

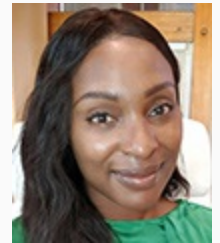
CEP Magazine – August 2022

Applying the principles of lean thinking to compliance

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How often do we as compliance professionals complain about not having enough time or capacity to do all the work that falls within our responsibilities? The standard solution to this problem is to try and get more headcount into the team, and in some cases, that is indeed appropriate. However, I would like to propose an alternative approach that does not require submitting a business case through several layers of approval followed by a long recruitment process. The potential solution I would like us to explore centers around the benefits of applying lean thinking principles to the work of compliance. When most people hear lean thinking, they think about it in the context of manufacturing, operational efficiency, and cost cutting. Manufacturing may be the origin of this school of thought, but its application is not limited to that arena. Lean thinking poses the question, “What do we do, and how can we do it better?” At its core, the objective is to encourage continuous improvement in processes and the consistent use of best practices to create efficiency, and by the end of this article, my goal is to illustrate how applying lean thinking could positively affect our way of working and the value we deliver.

Applying lean thinking to service delivery

In a 2013 article for *IndustryWeek*,^[1] experienced lean practitioner and Lean Six Sigma Black Belt Karyn Ross argued that applying lean thinking to services is more important than applying it to manufacturing because so much of service delivery is subjective. It is difficult to know if every person is following the same process, which makes it hard to establish if service delivery to the customer is consistent.

Compliance officers provide a service to the businesses they support; the business is our customer. We can serve them best if we are open to reviewing our processes to determine if they are consistently experiencing the level of service they expect. Furthermore, it is in our own best interest to seek to work more efficiently to release capacity to allow more time to do impactful work. In the ever-changing regulatory landscape and high-speed, innovative operating environment we operate in, “this is how we have always done it” is a *modus operandi* that we can ill afford to get stuck in.

In the same article, Karyn Ross challenged team managers to test process consistency by asking their team members to individually write down the series of steps taken to complete a specific process on separate Post-it notes. Once all had completed their Post-its, they were to stick their series of notes—one row for each team member, one above the other—onto a large whiteboard, and then step back and look. She could absolutely guarantee that none of the rows would be the same length or have the same steps in the same order.

Assuming this to be true, imagine the frustration experienced by stakeholders who experience different approaches to the same process from within the same team. Let’s face it, compliance already struggles with the perception of being the frustrater of business and stumbling block to progress; we do not need to add

inconsistency to the mix. To become a compliance function that is consistent, efficient, reliable, and less constrained, we need to ask ourselves, “What do we do, and how can we do it better?” By doing so, we can streamline our processes, standardize the approach, and optimize efficiency, which will result in less wasted time.

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