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There's no crying in Compliance

Yet another survey¹ reveals what we already know in the compliance profession: 43% of chief compliance officers (CCOs) surveyed feel they lack sufficient control, authority, staff, and budget to do the job. Here's my shocked face :-0.



Boehme

The results mirror other recent polls, including the highly cited Society of Corporate Compliance and Ethics "stress survey" that indicated 60% of CCOs surveyed considered leaving their jobs in the prior year, and the "reporting" survey in which 80% of respondents rejected a reporting line to the GC.² All of these findings reflect the common themes of rapidly increasing regulation and role expansion, too few resources, and lack of independence and control—the tough realities that led former federal prosecutor Michael Volkov to declare the CCO his "2011 Person of the Year" and the "unsung heroes" of the workplace.³

If you follow any of my commentary on this topic, you know that I've been there, done that. But now I have another message for my colleagues in this (stipulated) dynamic, hard-working, underappreciated profession: There's no crying in Compliance!

As one of our ranks once declared at a panel discussion, "There are a lot of jobs out there and not enough of us to fill them—so choose carefully." I couldn't agree more. Years ago I used to stop recruiters mid-sentence, as they were describing their latest exciting CCO job search, to ask "Where does the position report?" Then, in response to the inevitable answer "to the GC" (or worse), I would ask further questions about positioning, mandate, board access, and resources, and then usually inform them that it would be hard to find anyone at the top level

who would consider their job. Of course, they always find a willing victim (and I've spoken to a number of those folks on the way out).

Fast forward to 2013 and we've made good progress. But now, compliance professionals looking to move into their first or next CCO job need to get significantly more selective. Another survey has caught my eye (this one informal, taken by a former prosecutor and former SEC enforcement counsel) of CCOs at large multinationals.⁴ They found that—surprise!—all of the CCOs reported with a direct line to the CEO and sometimes also to the board. Furthermore, several of the CCOs surveyed specifically stated that they had taken the job only after securing the right structure. Now that's what I'm talking about!

"There are a lot of jobs out there and not enough of us to fill them—so choose carefully." I couldn't agree more.

Times have changed and the point has been made, at least in some quarters.⁵ Now when recruiters call me, I no longer have to explain to them the significance of reporting line and the other indicia of CCO effectiveness: empowerment, independence, line of sight, seat at the table, and resources.⁶ In fact, sometimes they tell me! This turnaround is a strong indication that the message is reaching the C-suite and boards, in no small measure through the strong support of regulators, prosecutors, and other stakeholders. However, for progress to continue, CCOs have to keep making the point—instead of complaining—by voting with their feet. Those positions that are structured

for success should get and hold the best candidates, period. And the recruiters and companies that have trouble filling their CCO jobs with top candidates will start to get the memo. Because there's no crying in Compliance. *

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1. SAI Global: *2013 Global Compliance and Ethics Benchmarking Survey*. Available at <http://bit.ly/1b1HkV6>
2. HCCA/SCCE surveys: "Stress" taking a heavy toll on compliance and ethics professionals" January 10, 2012 and "Should Compliance report to the General Counsel?" March 6, 2013, are available on the SCCE website under the Surveys tab.
3. Michael Volkov: *Person of the Year—The chief compliance officer*. JD Supra Law News blog, January 13, 2012. Available at <http://bit.ly/13lwrS2>
4. Robertson Park, Timothy P. Peterson: *Regulatory: Compliance stakes its independence*. Inside Counsel website, May 15, 2013. Available at <http://bit.ly/1cwBvkk>
5. Donna Boehme: *Big Banks giving the CCO a seat at the table*. Corporate Counsel website, March 1, 2013. Available at <http://bit.ly/11AoFgr>
6. Donna Boehme: "Structuring the Chief Ethics and Compliance Officer and Compliance Function for Success," in *The Complete Compliance and Ethics Manual*, eds. David Childers, C. Lee Essrig, Lisa Kuca, and Greg Triguba (Minneapolis, MN: Society of Corporate Compliance and Ethics, 2010), 2.31-2.49.

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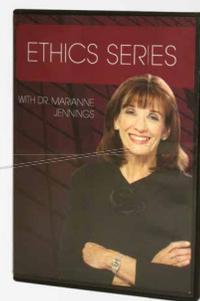
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