



**Amii Barnard-Bahn**  
CW Columnist



Executive coach **Amii Barnard-Bahn** tackles your questions on compliance risk, motivating employees, and more.

## How a bad economy impacts compliance

**Q. In your opinion, is the compliance function recession-proof? I admit I am a little worried with the current state of the economy.** —Anonymous

**Amii:** Unfortunately, the compliance function is not recession-proof. In any circumstance when finances get tight, there is pressure for short-term savings, so non-revenue-generating company functions (e.g., compliance, HR, and audit) often find their budgets at risk. Cutting back on compliance may put the company reputation at even greater risk, because employees might be more likely to cut corners to “make the numbers”—this can lead to compliance and ethics failures.

These ups and downs are inevitable business cycles, so be prepared. If budget cuts are proposed, be ready to explain the concrete impact—such as reduced controls, lack of responsiveness in investigations, or elimination of training. Approach compliance as a business imperative, have a solid plan, be engaged, and find ways to be as efficient as possible.

**Q. I love my job (I'm in compliance) but do not like the company I am working for. Ideally, I'd like to move on, but I'm wondering what the job market is like for compliance professionals. I see stories about compliance's role expanding but with fewer resources ... are you seeing that in practice or is the job market still hot for people with a compliance background?** —Brad

**Amii:** All indicators point to the job market for compliance professionals as being overall healthy but with pockets of both growth and stagnation. With a median annual salary increase of 4.2 percent (see BarkerGilmore's 2018 Compliance Compensation Report), the compliance function is globally valued. Beyond this generalization, the job market for compliance depends on industry, geography, and some future un-

knowns (e.g. Brexit, potential Trump policies such as deregulation). Specialized compliance skills in technology, cyber-security, data privacy, and AI are highly sought after, and I expect we will see growth in these compliance areas and a reduced growth for the generalist jobs that were in demand a decade ago.

Where there is new regulation, there will be a temporary hiring spike until the program is implemented (such as experienced by Wall Street after the financial crisis). Companies in high-cost locales also continue to relocate jobs to lower-cost areas (e.g. in the United States, from New York and California to North Carolina, Texas, Florida, Utah, and Arizona). If you are flexible geographically, explore countries that are cracking down on corruption, such as Brazil and Japan.

Lastly, consider opportunities in the broader compliance field—such as with vendors and consultants in programs and risk assessment, expert witness work, training, recruitment, and communications. Your corporate experience is valued by B2B compliance partners. Good luck!

**Q. What are some realistic best practices for getting owners/executives to buy into the compliance program and spend hard dollars on compliance staff, resources, and technology?** —Lisa

**Amii:** Owners and executives buy into a compliance program when they view it as an inseparable part of their total success strategy.

A persuasive business plan is essential. Key elements include: (1) align your business need with strategic goals; (2) analyze risks and opportunities; (3) to the extent possible, calculate ROI; and (4) tell stakeholders a compelling story

in terms that they understand, based on their roles. Examine the investment from the executive team's perspective. Would you put your money down?

**Q. Brexit is going to impact my company in a big way, no matter how it falls. We have contingency plans in place, but I am afraid to move too far in any single direction due to the fact that we still really have no idea how this is going to play out. In your view, am I taking too much of a risk in not starting to implement a worst-case-scenario plan?**

—Nick

**Amii:** If you haven't already, facilitate a dialogue regarding the projected compliance impact of Brexit. I'm picturing a compliance "war room," where you have engaged in detailed scenario planning and mapped out risk management contingency plans. But are your CEO, board, and executive team in the room with you? Present an inventory of potential actions, costs, and consequences of action—and inaction. With the approval of the appropriate governing authority, decide which actions to implement now vs. those for which your organization will adopt a "wait-and-see" approach. Compliance is a team effort that requires input from key stakeholders.

**Q. In your view, what's the biggest risk in "outsourcing" the compliance function to a third party? I am with a small company, and we are currently considering it.** —Britt

**Amii:** The biggest risk in outsourcing compliance is the potential to create a functional gap between corporate behavior and accountability. You can't delegate program oversight, disciplinary enforcement, or accountability for the effectiveness of the program. Successful compliance programs keep risky corporate behaviors on a tight leash. Ethical culture and compliance controls yank back risk and prevent, detect, or deter non-compliant behavior so that remedial action can be taken.

With outsourcing, make sure you don't over-delegate. While you may outsource certain activities, your compliance team must possess the management skills necessary to effectively manage and oversee the third party. You want to be holding the leash so you can feel tension and react promptly and responsibly.

Other compliance functions, however, lend themselves quite well and often benefit from third-party management, such

as anonymous helpline reporting, misconduct investigations, and training.

As a small company, it's understandable to consider outsourcing key portions of your compliance program. It can be more cost-effective to partner with a third party that focuses solely on your industry's regulatory landscape, has sophisticated compliance technology capability, and possesses specialized talent that would be cost prohibitive for you to maintain in-house.

**Q. I was recently promoted and for the first time have people who will be reporting up to me. What can I do at the outset to send the message to them that I have their backs?**

—Mark

**Amii:** Congratulations, and welcome to your leadership journey! You want to immediately start building trust with each of your team members. We trust people when we believe they care about us and are open to our influence.

As a new manager, I recommend an initial check-in meeting with each employee to ask how they want to receive feedback. This will help create a solid foundation for your new relationship and reduce potential anxiety around future performance discussions. Here are some questions for you to ask your team members in the meeting (you may want to send these in advance):

- » What's important to know about how you like to receive feedback? (Do you prefer a softer, less-direct approach, more direct, or something in between?)
- » What doesn't work well for you in receiving feedback?
- » Prepare for each of these meetings in advance by considering the following:
- » What information do I want my employee to know? How do I want them to feel?
- » What do I believe is most important to them? How can I support their professional growth?
- » What might surprise them, and how will I prepare them for this?

Remember to listen more than you talk. There is a handy saying—we have two ears and one mouth for a reason. Use them in that proportion. I highly recommend monthly team meetings and bi-weekly one-on-ones with direct reports. Good luck, and let us know how it goes! ■

**Looking for practical advice from a proven compliance leader?**



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