

# 5 Essential Elements of Compliance



Today's multinational companies must contend with an ever-changing number of compliance requirements that seem to multiply daily, from the U.S. Sentencing Guidelines to the UK Bribery Act and OECD best practices.

The good news is that those requirements can be boiled down to five essential elements that if incorporated into a company's compliance program, will satisfy the wide variety of law enforcement expectations and help prevent costly prosecutions.

# 1 Leadership



A successful compliance program must be built upon a solid foundation of ethical values, otherwise it's just a hollow set of internal rules and regulations. Support from senior management has come to represent this essential ingredient. But compliance standards require more. Companies must also have high-ranking compliance officers with the authority and resources to manage the program day-to-day. And those compliance officers must have the ear of those ultimately responsible for corporate conduct, including the Board of Directors.

## How we can help

We develop board-level compliance training and customized corporate management retreats.

# 2 Risk assessment



Enforcement authorities are now demanding that multinational companies have formal processes for assessing the compliance risks everywhere they do business, particularly in emerging markets. As companies become more dependent on global supply chains, knowing the nature of business risks by region, industry, transaction, etc. is a crucial component of a successful compliance program.

## How we can help

We perform on-the-ground risk assessments in a variety of challenging markets.

# 3 Standards and controls



It's hard to find a global company today that doesn't have a code of business conduct — a summary of corporate do's and don'ts. But enforcement authorities require much more detailed written policies and procedures. For example, companies can't just state that their representatives are prohibited from paying bribes. They must have clearly established protocols for screening their partners, distributors and local agents for criminal backgrounds, financial stability and improper associations with government agencies.

## How we can help

We develop global codes of conduct, FCPA manuals, M&A due diligence protocols and third-party review procedures.

## 4 Training and communication



Technology such as webinars, video conferencing and online testing has made it much easier for companies to train their officers, employees and third parties on prohibited conduct. But enforcement officials want to know if the message really got through. Thus, company training is often subject to scrutiny regarding the audience, mode and frequency. Live training is the preferred method for employees in higher risk situations.

### How we can help

We develop training programs that can be customized by region, country, industry and area of compliance.

## 5 Monitoring, auditing and response



After all the compliance controls have been put in place and communicated to the appropriate audiences, the question remains whether the workforce is actually complying. Implementing this kind of oversight is often the weakest link in a company's compliance program. Yet businesses are required to not only conduct regular audits to monitor employee conduct, but also to respond quickly to allegations of misconduct and discipline those who violate the company's compliance program requirements.

### How we can help

We conduct compliance audits and help develop reporting and monitoring procedures.



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**COMPLIANCE**

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