

## CEP Magazine – February 2020 Get the \$ for your budget

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If we had a list of the most asked questions, this would undoubtedly be one of the top five: How can I get money for the compliance budget? For other areas it is easier. They can demonstrate the return the money has when the company gives them money. You gave us one million dollars, we sold 1,000 items minus costs/expenses, so here is our profit. And upon that, the numbers can be analyzed, improved, and adjusted. But how can compliance do it?

The answer is not so simple. I've seen that some companies set performance indicators for compliance, such as number of reviews versus number of people in the area, or how long a review takes. But do these indicators really reflect the efficacy, productivity, or value compliance gives to the company? For us to get money (or more money) for the budget, we have to show the value compliance gives to the company. So our value is dependent on the results of our revisions and observations.

We are measured by intangible value, so that's why it is so difficult to show or demonstrate why the company should invest in us.

Here are a couple of ideas for you to think about. These ideas show what compliance can do to show its value and to improve the area so the CEO and board members can see our true value.

### **What is expected from compliance?**

Do you know what the CEO and board members expect from compliance? And most importantly, do *they* know what compliance is? Because if they do not understand what compliance is and what it does, it is very unlikely that you are going to have their support. On the other hand, if they understand the compliance function, but they don't know what you are doing, they won't know or recognize when you are succeeding.

Consider: When we do not understand something or perceive it as something that does not generate value, we tend to brush it aside.

The good news: This problem can be solved. Talk with the CEO and the board to get their perceptions of what compliance is and what they expect from the function. After gathering these results, it will be easy for you to clarify for them what compliance is and what it is not. Aligning their perceptions with what compliance is will help them to see compliance as it should be.

### **Use simple language**

If you say, "In compliance we do background check-ups for due diligence," or, "The cause for this observation is the willful blindness employees have and the failure to screen names through the OFAC list," or "Don't we have an NDA?" No wonder people won't understand what you are doing. Your specialized vocabulary is limited to the people that do what you do. So pay attention and explain the terminology.

Your written and spoken language must be bulletproof. That is, anyone in the company should be able to understand you. From the custodial staff to the CEO, your vocabulary should be simple so that your message is understood. It is of no value that you carried out great revisions or that you detected risks if no one understands how this could affect them and the company. Here is something that could help you. When you talk, observe the people in front of you and their nonverbal language. Are they frowning? Do they have their arms crossed? Do they break eye contact? Those details tell you that the person is either not understanding, or they are rejecting what you are saying.

In that moment, stop and ask your colleagues if they understand what you are saying, or say it in other words. Keep in mind that we understand with reasons, not with impositions, so be kind, patient, and explain everything.

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