

CEP Magazine - July 2021 Does your compliance program support both corporate agility and stability?

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Orgagility, corporate agility, and strategic flexibility: These somewhat synonymous terms can be defined by the ability of an organization to renew itself, adapt, change quickly, [1] and gain competitive advantage in a rapidly changing, ambiguous, and turbulent environment. If your compliance program is constructed effectively, it intertwines within the company structure, processes, and people; and, in doing so, your program benefits organizational agility and provides much needed corporate stability.

Don't worry; this article is not another COVID-19 analysis. A company and compliance program have to be agile to survive a pandemic, but they also have to survive foreseeable and unforeseeable swings in events like strategic actions, asset deployment, and investment strategies. [2]

Let's say you have a well-designed and effective compliance program in place. Congratulations! Your program considers the eight principles of an effective compliance and ethics program promulgated by the US Federal Sentencing Guidelines, [3] the Department of Justice's Evaluation of Corporate Compliance Programs, [4] not to mention the Organisation for Economic Co-operation and Development's Good Practice Guidance on Internal Controls, Ethics, and Compliance. [5] But the ability to change course quickly and decisively in response to changes in environment not only requires organizations to naturally adapt, but also for the compliance program to do the same.

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