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For better or for worse: Is your (non) compliance contagious?

by Calvin London

Wouldn't you like your compliance program to be as infectious, contagious, and as long-lasting as COVID-19?

Forgive the analogy, but every compliance officer aspires to see their diligent efforts in establishing and upholding a compliance program bear fruit in the form of a lasting impact on the company's culture and noncompliant behavior.

Society provides some great examples of how turning a blind eye to compliance can cause others to follow bad trends. Conversely, society also shows us that actions started by a few can have a positive effect.

Looking at some of these lessons and underlying societal behaviors may help you make your compliance program contagious.

In corporations, noncompliance can become contagious when employees follow in the footsteps of those who have tested the system and got away with it. On the other hand, compliance ambassadors can do a lot to enhance compliance and culture.

Here are five lessons I learned from my time trying to make compliance contagious.

1. Break the pattern

It is not a secret that altering attitudes toward compliance is a formidable task. Merely gathering your employees and proclaiming, "All noncompliant behavior will cease immediately," is unlikely to yield significant results. Noncompliant individuals will dismiss it, and compliant ones will respond, "We are already aware of that."

In his international bestseller, *Atomic Habits: An Easy and Proven Way to Build Good Habits and Break Bad Ones*, James Clear contests that success is gained by slow and small increments to replace bad habits with good ones.^[1] In the book, he provides examples of how the science of small changes had a lasting effect on leading CEOs, Olympic gold medalists, and distinguished scientists.

Triggers for noncompliant behavior can come from external, internal, or factors deliberately constructed by bad (noncompliant) people. In society, for example, individuals may be dissatisfied with their current existence (external), which leads to aggression and a need to become dominant among their peers. This creates internal pressures that lead to a group behaving badly.

In the area where I live, for example, there was a persistent problem with groups of unemployed youths creating disturbances and vandalizing public property. It was interesting to follow how this progressed. The bad behavior

usually started with a gesture, presumably from the leader. This was then picked up by the “followers,” who then tried to outdo each other to gain the leader’s respect. Most of the damage was not done by the leader but rather by the followers responding to the internal pressures to be recognized.

Habits in corporate life

Changing habits in a corporate environment—just as in private life—requires the slow, progressive execution of sequential steps. Some of the key considerations are presented in Table 1. One of the most important factors related to making your compliance contagious is to acknowledge that change may not occur quickly. You will need to be patient; that means having a plan in place that addresses what you want to change and in what order, expecting setbacks, and having a plan in mind to counteract these. There will also be opponents to your ideas, and although we would all like to believe that everyone wants to do the right thing, evidence shows this is not the case, particularly if there is a perceived negative effect on the individuals.

Behaviors	Actions
Make a plan	Meet the plan and measure your progress
Keep it simple	One step (change) at a time
Identify the triggers	For each trigger, have a change that is desirable
Stay positive	Celebrate successes
Plan for sabotage	Isolate the offenders
Lead but do not control	Enlist support

Table 1: Behaviors and actions to make compliance contagious

2. Start the movement

Every compliance officer needs help. As with most things, the first step is the hardest, and although you see yourself as the main driver of change, this may not always be the case.

There is a great video on the TED Talks channel called “How to start a movement” by Derek Sivers.^[2] In this video, Sivers points out that although the initiator (in our case, the compliance officer) has to set the wheels in motion, it is in fact the second and third followers who play a crucial role. These initial followers show everyone else how to follow. The initiator must embrace the first followers as equals so the movement now becomes about

a united front. As momentum picks up, it becomes more about the followers than it does about the initiator because the movement is about a group now, not individuals.

As more and more people who are sitting back and observing start to become involved, the balance of power shifts from one or two individuals to the majority, and that is an essential turning point in making your compliance program contagious. In essence, you can't bring this change about by yourself, and embracing the first followers and recognizing their contributions will help drive momentum.

3. Rules aren't meant to be broken

If you want compliance to be contagious, rules need to be established and enforced. I have seen several examples of good compliance programs that have never developed because of complacency around the terms of engagement. In my opinion, establishing rules of compliance but failing to enforce them will engender contagious noncompliance.

One only needs to look at society to see examples of where this occurs. When drivers continuously speed but never get caught, others assume it is all right to speed. If people throw litter on the ground rather than put it in a trash can, everyone will start to do it.

The same applies to an organization. If people do not complete training as required and there are no consequences, others start to ignore training. If in a sales force, salespeople are rewarded with bonuses for high sales that have, in some cases, resulted from bribes, others in the sales force will follow the pattern and start to bribe their customers.

4. Reward good behavior

Provide a carrot to incentivize people to do the right thing. There are two schools of thought on noncompliance. Some advocate punishment for wrongdoers, and others advocate rewarding employees when they do the right thing. If you are trying to bring about change and make compliance contagious, then, in my opinion, the carrot is the way to go. By doing this, you associate a positive behavior with positive action. If it gets to the point where the focus is on punishing the wrongdoers, then it is time to rethink the program because it is not working. As discussed below, deterring wrongdoers has its place, but in the initial stages, you want to foster a positive attitude toward something new and exciting.

Rewards do not need to be extravagant. In my experience, most employees are happy to be recognized, and since compliance is a team action, providing team rewards has merit. Making these simple gestures will also mean that they can be provided more frequently.

For example, meeting a companywide target of no more than a predefined number of noncompliant instances that require investigation can be celebrated as a group with a pizza lunch, ice cream afternoon, or leaving an hour or so earlier on a Friday afternoon. The important aspects of reward are making it fair and equitable to all and letting people know why the reward is occurring. This also provides ongoing opportunities to remind employees of the long-term purpose.

5. Bad apples must be removed

Sometimes, you just have to get rid of people who do not fit the organization's culture and seem intent on destroying the good work of others.

These days, it seems like society is going backward in terms of controlling noncompliance, and I am firmly convinced that in this day and age, not everyone wants to do the right thing. I have written articles previously

looking at whether unethical people are born that way and the effects that bad apples can have on a corporation.^{[3][4]}

Unfortunately, in society, when law and order fails, others follow bad behavior. If people see others doing the wrong thing and getting away with it, they rationalize the action and follow along.

When trying to develop good behavior (making your compliance contagious) or trying to dispel bad behavior (getting rid of contagious noncompliance), there is no place for employees who do not want to play the game. It may take time, and there certainly should be an opportunity to give employees a chance, but there comes a point when you have to just let them go if they are going to jeopardize all your good work.

Part of the overall plan should have built-in contingencies for a course of action to deal with these types of employees, which will (1) ensure their bad behavior is not contagious and (2) set an example for others that such behavior will not be tolerated.

Making your compliance contagious is an exercise in introducing or changing habits. Doing this in a structured way enables you to build on the levels of compliance; as one target is hit, introduce the next one and use the momentum to carry this through. If done properly it can be very rewarding, but like every other aspect of business, it is a process. Good luck!

Takeaways

- Changing habits in a corporate environment, just as in private life, requires the slow, progressive execution of sequential steps.
- As compliance becomes contagious, it becomes more about the followers than the leader because it becomes about group momentum, not individuals.
- If you want compliance to be contagious, rules need to be established and enforced.
- When trying to bring about change, a reward is better than punishment because associating positive behavior with positive actions is better than the opposite.
- Developing good behavior (contagious compliance) or dispelling bad behavior (contagious noncompliance) is all about changing habits.

¹ James Clear, *Atomic Habits: An Easy and Proven Way to Build Good Habits and Break Bad Ones* (New York: Avery Publishing, 2018).

² Derek Sivers, "How to start a movement," TED, 02:52, February 2010, https://www.ted.com/talks/derek_sivers_how_to_start_a_movement/transcript?language=en.

³ Calvin London, "Are unethical people born that way, and can they be taught ethics?" *Ethikos* 38, no. 1 (January 2024), <https://compliancecosmos.org/are-unethical-people-born-way-and-can-they-be-taught-ethics>.

⁴ Calvin London, "Unethical People, Bad Apples & the Effect on Corporate Compliance," *Corporate Compliance Insights*, December 14 2022, <https://www.corporatecomplianceinsights.com/ethics-bad-apples/>.

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