

It's not where you've been, it's where you are going

I've got 99 problems but policy ain't 1

Improving Compliance and the Employee Experience by Tackling Policy Proliferation

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How Many Policies
Does Your Company
Have?

- a) 0-10
- b) 10-50
- c) 50-100
- d) 100-300
- e) 300+



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Who owns policy?

- a) Dedicated Policy Team
- b) Compliance Team
- c) The business owns their own policies
- d) Legal
- e) Other



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Is Policy Proliferation a Problem?

- a) Yes – absolutely
- b) Partially – but not a major risk
- c) No



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Is Policy Governance
an issue/Are they
maintained properly?

- a) Yes – absolutely
- b) Partially – but not a
major risk
- c) No



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Agenda

- 1 The Cisco Policy Problem
- 2 Why we decided to address it
- 3 What we wanted to change
- 4 How we decided to change it
- 5 What we learned



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Unique Challenges

The Cisco Policy Problem

- Distributed Policy Ownership
- Limited Business Buy-in/Bandwidth
- Cynthia's Day Job!
- Siloed Tools Efforts
- Inconsistent Executive Sponsorship



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Global Compliance Enablement Reporting Structure

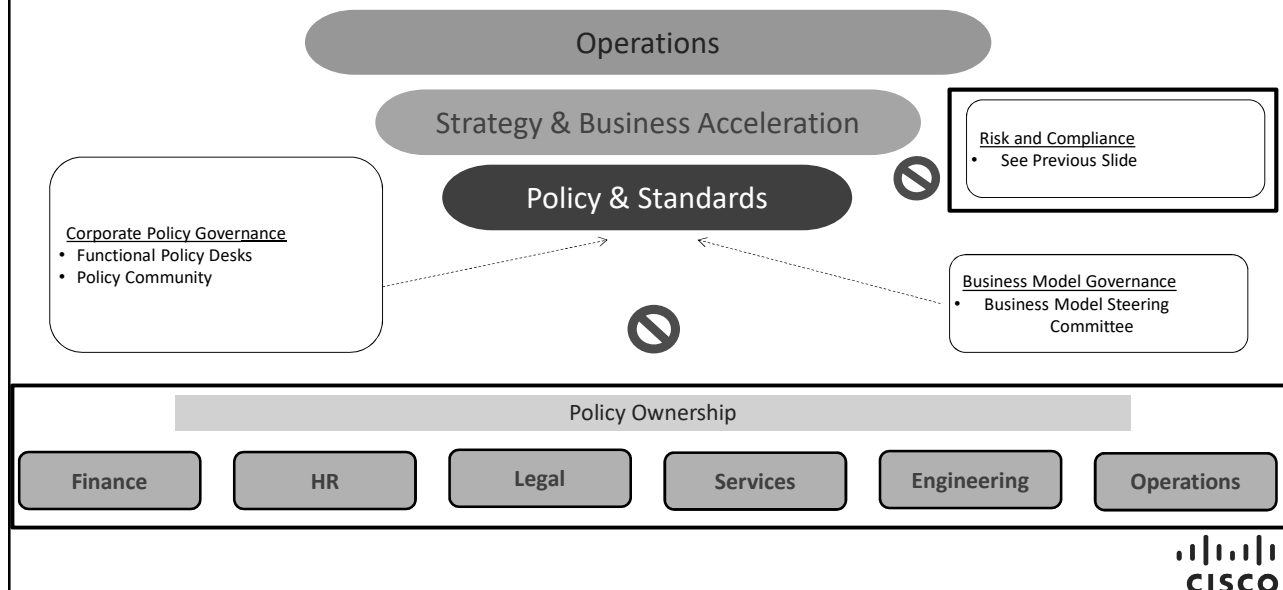
The Cisco Policy Problem



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Corporate Policy Organizational Reporting Structure

The Cisco Policy Problem



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Cisco has lots of policies . . .

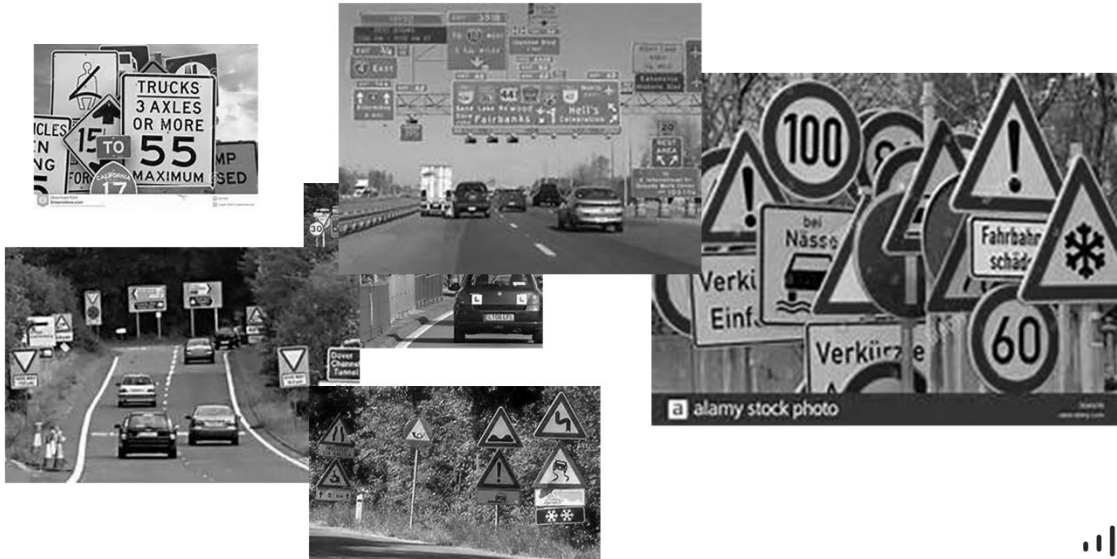
The Cisco Policy Problem

Charitable Donations Policy	Communication Regulatory Compliance: Product & Offer Assessment Policy	Petty Cash
Matching Gifts Program Policies	Conflicts of Interest, External Boards and Investments Policy	Prepaid Expense Policy
Material Shelf-Life Policy for Cisco Labs	Consortium Membership Policy	Pricing and Discounting Policy
Product Regulatory Compliance Policy	Endorsement Policy	Records Retention & Management Policy
Cisco Global ISO 9001 Policy	Equal Employment Opportunity	Restriction on Intercompany Distributions of Earnings of Certain Foreign Subsidiaries
Cisco Quality Policy	Gifts Travel and Entertainment policy	Returned Materials Authorizations (RMA) Policy
Corporate Environmental Policy	Global Export Policy	Revenue Recognition
Channel Partner Due Diligence Policy	Global Human Rights Policy	Revenue Share Policy
Channel Partner Lifecycle Policy	Insider Trading Policy	Royalty Income (Inbound Royalty) Policy
Cisco Canada Language Policy	Instant Messaging Policy	Selling Currency Policy
Cisco Capital Worldwide Sales Incentive Compensation PLAN GENERAL TERMS AND CONDITIONS	Policy for Use of Templates on Template Central	Standard Chart of Accounts Policy
		Stock Compensation Expense Policy

CISCO

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Maybe too many policies...



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Why is Policy Proliferation a problem?



Excessive Burden on Compliance Teams



Duplicate documentation and conflicting guidance



Business Efficiency Impact



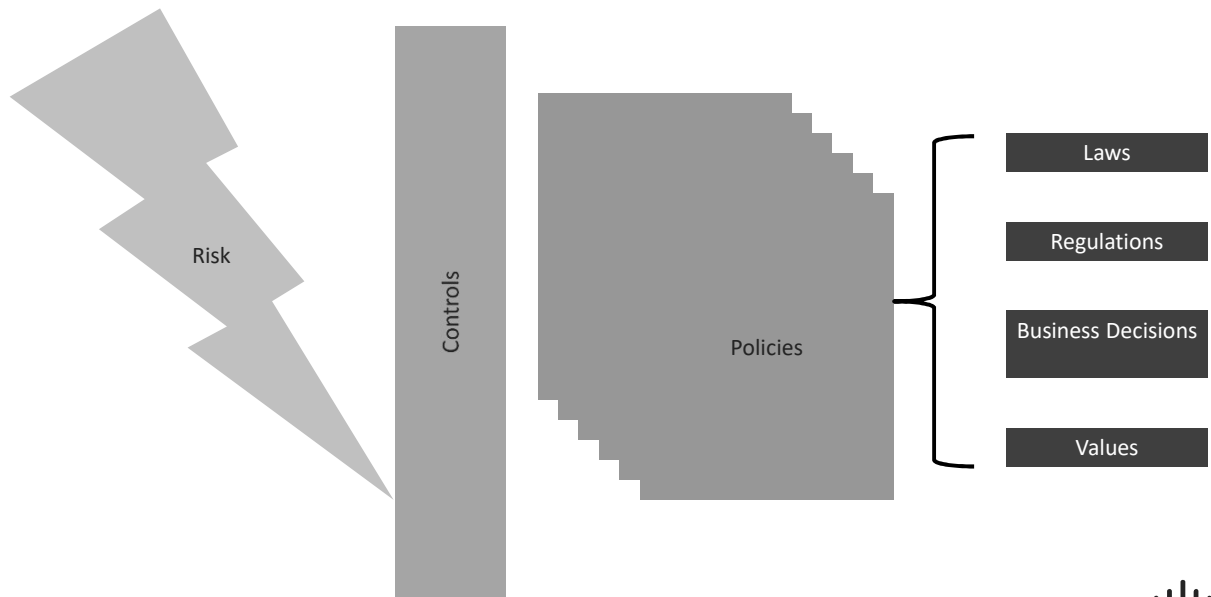
Risk that no one would follow the rules



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What does Policy Do?

Why we decided to address it



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When you are trying to move quickly. . .

Why we decided to address it



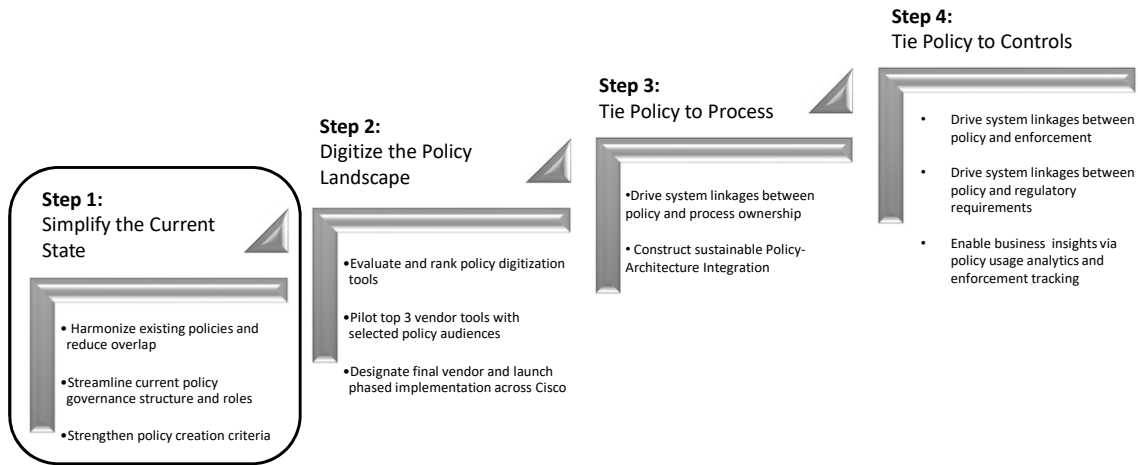
Less can be more.



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Multi-step Process

What we wanted to change



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Optimizing Current Policy Portfolio

What we wanted to change

Step 1: Simplify the Current State

- Harmonize existing policies and reduce overlap
- Streamline current policy governance structure and roles
- Strengthen policy creation criteria

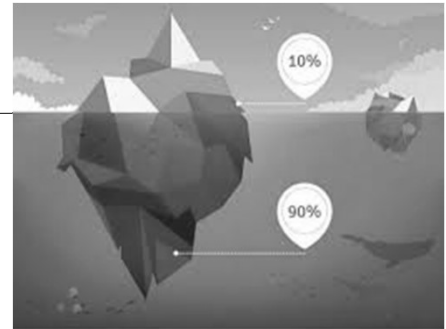
- Needed a way to approach the current policy portfolio of 330+ policies to prioritize for attention
- Needed to understand policies that are applicable to entire Cisco population vs role specific
- Needed to identify those which address significant risk to Cisco



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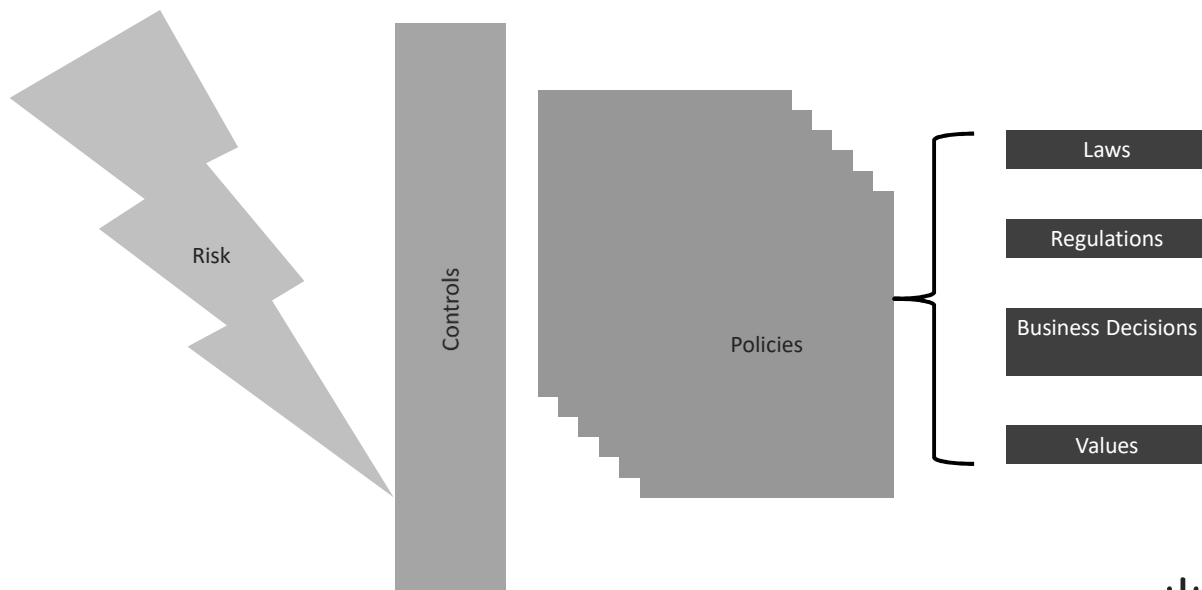
1. Once we had 'the list'

- Those 'above the line': **Optimize**
 - Readability and Clarity
 - Controls
 - Communication
 - Digitization
- Those below the line: **Evaluate**
 - Consolidation
 - Classification
 - Relevance

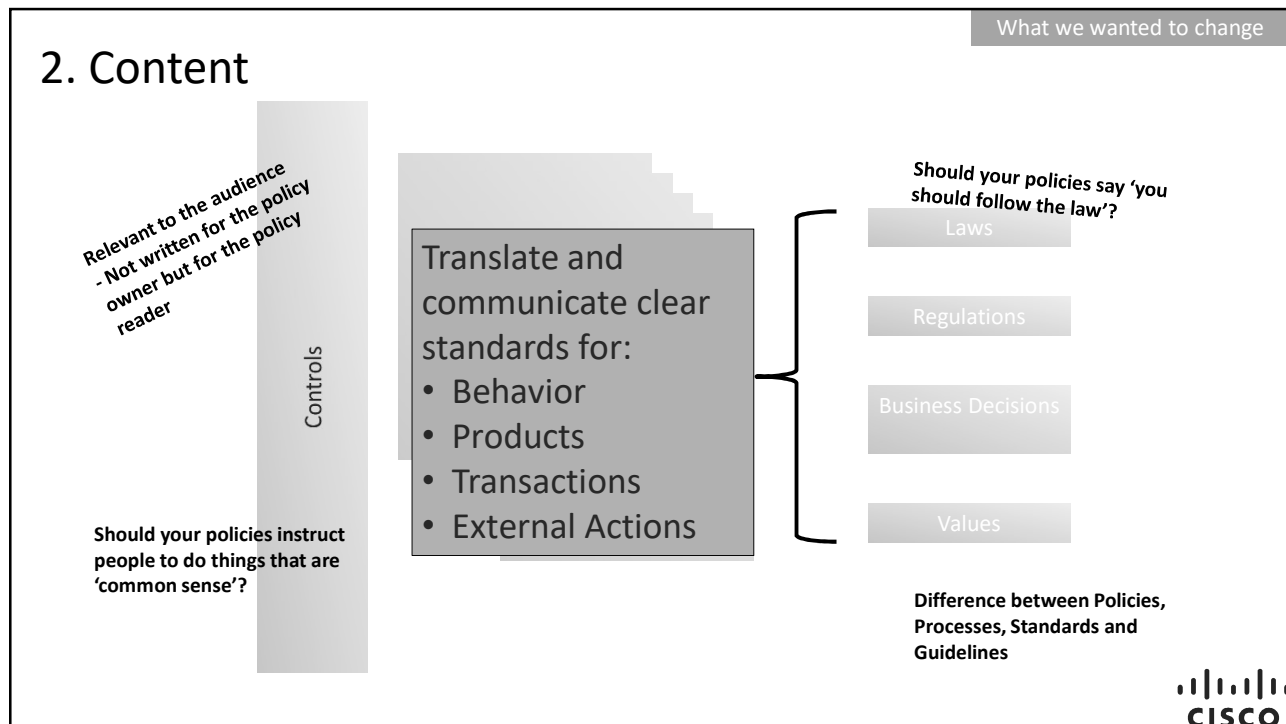


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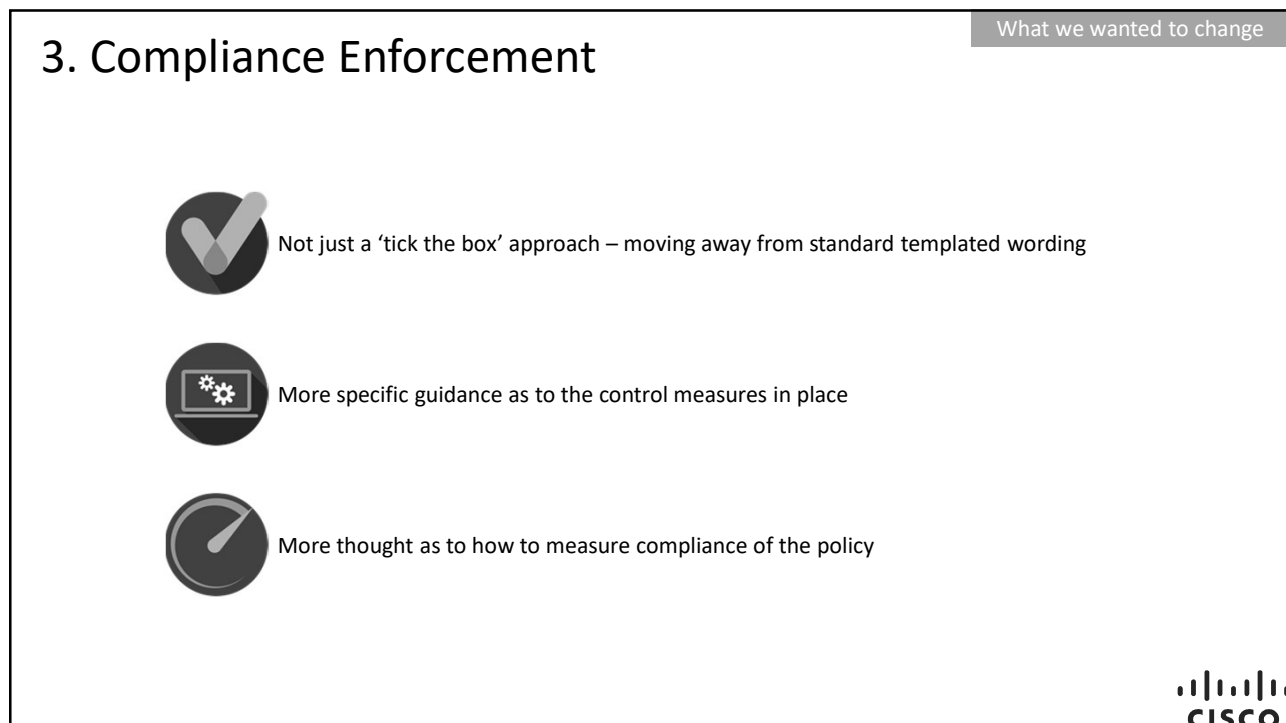
2. Content



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How do you get from here

to there?

How we decided to change it

- Distributed Policy Ownership
- Limited Business Buy-in/Bandwidth
- Cynthia's Day Job!
- Siloed Tools Efforts
- Inconsistent Executive Sponsorship

- Reduced Number of Total Policies
- Clear, Readable Content
- Policy Owner Accountability
- Linkages to Processes and Controls
- Consistent Executive Sponsorship

Methodology

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Getting to the right 'list'

How we decided to change it

Sources Evaluated to Identify Policy Set

Criteria to Assess

Audit

Policy Community

Ethics Office

Raw Data

Scale/Scope

Type of Impact

Likelihood

Combination of Likelihood/Impact

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Methodology summary

Looked At Intersection:

- Policies
- Likelihood
- Impact
- Risk



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How we decided to change it

Sort by RISK (*)			
Policy	Likelihood	Impact	RISK (*)
1 Data Privacy and Protection	25	63	1550
2 Global Bookings Policy	22	45	990
3 Gifts, Travel & Entertainment	22	40	880
4 Global Expense	26	31	806
5 Anti-Corruption & Bribery	26	30	780
6 Access Management	13	48	624
7 Indirect Procurement Policy	16	39	624
8 Employee Travel Policy	22	26	572
9 Global Meetings & Events	19	28	532
10 Conflict of Interest	17	30	510
11 Non-Standard Deal Policy	10	45	450
12 Revenue Recognition	10	45	450
13 Use of Cisco Assets	20	21	420
14 Cisco Quality Policy	7	52	364
15 Cloud Security	8	45	360
16 Password Policy	7	48	336
17 Authorization of Expenditure	8	39	312
18 Email Retention and Management	8	37	296
19 Records Management	8	37	296
20 Prepaid Expense	13	21	273
21 Fixed Assets	10	25	250
22 Global Analyst Relations Policy	7	33	231
23 Combined Credit and Cancellation Policy	5	45	225
24 Insider Trading	7	30	210
25 Non-Production Shipping Policy	5	41	205
26 Intellectual Asset Protection	4	45	180
27 Pricing & Discounting	4	45	180
28 Communication with Government Tax and Customs Authorities	4	41	164
29 Global Hand Carry	4	41	164
30 Social Media Policy	8	20	160
31 Workplace Civility	10	16	160
32 Reasonable Accommodation Policy	7	21	147
33 Policy for Speaking to the Media	7	20	140
34 RMA Policy	8	16	128
35 Flexible Work Practices - Remote Work	10	10	100
36 Lab Safety	4	19	76
37 Occupational Health & Safety	4	19	76

Where we make the cut-off is pretty arbitrary . . .

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Key Takeaways

- **Business Buy In**
Get them to agree on the methodology and they cannot dispute the outcome
- **Risk Tolerance**
Our understanding had to shift along with theirs
- **We Expected Resistance**
We were wrong
- **Joint Effort**
“The Compliance Team Says This Is Important... oh and so does your VP”
- **Timing Was Everything**
Digitization kick off, Policy Governance Committee kick off, Policy Optimization Kick Off



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Questions about our Journey . . .

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Likelihood Evaluation										How we decided to change it	
1	Policy	# of mentions range	# of different functions mentioning range	Also Mentioned in COBC	Has resulted in PGA Help Desk Queries OR 'High Touch'	CCI 'Cases' List	Search Term Range	Data from Audit Playbooks Range	TOTAL		
2	Weighting	1	3	3	2	5	1	3			
3	Global Expense	3	9	3	0	5	3	3	26		
4	Anti-Corruption & Bribery	3	9	3	0	5	0	6	26		
5	Data Privacy and Protection	3	6	3	0	5	2	6	25		
6	Employee Travel Policy	2	6	3	0	5	3	3	22		
7	Gifts, Travel & Entertainment	2	6	3	2	5	1	3	22		
8	Global Bookings Policy	1	3	3	4	5	3	3	22		
9	Use of Cisco Assets	3	6	3	0	5	0	3	20		
10	Global Meetings & Events	2	3	0	4	5	2	3	19		
11	Conflict of Interest	2	6	3	0	5	1	0	17		
12	Indirect Procurement Policy	1	3	0	0	5	1	6	16		
13	Access Management	1	3	0	0	0	0	9	13		
14	Prepaid Expense	1	3	0	0	5	1	3	13		
15	Drugs & Alcohol in the Workplace Policy	1	3	3	0	0	0	3	10		
16	Workplace Civility	1	3	3	0	0	0	3	10		
17	Flexible Work Practices - Remote Work	1	3	0	0	0	0	6	10		
18	Fixed Assets	1	3	0	0	0	0	6	10		
19	Non-Standard Deal Policy	0	0	0	2	5	0	3	10		
20	Revenue Recognition	0	0	0	2	5	0	3	10		
21	Records Management	2	3	3	0	0	0	0	8		
22	Social Media Policy	2	3	3	0	0	0	0	8		
23	Email Retention and Management	1	3	3	0	0	1	0	8		
24	Authorization of Expenditure	2	3	0	0	0	0	3	8		
25	Cloud Security	1	3	0	0	0	1	3	8		
26	RMA Policy	0	0	0	0	5	0	3	8		
27	Cisco Quality Policy	1	3	3	0	0	0	0	7		

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Impact Evaluation

How we decided to change it

1	Policy	Local	Regional	Global	Buisness Interruption	Efficiency Impact	Financial Impact	Legal Compliance Impact	
2	Weighting	1	3	5	5	2	5	5	TOTAL
3	Data Privacy and Protection	3	9	15	5	0	15	15	62
4	Cisco Quality Policy	0	3	5	10	4	15	15	52
5	Access Management	1	0	0	15	2	15	15	48
6	Password Policy	1	0	0	15	2	15	15	48
7	Global Bookings Policy	1	3	5	0	6	15	15	45
8	Pricing & Discounting	1	3	5	0	6	15	15	45
9	Cloud Security	0	0	0	15	0	15	15	45
10	Intellectual Asset Protection	0	0	15	0	0	15	15	45
11	Combined Credit and Cancellation Policy	1	3	5	0	6	15	15	45
12	Non-Standard Deal Policy	1	3	5	0	6	15	15	45
13	Revenue Recognition	1	3	5	0	6	15	15	45
14	Communication with Government Tax and Customs Authorities	2	9	5	5	0	10	10	41
15	Global Hand Carry	2	9	5	5	0	10	10	41
16	Non-Production Shipping Policy	2	9	5	5	0	10	10	41
17	Gifts, Travel & Entertainment	1	3	5	0	6	10	15	40
18	Authorization of Expenditure	2	3	0	0	4	15	15	39
19	Indirect Procurement Policy	2	3	0	0	4	15	15	39
20	Records Management	0	0	0	5	2	15	15	37
21	Email Retention and Management	0	0	0	5	2	15	15	37
22	Global Analyst Relations Policy	0	3	0	0	0	15	15	33
23	Global Expense	0	0	0	0	6	10	15	31
24	Anti-Corruption & Bribery	0	0	0	0	0	15	15	30
25	Conflict of Interest	0	0	0	0	0	15	15	30
26	Insider Trading	0	0	0	0	0	15	15	30
27	Global Meetings & Events	1	3	5	0	4	5	10	28
28	Employee Travel Policy	0	0	0	0	6	10	10	26

