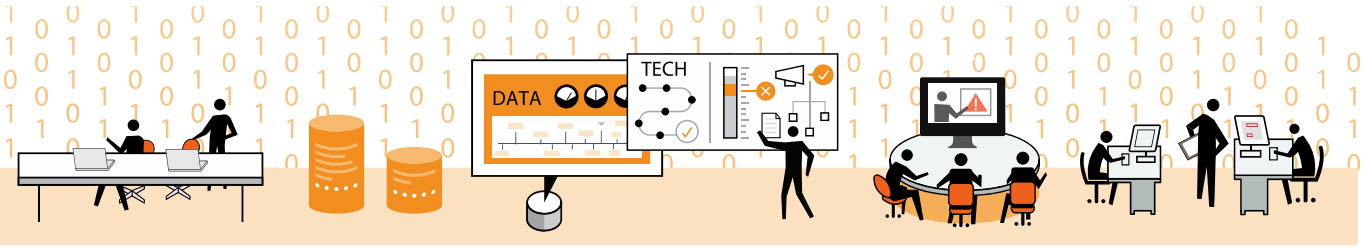
WORKFLOW & TASKS



COLLABORATION



ENFORCEMENT

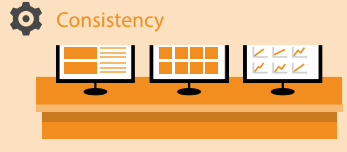
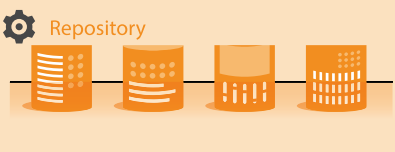
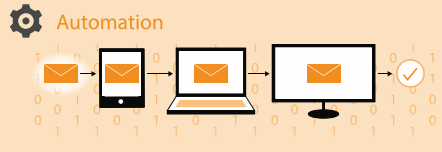


Integration

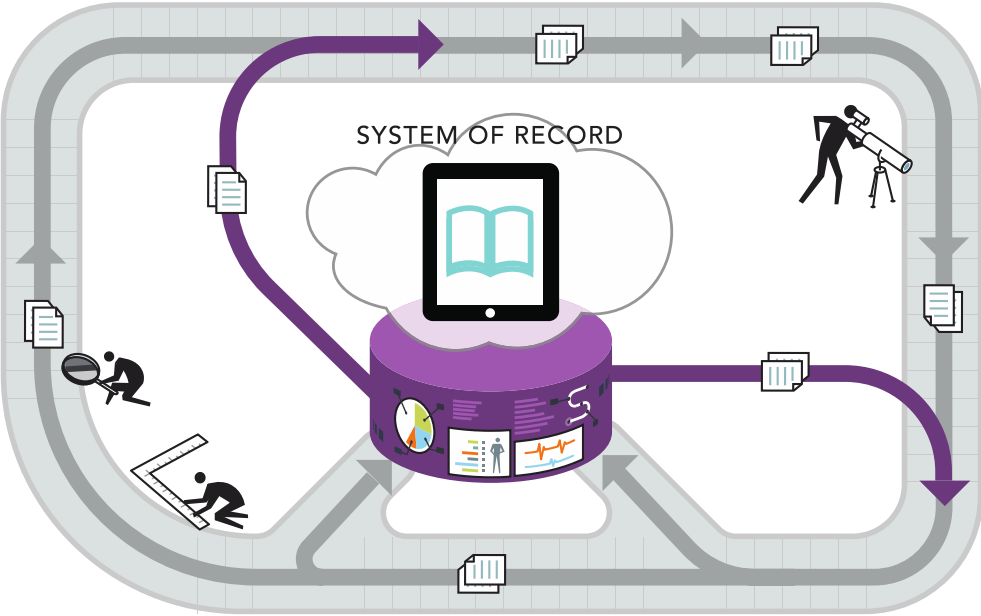
Visibility

Global Reach

Availability



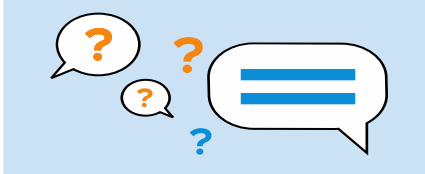
Defensible Compliance



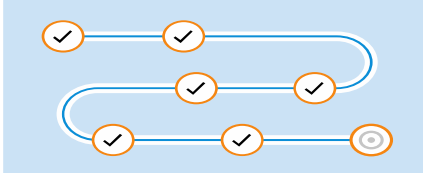
VERSION (DATE/TIME)



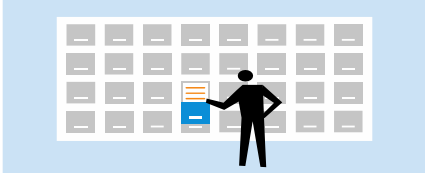
ASK & RESOLVE QUESTIONS



UNDERSTAND CONTEXT



PROVIDE AUDITABLE RECORDS



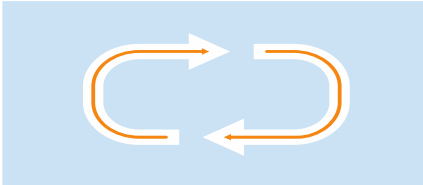
MEET REQUIREMENTS



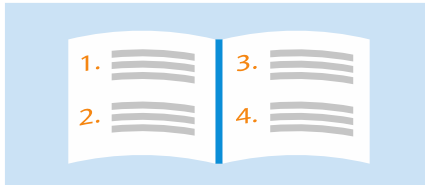
MANAGE EXCEPTIONS



REPEATABLE CYCLE



DEMONSTRATE SEQUENCE




Components of Agile Compliance Technology



Usability



Cost of Ownership



Configurability



Scalability



Adaptability




Integration



Analytics



Process Automation



Future Proof



Compliance Metrics & Measurement for Defeasibility

<p>AMBIGUITY Is a lack of understanding resulting in policy questions or non-compliance?</p>	<p>CLARITY Is the policy oriented appropriately to the intended audience?</p>	<p>APPROVAL How long has it been since this policy was last reviewed?</p>	<p>RISK EXPOSURE Does the policy mitigate risk within accepted boundaries of risk appetite and tolerance?</p>	<p>REGULATIONS What regulatory changes and enforcement actions impact this policy?</p>	<p>LEGISLATION What legislative changes impact this policy?</p>	<p>EXTERNAL RISK What socioeconomic, political, and industry changes impact this policy?</p>	<p>BUSINESS CHANGE What changes to the business such as mergers/acquisitions, strategy and operations impact this policy?</p>
							
							
<p>ISSUES How many hotline reports have been received in relation to this policy? What are the results of surveys and assessments related to this policy?</p>	<p>INCIDENTS How many substantiated policy violations have occurred and why? Are there repeat offenders related to these incidents?</p>	<p>EXCEPTIONS How many exceptions to the policy have been documented and approved? How long has it been since these exceptions were last reviewed?</p>	<p>NON-COMPLIANCE Is the policy being complied with? How many controls are in place to properly monitor the enforcement of the policy?</p>	<p>DELIVERY Is the policy communicated in the right formats and languages to best reach the target audience?</p>	<p>TRAINING Have employees successfully completed required training programs related to this policy?</p>	<p>ATTESTATION Have employees acknowledged and attested that they will follow the policy?</p>	<p>COMMUNICATION Has the policy been verifiably communicated to its audience in the past year?</p>



Questions?

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PRESENTATION

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