

THE **EXCELLENCE** IN **COMPLIANCE**

★ **AWARDS** ★

Compliance Week is proud to recognize the winners of its inaugural “Excellence in Compliance Awards,” a newly formed program that spotlights individual achievement in 15 categories relating to risk and compliance.

CCO OF THE YEAR



Duane D. Holloway, United States Steel Corporation

OTHER WINNERS FEATURED INSIDE:

Lifetime Achievement in Compliance
Compliance Comeback of the Year
Compliance Innovator of the Year
Compliance Mentor of the Year
Rising Star in Compliance
Compliance Excellence: Anti-Corruption
Compliance Excellence: TPRM

Compliance Excellence: Cyber-Security
Compliance Excellence: Data Privacy
Compliance Excellence: Training
Best Compliance Consultant/Advisor (Large)
Best Compliance Consultant/Advisor (Small)
Best Compliance Technology Partner (Large)
Best Compliance Technology Partner (Small)

Penman an E&C pioneer with an uncanny ability to connect

Lifetime Achievement in Compliance award winner Carrie Penman takes us on her compliance journey—from creating the first corporate-wide ethics program at Westinghouse Electric to her influential ethics work at NAVEX Global.



BY AARON NICODEMUS, COMPLIANCE WEEK

Carrie Penman, who was recently named the first-ever winner of Compliance Week's Lifetime Achievement Award, has always been a trailblazer.

She launched, developed, and directed the first corporate-wide global ethics program at Westinghouse Electric Corp. from 1994-1999, years before ethics and compliance programs became mandated for all public companies.

She remembers accepting the brand-new position leading a brand-new department with a sense of excitement, as she pivoted away from her expertise as a scientist and engineer into something totally and completely new.

"I really felt like I'd found something I was meant to do," she says. While she had some experience in compliance at the time, "I did some volunteer work that put me in front of the executives. It really was a happy accident."

Despite the fact that the pioneering ethics program she launched at Westinghouse was shuttered after five years, when the company folded, Penman knew she had found her true calling. For the next four years, she served as deputy director of the Ethics and Compliance Officer Association (ECO), now the Ethics and Compliance Initiative (ECI).

Pat Harned, ECI's chief executive officer, says one reason Penman is so highly regarded in the ethics and compliance

industry is that she was among its first practitioners. But the respect the industry has for her has also been earned over time, she adds.

Penman's guidance, mentorship, and thought leadership has "improved the work of a lot of people in the industry," she says.

In 2017, Penman was awarded ECI's Carol R. Marshall Award for Innovation in Corporate Ethics, an award that recognizes "the outstanding accomplishments of a business executive in the ethics and compliance field."

"She has been a big advocate during the rise of #MeToo, advocating for respectful workplaces and addressing sexual harassment," Harned says. And Penman's roots in ethics has helped her to keep attention on them, despite the industry's current emphasis on compliance. "We can be so driven by enforcement practices that we can lose sight of the importance of the tone at the top, and of encouraging people to speak up," Harned says.

At NAVEX Global, where she has worked since 2003, Penman has held a variety of roles. Currently the company's chief risk and compliance officer, Penman oversees the company's internal ethics and compliance activities, employing many of the best practices that NAVEX recom-

"She sees ethics and compliance as fundamental in all organizations. I've never failed to be impressed about how she's never stopped moving forward, never stopped learning."

Bob Conlin, President and CEO, NAVEX Global

mends to its clients.

NAVEX Global is a leader in integrated risk and compliance management software and services that help organizations manage risk, address complex regulatory compliance requirements, and foster an ethical, highly productive workplace culture, according to the company's Website.

In addition to her CCO duties, Penman conducts program, risk, and culture assessments for corporate clients and regularly works with and trains boards of directors and executive teams. She also serves as a corporate monitor and independent consultant for companies with government settlement agreements, including deferred prosecution agreements.

"She sees ethics and compliance as fundamental in all organizations," says Bob Conlin, NAVEX Global's president and CEO. "I've never failed to be impressed about how she's never stopped moving forward, never stopped learning."

Allen Stewart, director of the ethics office at Duke Energy Corp. in Charlotte, N.C., has known Penman for years. They first met through the Ethics and Compliance Officer Association (now ECI). Duke Energy has been a client of NAVEX Global for many years.

"Carrie is viewed as a practical purveyor of information and ethics programs," he says. "I've always found that all our conversations quickly get to the 'how.'"

Stewart says Penman attacks issues and problems in ethics and compliance by applying her vast experience, as well as tapping her background as a scientist, to probe for solutions and answers.

An ally to whistleblowers (even if she doesn't like the term)

One area where she helped break new ground is in corporate whistleblowing.

NAVEX Global maintains a proprietary dataset of internal whistleblowing systems comprised of nearly 2 million internal whistleblower reports that were submitted to more than 1,000 publicly traded U.S. firms. Under Penman's direction, NAVEX anonymized the data and provided it to researchers at the University of Utah and George Washington University. Penman vetted the research by reviewing the methodology and credentials, but did not influence or participate in the research herself.

Among the resulting study's many findings was that anonymous whistleblower complaints are substantiated at much the same rate as complaints by named whistleblowers.

"She attacked this urban myth that anonymous complaints have less merit," Stewart says.

Winner:



LIFETIME ACHIEVEMENT IN COMPLIANCE

Carrie Penman,
NAVEX Global

Title: Chief Risk and Compliance Officer

Years of experience: 26

About Navex Global: NAVEX Global provides integrated risk and compliance management software and services to more than 14,500 customers worldwide, helping manage risk, address regulatory requirements and foster an ethical workplace culture.

Location: Portland, Oregon (though Carrie works from Massachusetts)

Notable quote: "Compliance is in a great position to lead during this time, because we are thinking about risk and risk management all the time. Of course, how successful we are depends on us proving we have an impact, showing we can identify gaps in business continuity, and can offer solutions."

“Penman is at the forefront of trying to ensure transparency in the workplace. She has assisted employers with cutting-edge advice and assistance on a whole host of initiatives. She has committed her entire life to compliance.”

Gregory Keating, Partner, Choate, Hall & Stewart

The study's conclusions have repercussions for businesses and for whistleblowers, says Gregory Keating, a partner with Choate, Hall & Stewart and practice group leader of the firm's labor, employments & benefits division.

Keating, who also wrote a 2005 book on whistleblowers entitled “Whistleblowing & Retaliation,” says the whistleblower research Penman facilitated revealed companies with high incident reporting rates have better returns on their whistleblower program investment and are less likely to violate laws and regulations.

“It's good to be hearing from your people. And it's bad if you hear nothing,” he says. Penman has been a “great advisor to companies” on their whistleblower programs, he adds.

Penman is “at the forefront of trying to ensure transparency in the workplace. She has assisted employers with cutting-edge advice and assistance on a whole host of initiatives,” he says. “She has committed her entire life to compliance.”

For someone who has dedicated so much of her professional life to promoting and protecting whistleblowers, Penman hates the term. She says whistleblower is pejorative, carrying negative connotations about criminals snitching on each other.

“We've told employees it is their duty and obligation to speak up, to say something,” she says.

The term she'd prefer? Reporter. Perhaps she will eventually convince her colleagues in ethics and compliance to come around to her way of thinking.

Ethics and values making a comeback

In more than 25 years in ethics and compliance, Penman has watched the industry morph and change. The biggest inflection point, she says, were the Enron and WorldCom scandals of the 1990s, which moved the industry's pendulum hard toward compliance.

“It totally changed the landscape, and it changed our programs, from being about self-regulation to more about government regulation,” she tells Compliance Week.

But she says the industry's pendulum is swinging back

toward ethics, as businesses have recognized that a strong, ethical corporate culture and tone at the top are essential parts of their success.

“It's swinging back more toward values and understanding that we're doing the right things for the right reasons,” she says. “You can have all the rules and regulations and policies and procedures, but it really comes down to values and culture that really drive human behavior.”

Penman is also hopeful to continue influencing the next generation of ethics and compliance executives. She's doing this as an executive fellow with the Ernest A. Kallman Executive Fellows Program at the W. Michael Hoffman Center for Business Ethics (HCBE) at Bentley University, and she also teaches several courses. She speaks regularly at conferences and seminars, bringing together some of the brightest minds in the field to discuss new developments and plot new strategies.

In its optimal form, a company's ethics and compliance department should be a strategic partner, one that helps assess and mitigate risks while also developing strategies to make the business more successful, she says.

The key, she says, is delivering information that is “meaningful, factual, timely, and relevant to management.”

It's also important to get buy-in from company leadership for compliance and ethics initiatives, says Conlin, something he says Carrie does exceedingly well.

“I don't know anyone who doesn't love Carrie,” he says. She can deliver the hardest assessment and not alienate anyone in the room. She does this by understanding what motivates people, he says.

“You can't force people to be ethical; you have to change the culture (in organizations),” he says. “She is a very strong partner to human resources and to CEOs about cultural initiatives.”

Carrie says it's the people she's worked with, counseled, and collaborated with that have kept her in the industry all these years.

“People who do this for a living are such wonderful people,” she says. “I hope to be known as a friend to those folks, and to the industry.” ■

Josh Drew led by example in getting VEON through DPA

CW's Compliance Comeback of the Year Josh Drew, group chief ethics compliance officer at VEON, discusses the challenges he faced when rebuilding the ethics and compliance program under a monitor's watchful eye.



BY JACLYN JAEGER, COMPLIANCE WEEK

Imagine being recruited to take on the formidable task of building an ethics and compliance program from the ground up, and for a company whose operations are concentrated in some of the world's highest-risk markets. Now imagine also having to do that under the watchful eye of a government-appointed compliance monitor.

Josh Drew doesn't have to imagine it. He, along with his entire team, lived through it.

After five years at Hewlett-Packard Enterprise, Drew joined Amsterdam-based telecommunications company VimpelCom as associate general counsel of investigations in July 2016—a trying time in the company's history, to say the least. Just five months earlier, VimpelCom's wholly owned Uzbek subsidiary, Unitel, pleaded guilty, and VimpelCom entered into a three-year deferred prosecution agreement (DPA) with the Department of Justice for having engaged in a systemic and long-running corruption scheme in violation of the Foreign Corrupt Practices Act (FCPA). The company also was still feeling the sting from the consequential \$795 million global foreign bribery settlement with U.S. and Dutch authorities.

Since that time, the company has significantly overhauled its governance structure, along with changing its name to VEON in March 2017. It was around this time of major upheaval that Drew was named acting group chief compliance officer, following the resignation of his predecessor just six months into the job and after the compliance monitorship's heavy scrutiny had already begun.

All of this is to say that when Drew was offered the permanent post of group chief ethics and compliance officer in October 2017, it was not a decision to be taken lightly for both personal and professional reasons. "It was definitely a family decision," Drew says of the job opportunity and having to move

his family from the United States to Amsterdam. "My wife has a career, and we have three kids. So, we had to evaluate how this would work from all angles."

Turns out, the family didn't need much convincing. "For my wife's job, we had done a short stint in Paris. The experience of living overseas was great for our family and whetted our appetite for more," Drew says. "As a family, we were very excited to move to Amsterdam."

The more substantial challenge would be on a professional level: how to right the ship at VEON. The task at hand was to create and implement an effective global ethics and compliance program nearly from the ground up; to shift the cultural mindset of people from all across the organization and at all levels of the organization; and to do so under a very aggressive timetable, as set forth under the terms of the DPA.

Drew says he accepted this challenge with a sense of both excitement and humility. "I wanted to be the chief compliance officer, but I also understood the size of the challenge and that it was going to take a tremendous team effort if the company was going to succeed," he says. "It was not going to be all about what I could do. It was really going to be much more about how I could help channel all the resources in the organization in the right direction to help the company succeed."

In the following months he'd tackle that challenge head on. It is for those rebuilding efforts he earned the distinction of winning CW's first-ever Compliance Comeback of the Year Award.

Digging in on the comeback

Current and former colleagues credit the effortless way Drew took the helm, even in uncharted waters, and note that it's not inconsequential that he wasn't yet at the company when the settlement terms were negotiated. "He inherited them," says

Winner:

COMPLIANCE COMEBACK OF THE YEAR

Joshua Drew,
VEON

Title: Group Chief Ethics and Compliance Officer

Years of experience: 20+

About VEON: Founded in 2009, VEON is a multinational telecommunication services company that predominantly operates services in the regions of Asia, Africa, and Europe.

Location: Amsterdam, Netherlands

Notable quote: "I do think the function [of ethics and compliance] will be elevated coming out of the pandemic. Certainly, businesses of all sizes and types are going to have to adapt to life post-pandemic. It's a real opportunity for the compliance function to show its value and to show leadership in the organization."

Yvonne Hilst, ethics and compliance officer at VEON. "If he ever doubted himself, he never let it show. That's a characteristic of a good leader."

Drew says he was able to leverage his former experience at Hewlett-Packard in his role as vice president and associate general counsel. "Hewlett-Packard had also gone through an FCPA investigation, settlement, and post-settlement reporting obligations. So, I had a skillset that was transferable to VEON and what the company needed," he says.

The hallmarks of an effective compliance program are virtually the same from one company to the next, adds Drew, who was also a former trial attorney in the Fraud Section of the Justice Department's Criminal Division. "It's not rocket science. You need to make a work plan and start executing on it, and that was a very high priority [at VEON] from the start."

Drew says the first step in that process was "to make sure I understood the state of play with the existing compliance program and have a full understanding of the problems and historical compliance failures that had led the company to that point." No company that is under a DPA has a compliance program that can continue operating in the same way it has been historically, he says. "VEON was no exception."

"There was a lot of work to be done, for sure," Hilst says of the compliance program when she joined VEON in September 2017. "It needed to change and improve basically everything. In the first three months that I was with the company, we had to either revise or introduce more than 20 compliance governance documents, including the Code of Conduct."

A team effort

Drew spent a good deal of time with the board, audit and risk committee and senior management. He also focused on building not only a bigger compliance team, but the right compliance team, "making sure that we had the right skills, that we had the right people in the right roles to do the job—all of those areas needed prompt attention," he says. That required recruiting and hiring new talent, seeking those who had direct experience in the field, embedded within VEON's operating companies.

Under his leadership, the compliance function grew from a small team of four to a team of over 100, made up of ethics and compliance professionals with diverse backgrounds from all over the world, including places like Uzbekistan and Russia. "It really is a testament to what he was able to achieve, to do exactly what he said, which is to create a structure that just didn't exist before," says Alison Howell, who headed VEON's Monitor Liaison Office, responsible for developing the monitoring and testing program to assess the effectiveness of the ethics and compliance program.

Fundamental to Drew's success is his unwavering integrity. "Josh is a person of outstanding personal integrity, such that he embodies the values that underlie an effective compliance program," says Mark Rochon, a member of law firm Miller & Chevalier who, together with Tom Firestone at Baker McKenzie, served as VEON's outside counsel.

"He is a person who always does exactly what he says he is going to do, and that steadiness is an essential part of why he is such a good leader," Rochon adds. "He worked throughout the organization to instill necessary change, and he did so through building a good team and using teamwork in bringing about that change."

And colleagues appreciated that Drew was not a yes-man type of leader. "He really considered the views of everyone, right down to the most junior person on the team," Howell says.

"Another great leadership quality is that he would let his leaders lead," says Pat Garcia, then-group chief compliance officer at VEON and Drew's No. 2 deputy during the company's three-year DPA. "He allowed me to manage my global responsibilities without being a micro-manager."

That level of trust filtered into the team's relationship with the monitor as well. "Josh trusted his direct reports to have an open and transparent dialogue directly with the monitor team itself, so communication didn't necessarily have to be filtered through Josh or Alison," Hilst says. He also set the tone from the beginning that dialogue between the company and the monitor wouldn't be filtered through outside counsel, which also helped create greater transparency, she says.

"We really had to make sure that the relationship and engagement with U.S. enforcement authorities was on solid footing, that we had a clear line of communication, that we were doing what we needed to do," Drew says. "You have to develop an effective, collaborative relationship with your monitor or you're just not going to be successful as a company getting through your post-settlement period."

Facilitating interactions between the monitor, senior management, and the board to ensure those meetings were productive was also important. "It was really important to communicate openly and be responsive with the monitor and at the same time establish myself as a credible and trusted adviser for the board, for the executive team and sort of lead them through the process so that the monitor was getting what he needed and we were on good footing to be successful."

Changing culture

"We understood from the outset that if we tried to drive change as a mandate from compliance that we would not be successful," Drew says. Thus, it was critical that all leaders throughout the business were on board with what the company was trying

to do and could effectively articulate the need for compliance and the need for strong internal controls.

During the term of the DPA and compliance monitorship, VEON underwent several changes to its senior leadership, including the appointment of a new chief executive officer, chief financial officer, and board chair. But colleagues say Drew managed these changes and various relationships with ease, keeping the compliance program's development on track. "He was particularly effective in his work with the board and involving them in the company's compliance transformation, which was essential to success," Rochon says.

A key focus was shifting the culture—moving people away from thinking about compliance to thinking about *ethics* and compliance. "There is a real art to implementing change in a way that it will stick, in a way that it will become embedded into the culture of the company, and that is what we had to do," Drew says. Ultimately, VEON rebranded its function from compliance to ethics and compliance and incorporated "much more content on integrity and values and the importance of ethical decision-making in our communications and into our training," Drew says. "It is absolutely the wrong approach to try to have a rule that covers every scenario."

Employees won't always find themselves in situations that are covered by a specific policy, procedure, or rule that tells them what they're supposed to do. "In those circumstances, they need to use other resources and their own judgment to decide what is the best approach," Drew adds.

In large part due to Drew's leadership, the monitor certified to the effectiveness of the company's anti-corruption compliance program late last year, and the Justice Department dismissed VEON's DPA right on time.

Compliance and coronavirus

Any time a firm faces great challenges, stress, and difficulty, it's an opportunity for compliance professionals to demonstrate their value and leadership in the organization, Drew says. Especially with the coronavirus pandemic, the biggest challenge for VEON's ethics and compliance team has been "to go cold turkey and not travel at all," he says. "A lot of the value we bring, especially the headquarters team, is being able to travel to our operating companies, to meet with local leaders, to have town hall type of events, to deliver training, to meet with the local ethics and compliance team. It's been a big adjustment to have to do all of that virtually and not lose effectiveness."

But at the same time, Drew says he believes the pandemic will elevate the compliance function. Effective compliance teams change and adapt to the business, "and certainly businesses of all sizes and types are going to have to do that post-pandemic," he says. ■

Holloway's bold strategy lands him CW's CCO of the Year Award

U.S. Steel Chief Compliance Officer Duane Holloway's successful efforts to overhaul the ethical principles of a 119-year-old company earn him the distinction of becoming CW's first-ever CCO of the Year.



BY AARON NICODEMUS, COMPLIANCE WEEK

U.S. Steel is a pillar of American manufacturing. With nearly 30,000 employees working at two dozen facilities and subsidiaries throughout the United States, Canada, and Europe, U.S. Steel produces products for the automotive, appliance, container, industrial machinery, construction, and oil and gas industries.

Since its founding in 1901, U.S. Steel has been guided by a set of nine ethical statements made by its first chairman, Judge Elbert H. Gary. The statements were sound and authoritative—but also wordy and hard to remember. It was impossible to find an employee who could recite even a few of them from memory, said Victoria McKenney, U.S. Steel's deputy general counsel for regulatory and compliance, as well as its deputy chief compliance officer.

When he arrived at U.S. Steel in April 2018, Chief Compliance Officer Duane Holloway proposed creating a new set of ethical principles to guide U.S. Steel that were meaningful, actionable, and memorable.

It was a bold move.

"At a well-established company, it is tempting to walk only well-trodden paths, and the risk-averse nature of compliance means a sea change seldom occurs absent some significant event, like an enforcement action," McKenney wrote in her nomination for Holloway for Compliance Week's Chief

Compliance Officer of the Year Award, one of the top honors at the first annual Excellence in Compliance Awards.

Led by Holloway, the company's compliance team forged the S.T.E.E.L. Principles—Safety First, Trust and Respect, Environmentally Friendly Activities, Ethical Behavior, and Lawful Business Conduct. It was an effort that earned him the distinction of becoming CW's first-ever CCO of the Year.

Creating a lasting legacy

The S.T.E.E.L. Principles formed the new foundation of the company's Code of Ethical Business Conduct. The principles were distributed through the usual channels: emails, the company's annual policy certification process, and training. But it would take a bit more effort to win over the entire company, McKenney said.

"One can have a Hall of Fame-worthy ethics and compliance program" and procedures that are ironclad, Holloway told Compliance Week. "But without buy-in from the broader employee population, it's just worthless."

With a marketing budget of less than \$10,000, the compliance team created two symbols: an iconic silhouette of a U.S. Steel employee with the S.T.E.E.L. Principles embedded within the silhouette and a five-sided shield ringed by the S.T.E.E.L. Principles.

"Duane rejects the idea of compliance as an apparatus for administering complex procedures, instead emphasizing compliance as an agile business partner that can respond to a changing business environment and support strategy execution."

Victoria McKenney, Deputy General Counsel for Regulatory and Compliance, U.S. Steel

Winner:**CCO OF THE YEAR**

Duane D. Holloway,
United States Steel
Corporation

Title: Senior Vice President, General Counsel
and Chief Ethics & Compliance Officer

Years of experience: 20+

About U.S. Steel: A pillar of American manufacturing, U.S. Steel employs nearly 30,000 people in facilities throughout North America and in Central Europe, producing steel products for the automotive, appliance, container, industrial machinery, construction, and oil and gas industries.

Location: Pittsburgh, Pennsylvania

Notable quote: "Unethical actions can tear away at a company. At U.S. Steel, we are aware of our rich place in history, and we have to ensure that our actions are ethical and lawful. We've worked hard to help our employees understand this, so they can embody our core values in everything they do."

The images were placed on posters, table tents, post-it notes, magnets, and stickers. In addition, Holloway led a global employee town hall meeting that discussed how the S.T.E.E.L. Principles connected the company's past, present, and future.

U.S. Steel President and Chief Executive Officer David B. Burritt started using the principles in communications and at conferences. From the corporate level down to employee safety meetings, discussions would begin and end by asking, "Is this in line with our S.T.E.E.L. Principles?" Employees even asked to use the logo on T-shirts worn during charitable events.

"The S.T.E.E.L. Principles became part of the fabric of a 119-year-old company almost overnight," McKenney said.

Winding path to U.S. Steel

Holloway's path to leading compliance efforts at U.S. Steel was slightly unorthodox. Compliance has been woven into his responsibilities but hasn't always been his primary focus.

Armed with a bachelor's degree in psychology from the University of Virginia and a law degree from the University of Pennsylvania Law School, Holloway practiced law at the Washington, D.C. firm now known as Hogan Lovells.

In 2005, he was hired by Harrah's Entertainment, a huge casino company that had just purchased a competitor, Caesars Entertainment. The company would reorganize under the Caesars name and would become the world's largest gaming company at the time.

During his nine years at Caesars, Holloway progressed through increasingly important roles in the legal department before being named senior vice president and chief counsel, operations and litigation. In this role, he functioned as general counsel for the company's global operations division, which included all casinos, resorts, hotels, and other related holdings around the world, and helped lead the department's continuous improvements to its operating model and strategy, according to his biography on the U.S. Steel website.

Mark Dunn, executive vice president and general counsel at Baha Mar Nassau, a luxury resort and casino in the Bahamas, said he hired Holloway at Harrah's Entertainment as general counsel to manage a block of casinos. They would work together for six years.

Gaming is one of the most regulated industries in the world, and Dunn said Holloway took to his new assignment—which included maintaining adherence to numerous gaming regulations from multiple jurisdictions—with enthusiasm.

"If you're going to be thrown into the ocean and told to

swim, that's about as deep of water as you'll be in terms of compliance," Dunn said. "He had to effectively handle a lot of complex issues, just about anything you could envision from a compliance perspective."

Holloway has a great ability to think on his feet, Dunn said, and he convinced grizzled casino veterans to buy into his initiatives.

"He's not the type of guy who talks about how smart he is," Dunn said. "He's very understated, he has a good manner about him, he's very easy to like and engages people on their own terms. To me, that's where he excels."

Holloway would later serve as vice president and deputy general counsel for CoreLogic, a global residential property information, analytics, and data-enabled solutions provider. He oversaw members of the U.S. legal department advising on transactional, litigation, intellectual property, regulation, employment, antitrust, and governance matters.

Before joining U.S. Steel, Holloway was the executive vice president and general counsel at Ascena Retail Group, the largest women's specialty retail and fashion company in the United States. During his time at Ascena, he served as global chief legal, compliance, sustainability, and diversity officer.

Changing perceptions of compliance

Since joining U.S. Steel in April 2018, Holloway has instituted innovative solutions like deploying tools for analyzing legal spend, embracing internal client satisfaction surveys, and streamlining corporate procedures, McKenney said.

He's also changed the way the company views compliance.

"Duane rejects the idea of compliance as an apparatus for administering complex procedures, instead emphasizing compliance as an agile business partner that can respond to a changing business environment and support strategy execution," she wrote in her nomination. "That means stripping out jargon and distilling policies and procedures into core principles simple enough to keep front of mind, but meaningful enough to help employees navigate complex ethical issues."

Many U.S. Steel facilities have operated continuously throughout the coronavirus pandemic, and the company's compliance department has had to be nimble and agile in response, Holloway said.

"We've had to do things differently than we normally do, and that applies to compliance practices," he said. "What worked yesterday is not necessarily working today and may not work tomorrow."

For example, the company has had to use video conferencing and telephone calls to conduct investigations that were



Official logo of the code of ethical business conduct.


previously done in person.

"The way that we're operating as a business and the way we're operating as a compliance function are different than normal, but I think, no less effective," he said.

Holloway has a unique ability to connect with colleagues. As a Baltimore native and fan of the NFL's Ravens, Holloway gets more than his share of ribbing from members of Steeler Nation within U.S. Steel, McKenney said. He hands out jars of delicious jam made by his mother-in-law. He uses rivalry and jam to build bonds with his colleagues.

More important is the time Holloway sets aside to meet individually every year with every member of the legal department. He really listens in those sessions, McKenney said.

"He builds bridges, and I really think it's a big reason why he's had the impact he's had," she said. ■

A photograph of an office meeting. In the foreground, a man with dark hair, wearing a blue and white checkered shirt and a dark tie, sits in an office chair, resting his chin on his hand and looking thoughtfully towards the right. Behind him, a woman with long dark hair, wearing a white button-down shirt, stands near a desk. To the right, another man with glasses and a dark blazer sits at a desk, looking towards the center. The desk is cluttered with papers, a pen, and a pair of glasses. The background is bright and out of focus, suggesting a modern office environment.

Building an effective insider risk management program

Executive summary

The digitization of the business ecosystem has generated new opportunities for growth and transformation of organizations across industries. This digital revolution has also introduced new risks to business operations as cybersecurity threats evolve and proliferate.

While organizations have long prioritized external cybersecurity risks, many are now considering the risks posed by trusted insiders due to the potentially greater damage they can cause. Consequently, organizations are beginning to recognize the importance of establishing controls to combat insider risks.

Several high-profile incidents attributed to insiders have contributed to increased awareness. Recent examples include theft of sensitive data from a leading technology company and sabotage of an automotive manufacturer's operations. Regardless of industry, the impacts of insider incidents are potentially devastating—and financially steep. The average cost of insider incidents has climbed to \$8.76 million, according to a study by the Ponemon Institute¹.

Overall, cybersecurity has evolved from an information technology (IT)-centric function to an organization-wide risk management issue. While insider risk management is evolving in a similar way, current market adoption strategies emphasize use of additional tools and technologies to address insider risks without including the underlying principles of risk management.



\$8.76 million

The average cost of insider incidents across industries¹

50% of organizations have experienced insider incidents, and frequency has increased over time²

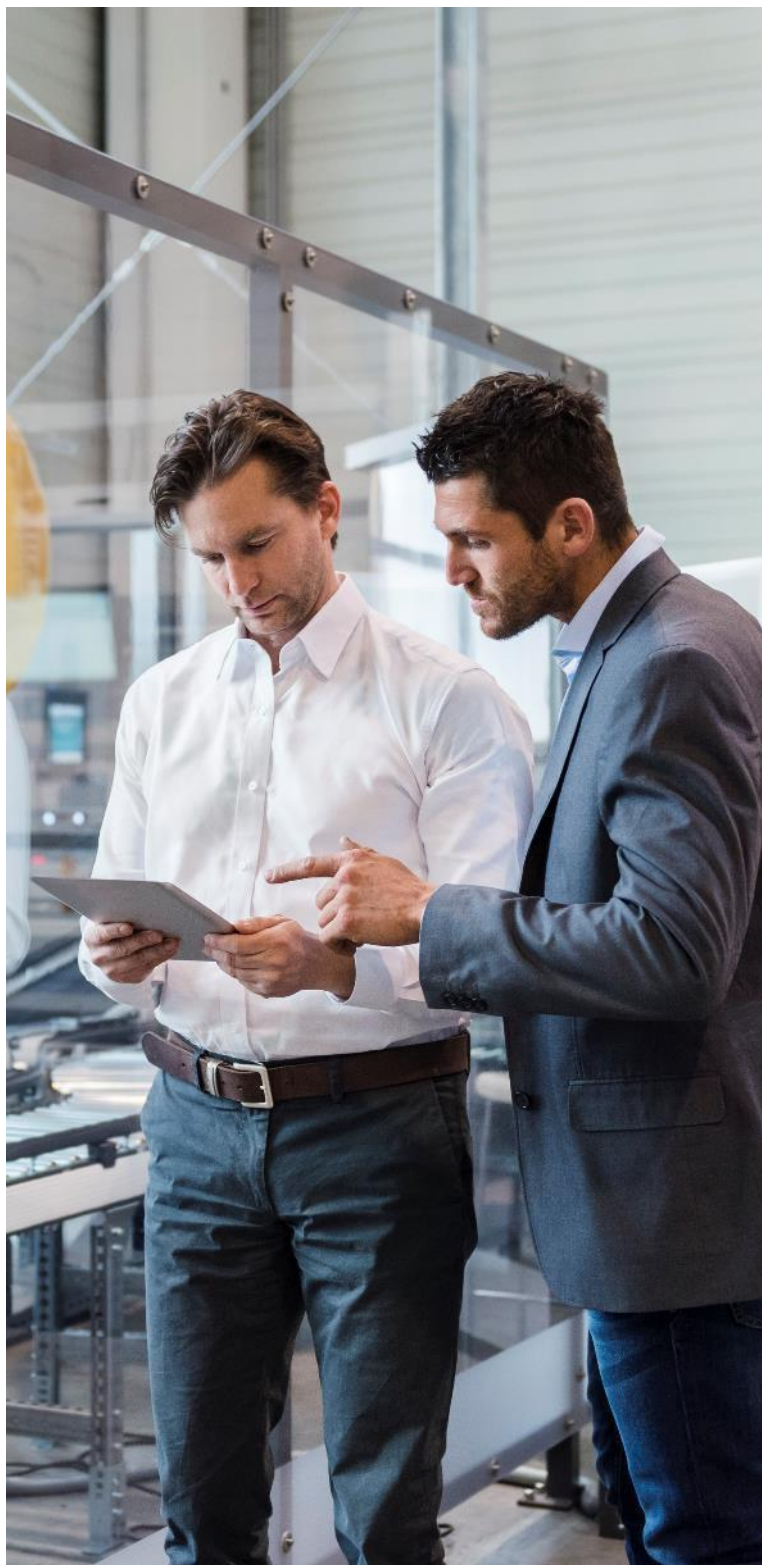
¹ The Ponemon Institute, "2018 Cost of Insider Threats: Global Organizations," April 2018.

² Crowd Research Partners, "Insider Threat 2018 Report," 2018.

These tools often generate a flood of data—and noise—that obfuscates real insider risk activity. A more targeted approach that focuses on key insider risk scenarios can help reduce noise and enable organizations to rapidly address risks.

Doing so requires an approach that focuses on non-technical elements, such as governance and policy, to guide the effective implementation of technical tools. Organizations that disregard these nontechnical components are unlikely to maximize the value of their technology investments and become frustrated with its output. Tool and technology implementation should follow identification of nontechnical components—and not vice versa.

Successful insider risk management programs are built on a framework that identifies insider risks, quickly takes actions against those risks and matures the program through progressive iterations. This paper charts the journey organizations should follow to successfully combat insider risks.



The insider risk landscape

Definition of an insider

Insiders are commonly defined as members of an organization's workforce or as business partners, current or former, with authorized access to, or knowledge of, an organization's assets, facilities, information or people.

Actions of insiders can be intentionally malicious or inadvertently malevolent; regardless of intent, they can cause significant harm. Carnegie Mellon University's Software Engineering Institute Computer Emergency Readiness Team (CMU CERT), a leading insider risk research institution, includes both intentional and unintentional motivations in its definition.³



Primary types of insider risks

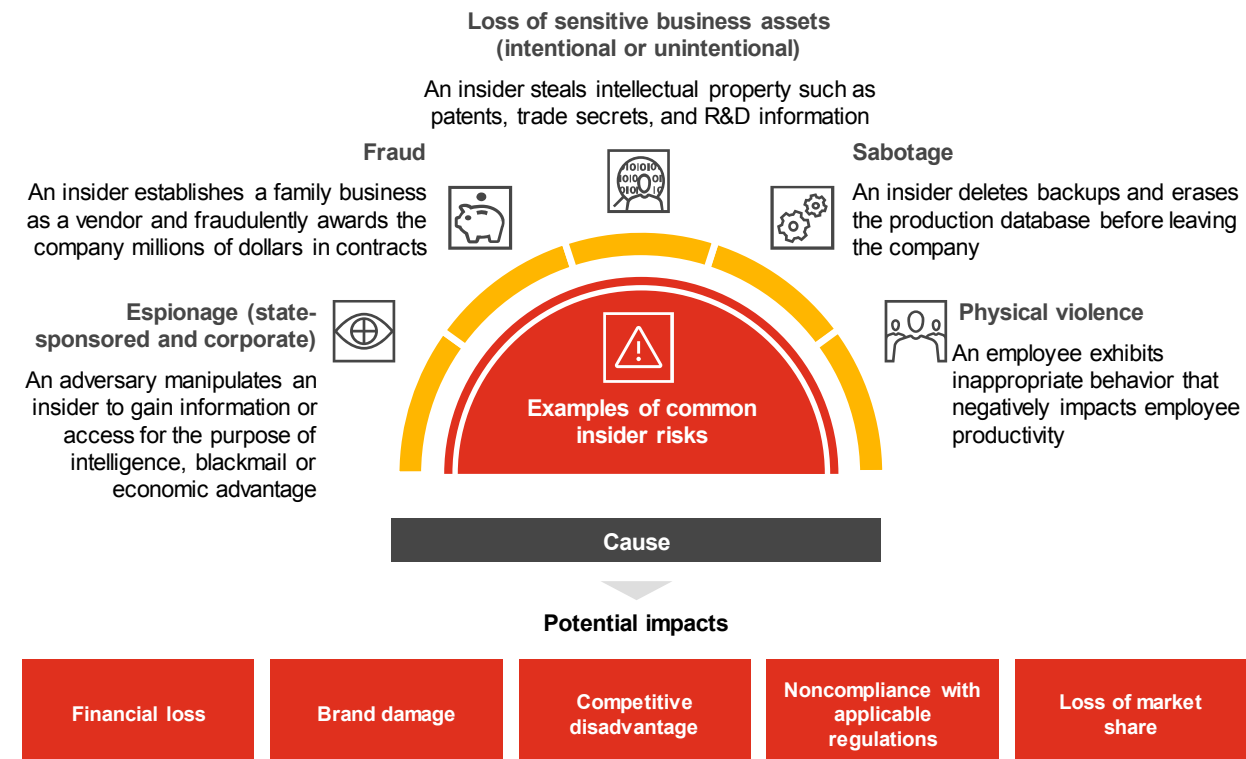
Insider risks commonly span five categories: espionage, fraud, loss of sensitive business assets (intentional or unintentional), sabotage and physical violence. Insider risks vary by industry. In healthcare, internal fraud is the most frequently cited type of risk⁴, while sabotage represents the greatest risk to IT businesses.⁵

³ Carnegie Mellon University, "CERT Definition of 'Insider Threat' Updated," March 7, 2017

⁴ Carnegie Mellon University, "Insider Threats in Healthcare", February 2019. <https://insights.sei.cmu.edu/insider-threat/2019/02/insider-threats-in-healthcare-part-7-of-9-insider-threats-across-industry-sectors.html>

⁵ Carnegie Mellon University, "Insider Threats in Information Technology", February 2019 <https://insights.sei.cmu.edu/insider-threat/2019/02/insider-threats-in-information-technology-part-6-of-9-insider-threats-across-industry-sectors.html>

The impacts of insider risk also vary by industry and can include financial loss, damage to brand and reputation, competitive disadvantage, noncompliance with regulations, and loss of market share.

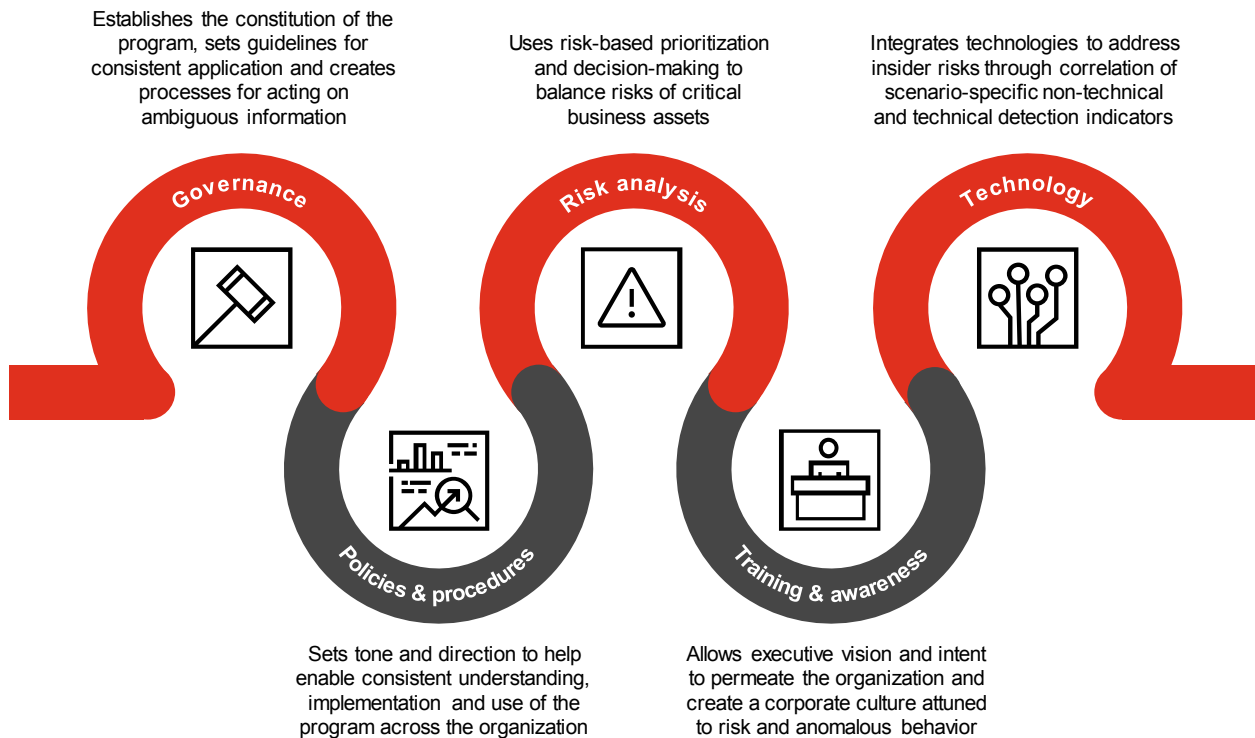


An enterprise-wide risk management challenge

As with many types of cybersecurity risks, it is all but impossible to completely eliminate insider risks. A holistic program that involves key stakeholders across the organization can help to reduce insider risk. Effective insider risk management programs leverage key stakeholders to identify risks and tailor technical controls to address them.

Insider risk management programs often focus exclusively on implementing tools and technology without incorporating the necessary organizational, risk management, and cultural considerations. Without using those considerations to fine-tune the collection, the tools are not able to discern between relevant and non-relevant data, essentially searching for the needle in the proverbial haystack. Technology plays an important role, but is just one component of an effective program.

We consider the following five elements critical to an insider risk management program: governance, policies and procedures, risk analysis, training and awareness, and technology.



Effective programs identify and address risks early

Effective insider risk management programs are driven by a cross-functional team that identifies critical assets and related insider risks. These programs typically establish high-risk insider scenarios and identify additional risks as they evolve. They are designed to proactively identify insider activity, achieve early intervention and help reduce negative impacts.

Building a formal insider risk management program is the first step in achieving early intervention.

Building an insider risk management program

1. Establish governance fundamentals

Governance is a foundational element of any successful insider risk management program. Fundamental components include the overall constitution of the program, guidelines for consistent application and processes for acting on ambiguous information.

It is essential to carefully consider culture when drafting the program scope and goals. Culture varies significantly between organizations, industries and geographies, and what may be feasible for one organization may be inconceivable for another. A flexible insider risk management program should address both cultural and geographical concerns.



Identify a program owner

One of the first steps includes identifying a program owner (either part-time or full-time) who, alongside executive sponsors, will lead the insider risk team. The owner will be responsible for setting the strategy and direction of the program, as well as providing decision-making oversight and reporting standards.

Program owners need not be aligned with a specific functional area. While ownership can fall under information security, legal, human resources (HR), or physical security, it is critical that the program has broad cross-functional participation and support.

Culture should be considered when defining the program scope and goals. The program should protect the organization, people, and critical assets without being perceived as an overbearing authority or impeding the organization's goals and operations.

Define an insider risk management program charter

An insider risk management program charter documents the mission, scope, objectives and ownership of the program. The program charter should outline roles and responsibilities among cross-functional teams, executive sponsors and key stakeholders consistent with the organization's culture and operating environment.

Start with the basics: outline the mission, scope and objectives of the program and identify stakeholders.

The program charter establishes a precise definition of insider risk for the organization and outlines coordination among business units and provides a singular organizational view on operational insider risks, budgets, impacts and metrics.

Assemble an insider risk team

The insider risk team facilitates the identification of key risks, implements processes to address risks, conducts investigations and actions lessons learned to help build continuous improvement consistent with the program charter terms.

Begin with stakeholders from business units, HR, legal, privacy and IT. Include additional functional areas as necessary.

The insider risk team should include stakeholders from both the business and corporate support functions. Assembling a working group to determine the operational and day-to-day aspects of the program may be appropriate for larger organizations.

Set key policies and procedures

Policies and procedures help set the tone and direction of insider risk management and help ensure that the program is consistent with the organization's culture.

Start with a few tactical policies and procedures and iterate over time.

The insider risk team should help draft key policies and procedures and enforce consistent application across the organization based on an insider risk perspective. Clearly documented policies and procedures can help prevent ambiguities and set expectations for employee behavior,

interactions and use of company assets.

Insider risk policies and procedures should be reviewed periodically and updated as additional risk areas are identified. Examples include:



Insider risk investigative playbook

Outline procedures for conducting insider risk investigations, including escalation, priority matrices and communication protocols



Nondisclosure agreements (NDA)

Serve as a legal contract between the employee and the organization to restrict the use and distribution of confidential data



Off-boarding procedures

Provide a consistent checklist of tasks, including logical and physical access termination, employee and vendor/contractor monitoring and exit interviews

2. Identify key insider risks

Once governance fundamentals are in place, the insider risk team should identify key insider risks based on the organization and critical assets.

Identify relevant risks

The insider risk team should focus on the organization's most critical assets and how insider risk scenarios could impact them. Scoping discussions should be conducted with the insider risk team and be consistent with the organization's potential risk and culture. Consider any existing controls to help detect and prevent risks. This information can help organizations launch insider risk monitoring.

When identifying insider risks, starting with a pilot business unit can be an effective approach.

Scope the user population

Organizations may be hesitant to implement an insider risk management program that targets a broad base of employees. Many find it more effective to focus on a subset of users who pose greater risk, while also taking into account organizational culture and workplace dynamics.

When scoping the user population, consider the following user attributes:



Role

Focus on roles associated with critical processes, services and sensitive data within the organization



Access

Determine which access profiles are associated with high insider risks; focus on roles that have elevated access to critical assets and data



Behavior

Identify behavioral attributes or events that could heighten a users' risk profile

3. Address identified risks

After key risks are identified, insider risk teams should focus on implementing controls to address them. A first step is to understand the capabilities of the organization's current tools and technologies—and how to quickly utilize them.

Traditional tactics include collecting and correlating logs within a single tool. This approach can be overwhelming, however, and requires significant resources to roll out agents, deploy infrastructure or reduce false positives.

"...insider risk teams should focus on scalable tools that use predefined rule sets or templates specific to the organization."

Instead, insider risk teams should focus on scalable tools that use predefined rule sets or templates specific to the organization. For example, the Insider Risk Management tool in Microsoft 365 offers policy templates designed to help target an organization's key insider risks and can scale with an organization's program.

Insider Risk Management in Microsoft 365 offers built-in scenario-focused policy templates to address insider risks. Contact us for more information (see contact list below).

A foundation for the future



A program that identifies insider risks and uses a blend of technologies and processes to address them is critical to safeguarding an organization's data, users and systems. Given the increasing frequency and severity of insider risks, an insider risk management program can help target risks that potentially have the most significant impacts on business operations. Conducting training and awareness exercises for the insider risk team and relevant stakeholders can help enforce the application of key policies and procedures.

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COMPLIANCE INNOVATOR OF THE YEAR



Alicia R. Schwarz
Deputy Chief
Compliance Counsel
(Global), The Walt
Disney Company

Alicia Schwarz, Disney's deputy chief compliance counsel (global), oversees the company's compliance training for more than 200,000 global employees and overhauled its program to be entirely digital and centralized.

As her award nominator wrote, "We have seen other clients in the industry consider embarking on a similar journey recently, but Alicia had both the foresight and the execution skills needed" to get the job done. "This is a first of its kind solution across Disney making it the one stop shop for all things compliance."

Schwarz told Compliance Week, "As our business evolves, so too should the guidance for compliance controls." This massive undertaking relied on some heavy-duty innovation. After all, that's the Disney way. "The foundation of our company was built on a concept that Walt Disney called Imagineering, which is essentially the blending of creative imagination with technical know-how," Schwarz said. "We reimagined what was an exceptional compliance program for our company today, and took those ideas and leveraged technology, in a cloud-based platform, to continue to provide employees what they need to act ethically."

Bold ideas were at the heart of this undertaking. "Innovation has really enabled and enhanced our program here at Disney," said Schwarz. "The digital transformation that we embarked on several months ago really now provides the compliance team with additional bandwidth, to really spend more time with our clients, to partner, to learn, to dig deeper on our most challenging risks."

Reflecting on her best piece of career advice, Schwarz said, "It goes back to something I heard from Maya Angelou: When you know better, do better. Over the course of my compliance career, I've observed that most folks want to do the right thing. Once an employee knows what to do, they're inclined to actually do it."

COMPLIANCE MENTOR OF THE YEAR



Jay G. Martin,
Senior Counsel,
Willkie Farr &
Gallagher LLP

Jay Martin, senior counsel at Willkie Farr & Gallagher, cites trust, open communication, and consistency as key components of any mentor-mentee relationship.

"I also try to emphasize to the candidate that they need to take charge of their own career," he told CW. "They need to have some idea where they want to be in a couple years. They need to make sure, to the extent they can from their end, that they are getting the right kind of exposure and experience to feel challenged and continue to progress their career."

"With a 40+ year career and a reputation as one of the leading voices on compliance and enforcement, Jay Martin has always placed tremendous emphasis on mentorship," wrote his nominator. "... Jay's successful track record of running one of the industry's most successful compliance training programs, mentorship of countless compliance professionals both formally and informally over the years, and tireless desire to share his vast knowledge base with colleagues at industry conferences are testaments to his role as a leading compliance mentor in the field."

Before joining Willkie Farr & Gallagher, Martin served for 15 years as the vice president, associate general counsel, and chief compliance officer at Baker Hughes. There, he made a name for himself as a compliance guru in the energy sector, supporting countless of his peers in the industry and becoming a nationally recognized voice on compliance matters. He led the company from a Foreign Corrupt Practices Act enforcement action in

2007 to having a best-in-class compliance program.

According to his nominator, Martin's legal compliance function of Baker Hughes was the training ground for more than 15 future chief compliance officers and general counsels.

RISEING STAR IN COMPLIANCE

When Vera Powell first envisioned a future in compliance, she saw it as a move that would “open many doors.” The Delta Air Lines senior corporate counsel began her compliance career at Siemens 12 years ago during a time when the electronics company had entered into one of the largest Foreign Corrupt Practices Act settlements of all time. Powell, who worked in a business capacity, was tasked by the VP of compliance to lead the effort of designing, building, and operationalizing a world-class compliance program for the company of more than 400,000 employees worldwide that had to “pass muster under a corporate compliance monitorship.” Not a small task, and one Powell didn’t shrink from. “I felt at the time that compliance would not be limited in time and scope,” she told CW.

The successful outcome of that endeavor placed Powell on the first rungs of the corporate compliance ladder. From there, she moved to positions of counsel, global compliance at Uber, responsible for anti-corruption compliance, and to international law firm King & Spalding, serving as an associate in the Government Investigations group.

At Delta, Powell’s focus is on corporate compliance and data privacy. She joined the company at the height of the coronavirus, again no easy feat when you’re trying to “build face-to-face relationships” with the legal team.

“A key requirement for any ethics and compliance professional is to be a close, trusted advisor to the business and, of course, the recent events have limited the opportunity to do so,” she said. But Powell has been humbled by the challenges, watching as her peers found creative ways to work from home and yet remain in touch—“a bonding experience, a once-in-a-lifetime experience.”

One thing the pandemic has taught her is not to be such a planner. As famed Beatles singer John Lennon once said, “Life is what happens when you’re busy making other plans,” she quoted. “The pandemic has demonstrated that perfectly.”



Vera Powell
Senior Corporate
Counsel, Delta Air Lines

EXCELLENCE IN ANTI-CORRUPTION

“Alan led the development of Microsoft’s innovative Compliance Analytics Program (CAP) that identifies and predicts compliance risks, pioneering solutions that find potential corruption in transactions and third parties before the risk materializes,” wrote Alan Gibson’s nominator in their submission for the award:

At Microsoft, Gibson focuses on helping modernize how Microsoft and others manage compliance risks and measure compliance program effectiveness. Gibson is also working to deliver similar solutions to governments, non-governmental organizations, and inter-governmental organizations and is designing strategies for these digital solutions.

Speaking on the current anti-corruption compliance environment amid the coronavirus pandemic, Gibson said, “As I look at the impact of COVID-19, the best case is that it’s distracting. In the worst case, it’s destabilizing. But in any event, it’s creating the type of environment in which the risk of corruption increases. It’s the perfect storm of trillions of dollars flowing into the system and in a system that may or may not be quick to handle it. People are working in new and different ways. People in the most need of help are really susceptible to both traditional and new types of corruption fraud, waste, and abuse, and private and public sectors need to work together to figure out how to respond to these challenges.”

Gibson also shared the best advice he has ever been given: “People that know me well know about the influence that my father and sports have had on me, and specifically baseball. If you’re my family, my friends, my coworkers, you hear me saying multiple times every week something that Branch Rickey said, that ‘Luck is the residue of design.’ ”

He says the advice his dad gave him is that you make your own luck. “He always talked about, the harder I work, the luckier I get. ... Good luck is what is left over after intelligence and effort have combined at their best.”



Alan Gibson,
Assistant General
Counsel, Compliance &
Ethics, Microsoft

EXCELLENCE IN TPRM



Robert Seibel,
Director of Legal
Compliance,
Abercrombie & Fitch

"Rob Seibel has been key to the implementation and operationalization of A&F's TPRM program. We would not be where we are without his commitment and expertise," wrote his nominator in his submission of Siebel, director of legal compliance at Abercrombie & Fitch (A&F), for the award.

Seibel's responsibilities at A&F include developing, implementing, and managing the third-party risk management program across the business. Having officially rolled out the first-of-its-kind program to all A&F business units in 2019, Seibel focuses on ensuring adherence to the TPRM process while continually innovating it to achieve greater efficiency for all stakeholders.

Asked about the overall impact that COVID-19 has had on third-party risk management, Seibel said, "I don't know that fundamentally things have changed, but a good third-party risk program will be able to adapt and move to accommodate a changing risk landscape as it happens. That is just another benefit of having a mature program in place."

Regarding the best piece of advice that he has ever been given, Seibel spoke about the importance of not taking shortcuts. "That is probably the biggest and most important piece of advice when it comes to work," he said. "I think of that advice even in terms of third-party risk."

In that context, he said, you want to make sure you first build out the TPRM program the right way before going out and getting some sort of a software-as-a-service solution to run it and implement it. "You want to make sure you're doing things right the first time and upfront ... so that, No. 1, you have a good product but, No. 2, you don't have to make drastic changes later on down the line."

EXCELLENCE IN CYBER-SECURITY



David Kessler,
Public Sector Counsel,
Verizon

One piece of advice David Kessler received early in his career and took to heart is: "The way you do the small things is the way you do all things."

While many companies operate under a mandate of "don't let perfect be the enemy of good enough," Kessler maintains that for such areas as compliance and cyber-security, it's not a choice between perfect and good enough, but rather a question of risk. "Even the small things make a big difference," he told CW, adding: "Remember, a hacker only has to be right once; we have to be right all the time."

Kessler—dubbed by his nominator as "a leader in cyber-security compliance"—is responsible for product and cyber-security compliance in sales at Verizon.

One of his particular strengths, according to his nominator, "is taking dry, technical cyber-security compliance requirements and translating them into an easily understandable format for both executives and non-technical decision makers."

Kessler, quoting Albert Einstein, would have to agree: "If you can't explain something simply, you don't understand it well enough." He said, "When you work with executives who aren't familiar with compliance, it requires that you take legal concepts and compliance concepts and translate them into business risk and then translate that business risk into money." But the key, Kessler revealed, is in knowing if it's really about the money or if that business risk will actually translate to reputational harm.

That type of knowledge comes with experience. Kessler started out in the legal realm, serving as McAfee Public Sector general counsel & managing attorney, CCO of McAfee, senior corporate counsel at Symantec, and a senior associate at Greenberg Traurig. His eventual move from law into cyber came when he learned to look at compliance through his clients' business goals. "What I discovered is that compliance is a very important crossroads between business and law," he said. "In fact, it can be where the action is."

EXCELLENCE IN DATA PRIVACY



Kalisa Barratt,
Chief Compliance and
Privacy Officer,
Atrius Health

Kalisa Barratt is at the helm of the industry that has faced probably the toughest data privacy challenges during the pandemic: healthcare. Barrat, chief compliance and privacy officer at Atrius Health, admits it's a risky business, with "a lot of bad actors who want to cash in on the turmoil that's going on across the country." Thankfully, she said, healthcare is the industry best set up to face the unprecedented event that rocked the country this past year. "We have some of your most private data; we know a lot about you, and we have that in our records," she admitted, "but, we've also been subject to strict privacy regulations for a long time."

Barratt is, of course, referring to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the first real data privacy regulation in the healthcare industry that mandated the Secretary of the U.S. Department of Health and Human Services develop rules to protect the privacy of individuals' personal health information. Barratt was indeed already part of the healthcare privacy arena when the Act first came onto the scene—in fact, as an attorney, she has more than 20 years of experience counseling clients on privacy, serving as EMEA compliance counsel for Boston Scientific before joining Atrius.

When Barratt began her career, data privacy regulation was something like 1,700 pages long, of which Barratt said: "It was a really cool thing to learn about and then go out and try to distill those 1,700 pages into something people could understand and then create programs for organizations." And even after 24+ years, the regulations are still shifting. During the height of the pandemic, Barratt said: "We've been pedaling as fast as

we can—fast and furious—trying to keep up with the changing regulations."

But Barratt never says no to a challenge. In fact, that's the one piece of advice she strictly adheres to: "Whether it's a new job, learning something new, or hiking Mount Everest: Never say no," she said.

EXCELLENCE IN TRAINING



Cindy Merlino,
Global Compliance &
Ethics Specialist,
Pearson

For Cindy Merlino, Pearson's global compliance and ethics specialist, training is about "really knowing your audience and what key points you want them to retain afterwards." Combining a natural interest in the legal profession with a lifelong interest in doing the right thing and following the rules, compliance is, she says, "where I was supposed to be, ultimately."

Merlino developed and deployed a corporate Code of Conduct to more than 20,000 employees in 70 countries at Pearson, an educational resource company. While this project may sound overwhelming, Merlino's award nominator said, "She tracks it to the last person .. this woman is exceptional."

And don't think a global pandemic is going to stop her training agenda. In crisis, she told CW, teaching simply needs to be more easily digestible. "The pandemic has exponentially increased the information overload that employees are dealing with. So short, bite-sized trainings are most helpful," as is maintaining an open line of communication between employees and compliance.

The COVID-19 ripple effect, Merlino said, has "certainly heightened compliance risks, such as data security, data privacy, and health and safety." With compliance in the spotlight, she says, "It's more important than ever for compliance professionals to make sure they're getting that seat at the table when critical decisions are being made to prevent bad behavior."

Measuring effectiveness of training—and responding to it dynamically—also matters.

"Are you seeing an increase in gifts and hospitality requests a few months after your training, but then it's lagging off? It's probably a good idea to send a mini-refresher training or follow-up reminder communication."

A good outlook helps. Merlino said her greatest career (and personal) advice traces back to Winston Churchill, who said "attitude is a little thing that makes a big difference." Indeed, she said, "If you change your attitude, it improves your day."

BEST CONSULTANT/ADVISOR — LARGE COMPANY

Duff & Phelps protects, restores, and maximizes value for clients in the areas of valuation, corporate finance, disputes and investigations, cyber-security, claims administration, and regulatory issues. With Kroll, a global provider of risk solutions, and Prime Clerk, a leader in complex business services and claims administration, Duff & Phelps has nearly 4,000 professionals in 25 countries around the world. "Made up of former government, military, and private leaders, Duff & Phelps occupies a unique position in the regulatory and compliance industry, offering decades of real-world expertise to help clients make confident decisions about people, assets, and operations across the globe," noted the company's nominator.

"We always find that with the clients and companies we work with, it really comes down to the quality of the people, the values that are instilled at that organization, and—like we always say—it really starts at the top and flows down," said Chris Lombardy, a managing director and head of U.S. Compliance Consulting at Duff & Phelps, who accepted the award.

"In keeping with that theme I would add in leadership," added Steven Bock, the managing director and global head of operations with Kroll's compliance practice. "The phrase I'd use is leading by example. Leading with passion, be transparent, both with your people internally as well as with your clients. Lombardy also spoke about the company's operations during the ongoing coronavirus pandemic and what he has observed. "The tricky thing—and I think it goes for our clients as well—is everything moves so quickly," he said. "If you look at compliance and good firms that take compliance serious, that culture is what allowed people to adjust quickly."

Bock said: "When I think about the definition of unique, it's 'Can someone replicate what we do? Do we have a value prop that genuinely distinguishes us from our competitors?' We continue to challenge ourselves to do that. I think what makes us a stronger consultant and a strong org is it's not necessarily unique but it's the quality of our people; it's the passion and commitment of our people."

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BEST CONSULTANT/ADVISOR — SMALL COMPANY

For more than 30 years, Bart M. Schwartz has managed complex investigations, prosecutions, and security assessments and provided sophisticated investigative services to a wide array of clients.

"Described by *The New York Times* as the person 'often sought out in ... thorny situations' by corporations, Schwartz has wide experience providing advice and support to corporations, governments, and individuals," wrote his nominator. "... Throughout his career, Mr. Schwartz has helped drive meaningful change within organizations, bringing about sustainable compliance procedures and encouraging an ethical culture."

Schwartz previously served as chief of the Criminal Division in the U.S. Attorney's Office for the Southern District of New York. His monitoring assignments include the New York City Housing Authority, where he was appointed by HUD Secretary Ben Carson; General Motors; BP; HP; hedge fund owner Steve Cohen; and four treaties to repatriate and compensate boys trafficked into the UAE to be camel jockeys.

"I think most people in compliance think the primary focus is on the compliance rules; I usually spend more time talking about ethics and pride in the work people do," Schwartz told Compliance Week. "I focus not on the leadership that exists, but I also focus on succession leadership, so that after I leave, there will still be people who have heard what I had to say."

His nominator noted that his large number of government clients is indicative of the high regard in which he is held.

Schwartz told Compliance Week the most important piece of advice he has received is "when somebody tells you you must do something immediately, you better slow things down and ask some questions."



Bart Schwartz,
Chairman, Guidepost
Solutions

BEST TECHNOLOGY PARTNER — LARGE COMPANY

Refinitiv's first priority once the pandemic hit was, like many organizations, to make sure its employees were safe and quickly transitioning to a remote working environment. Perhaps equally important, according to Phil Cotter, the company's managing director for risk, was maintaining the high level of service its customers expected at a time when compliance was going to be counted on to fight fraud and keep up with a changing regulatory environment.

"Given the nature of the work we help them with, it was important that our solutions continued to operate to the levels of service they require," Cotter told CW. "There is no relaxation of their regulatory and compliance obligations."

In fact, Cotter thinks the data and technology Refinitiv provides customers is more critical than ever during these uncertain times.

"From a compliance perspective, the one thing we're learning is that criminals never let a good crisis go to waste," he said. "We've seen organized crime changing their modus operandi and taking advantage of the pandemic. ... You learn in a time of crisis that, if you're in a compliance and risk role, you just can't afford to drop your guard. You've got to continue to be on your toes and making sure your company is meeting its regulatory obligations and making sure you're not creating opportunities for criminals to defraud you."

Refinitiv serves more than 40,000 institutions in over 190 countries, delivering risk management solutions that encompass regulatory change, anti-bribery and corruption, third-party and supply chain risk, anti-money laundering, financial crime, KYC, and enterprise GRC management.

Cotter said the thing that sets Refinitiv apart from its competitors is its ability to both provide robust, "trusted" data and integrate it into a customer's workflow "in ways that best suit the way they want to conduct their compliance practices."



Refinitiv

BEST TECHNOLOGY PARTNER — SMALL COMPANY

For CEO Matt Kunkel, the thing that most sets LogicGate apart from its competitors is the adaptability and agility of its products in a day and age when the only thing you can count on in business is change.

"As organizations change, that means the risk and compliance groups need to change to meet the objectives of the organization, and the technology needs to change to marry those objectives," Kunkel told CW. "So if you can have a platform that's easy to use and yet is extremely flexible, I think that is a true differentiator."

Providing technology in a form and interface customers were already familiar with was another differentiator Kunkel called attention to.

"Folks nowadays want their risk and compliance platforms to look, act, and feel like the apps on their smartphones," he explained. "Because of that, the user adoption is high, and they will get strategic value out of the platform."

LogicGate's nominator said the company separates itself from its competitors "by supplying its customers with a user-friendly, drag-and-drop interface, preconfigured process applications within a no-code environment, and dashboard-style reporting."

While technology and ease of use are important factors in any decision about choosing a GRC technology solution, Kunkel added another advantage he believes LogicGate has over its competitors: its people. "We have amazing people that really partner so that our customers aren't just getting a piece of technology; they're getting subject matter experts to help guide them and think through their process and ultimately help them achieve the outcomes that they seek," he said.

Headquartered in Chicago, LogicGate provides SaaS (software as a service) technology solutions that enable organizations to automate and centralize risk and compliance programs.



LogicGate

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