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Your management compliance committee: Make its operation meaningful

by Steve Forman

The effective operation of an executive or management compliance committee is expected by the regulators and is viewed as critical for an *effective compliance program*. It is a committee consisting of members of leadership and, in concert with the board-level compliance committee, charged with oversight and support for the compliance program. Organizations under a corporate integrity agreement are likely required to have one, and the U.S. Department of Health and Human Services Office of Inspector General (OIG) Compliance Program Policy and Guidance calls for having one. For example, OIG asks in its 2005 supplement guidance, “Is there an active compliance committee, comprised of trained representatives of each of the relevant functional departments, as well as senior management?”^[1] The U.S. Department of Justice’s (DOJ) *Evaluation of Corporate Compliance Programs* asks many questions on how senior management exercises their oversight of the compliance program.^[2] Clearly, no compliance program could be considered as fully effective without having organized oversight and support by the organization’s leadership. So yes, a committee consisting of leaders is needed; however, it should be viewed as a significant process to broaden the impact of your compliance program and create a “culture of compliance” that DOJ cites 40 times in its guidelines.

After working in healthcare compliance for over 30 years, it has become clear to me that compliance really is a relationship business. As the compliance officer, you ask people to report on problems and information that could potentially impact not only their workplace status and position but also their career. You seek their support in the compliance program to be actively involved in identifying and resolving compliance risks and issues that have been identified. To make this work, employees need to trust and believe that their reported complaints and concerns will be addressed constructively, appropriately, and fairly.

It is also important for compliance officers to recognize that as a member of senior management, they are, in turn, *dependent* on others to address and resolve issues and problems. And this dependence is not limited to the compliance office staff. In a *Harvard Business Review* article titled “Power, Dependence, and Effective Management,” John P. Kotter wrote:

One of the distinguishing characteristics of typical managers is how dependent they are on the activities of a variety of other people to perform their jobs effectively. Unlike doctors and mathematicians, whose performance is more directly dependent on their own talents and efforts, a manager can be dependent in varying degrees on superiors, subordinates, peers in other parts of the organization, the subordinates of peers, outside suppliers, customers,

competitors, unions, regulating agencies, and many others.^[3]

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