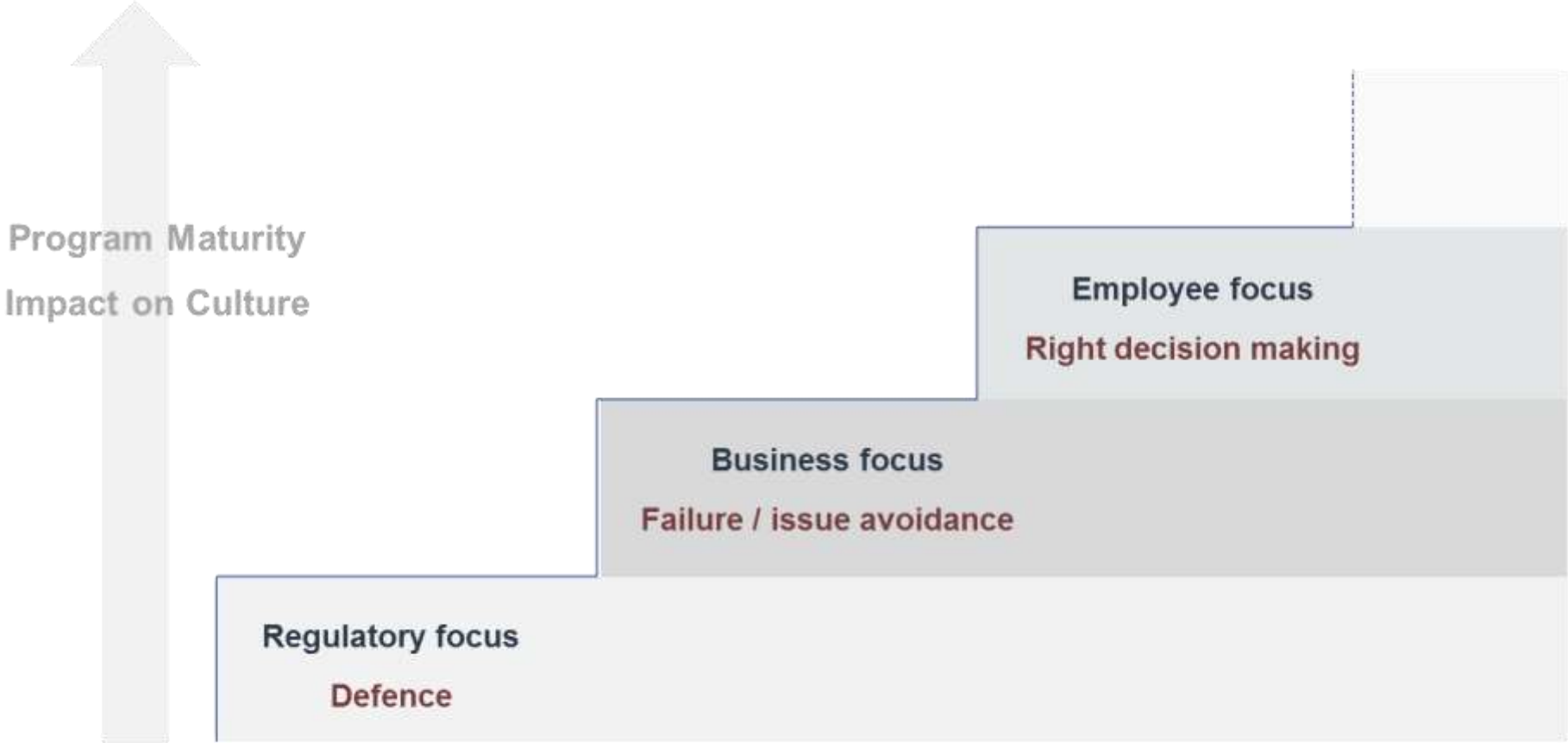


# KEEPING COMPLIANCE SIMPLE AND SUSTAINABLE

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# CONTEXT: PROGRAM EVOLUTION



Copyright More than just Compliance

# THE EMPLOYEE PERSPECTIVE



## Employees as your customers – lessons learned

### ⇒ Research your market

- Listen (surveys, Compliance Cafés, focus groups)
- Differentiate (role, location, seniority)
- Analyse (issues and root causes)

### ⇒ Be more appealing

- Focus less on ‘being here to prevent you from doing the wrong thing’
- Rather: ‘here to help you making informed and better choices / decisions’
- Be engaging not patronizing

### ⇒ Be relevant

- Be specific to your audience and its activities
- Integrate with other business training
- Be participative and make sure to address the WHY
- Involve supervisors

# THE EMPLOYEE PERSPECTIVE



## Ethics and Compliance

- Values vs. rules-based
- Related to organizational culture

## Make it personal

- Individual copy of Code
- Language translation of materials
- Provide dos and don'ts related to work
- 'Ethical moment' in team meeting
- Personal stories of difficult decisions from supervisors

***Scope: Beyond employees → contractors, suppliers, partners, etc.***

## Listening to employees

- Focus groups
- Ethics questions embedded in employee survey (e.g. trust in leadership, observed behaviours, perceptions of compliance programme)
- Test new features and then adapt programme

**Who are your employees: *Simple means relevant not stupid***

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# POLICIES AND INTERNAL CONTROLS



## Existing processes

Regularly review and challenge with:

- ⇒ *Is the WHY clearly explained?*
- ⇒ *Could the policy be more helpful for employees?*
- ⇒ *Are there frequent 'technical violations' and why (root causes)?*
- ⇒ *Are the requirements and controls still realistic and effective?*
- ⇒ *What do employee and management think about it?*

## New or modified processes

- ⇒ *Get input from employees involved in the process*
- ⇒ *Test and collect feedback from different parts of the organization*

# POLICIES AND INTERNAL CONTROLS



**Embed in existing processes: company risk management and controls framework**

**Enhance current processes to capture E&C controls**

- Internal audit protocols
- Communication
- Data mining
- Expenses claims and hospitality register checks
- Investment decisions
- M&A and joint ventures

**Avoid adding new processes**

# COMPLIANCE IN INCENTIVE SYSTEMS



## ➤ Opportunities to make it visible so it can be measured

- Integration into business
- Messages cascaded from the top
- Employee perception
- Case/Issue management
- Dilemmas resolution

## ➤ Tools or data Compliance can provide

- Insight and expertise
- Framework and facilitation
- Communication content and support
- Issue resolution
- Survey analysis

## ➤ Processes it can be part of

- Hiring
- Annual performance evaluation
- Incentive compensation
- Talent management

***‘What doesn’t get measured  
doesn’t get managed’***

# COMPLIANCE IN INCENTIVE SYSTEMS



## Partnering with Human Resources

Should ethical behaviour be rewarded or recognized?

## Check for potential risk areas:

- Local scorecards schemes
- Bonus systems
- Fast track projects
- Strategic agendas
- Over ambitious growth targets

*...can these all be manipulated?*

## Select relevant element of CSR for global scorecard

- Tips: scalable, balanced

Demonstrate zero tolerance for certain behaviours and report on it



# THANK YOU

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