The ABC's of Compliance Hiring: Attracting, Building and Caring for your Best Compliance Workforce

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Agenda

Attracting Talent
- What Law Schools are Doing
- Compliance and the JD Advantage
- JD and Compliance Skills Compared
- The Typical Law Student

Building Talent
- Core Compliance Skills
- Building a Complementary Team
- Asking Insightful Interview Questions

Caring for Talent
- The 3 B’s: Identification & Alleviation
- Motivating Factors
- Engagement
Attracting Compliance Talent

What are Law Schools Doing?

“Hard” and “soft” skills are an increasing focus in law schools

- ABA requires schools to establish learning outcomes that include key skills
- Employers are demanding a wider array of skills development from graduates
- Technology has made the “human touch” more necessary
Changing marketplace = more law grads looking at business

Compliance and the “JD Advantage”

The Changing Career Goals of Law Grads and the Marketplace

Source: Jobs & JOs: Employment and Salaries of New Law Graduates Class of 2016 (NALP 2017)
Compliance and the “JD Advantage”

Breakdown of JDA Jobs, Class of 2016

Top Ten Types of JDA Positions in Business (2016)

Source: Jobs & JDs: Employment and Salaries of New Law Graduates Class of 2016 (NALP 2017)
## JD and Compliance Skills Compared

<table>
<thead>
<tr>
<th>Skills of a JD*</th>
<th>Compliance Competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Understanding of underlying laws and procedures through coursework</td>
<td>• Knowledge of relevant rules and procedures</td>
</tr>
<tr>
<td>• Ability to analyze issues orally and in writing</td>
<td>• Industry knowledge</td>
</tr>
<tr>
<td>• Critical reading and synthesis of statutes, rules and regs.</td>
<td>• Research and analysis</td>
</tr>
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<td>• Evaluation of facts and application of law</td>
<td>• Research and analysis</td>
</tr>
<tr>
<td>• Professional communication appropriate to different audiences</td>
<td>• Research and analysis</td>
</tr>
<tr>
<td>• Problem-solving</td>
<td>• Research and analysis</td>
</tr>
<tr>
<td>• Interpersonal skills</td>
<td>• Interpersonal skills</td>
</tr>
<tr>
<td>• Advocacy</td>
<td>• &quot;Managing up&quot;</td>
</tr>
<tr>
<td>• Organizational awareness</td>
<td>• &quot;Managing up&quot;</td>
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## JD and Compliance Skills Compared

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<th>Compliance Competencies</th>
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<td>• Identifying ethical concerns and resolving issues in a timely fashion</td>
<td>• Risk Assessment</td>
</tr>
<tr>
<td>• Internalized awareness of need for sustained professional development</td>
<td>• Regular re-training</td>
</tr>
<tr>
<td>• Life-long self-evaluation</td>
<td>• Understanding of current technologies</td>
</tr>
<tr>
<td>• Understanding of current technologies</td>
<td>• Acculturation to organization</td>
</tr>
<tr>
<td>• Project management and process improvement</td>
<td>• Project management and process improvement</td>
</tr>
<tr>
<td>• Project management and process improvement</td>
<td>• Industry Certification</td>
</tr>
</tbody>
</table>

### “Typical” Law Student

<table>
<thead>
<tr>
<th>The Industry Vet</th>
<th>The Newbie</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Prior industry experience and certifications</td>
<td>• Some relevant coursework</td>
</tr>
<tr>
<td>• Some relevant coursework</td>
<td>• Potentially some internship experience</td>
</tr>
<tr>
<td>• Looking for advancement from prior position</td>
<td>• Will need to learn how the business works</td>
</tr>
<tr>
<td>• Well-developed legal research, writing and analytical skills</td>
<td>• Looking for a way into industry/organization</td>
</tr>
<tr>
<td>• Will need to learn company culture</td>
<td>• Well-developed legal research, writing and analytical skills</td>
</tr>
<tr>
<td>• Hybrid resume</td>
<td>• Will need to learn company culture</td>
</tr>
<tr>
<td></td>
<td>• Process-focused resume</td>
</tr>
</tbody>
</table>

### Building Compliance Teams
What Makes a Good Compliance Officer?

☆ Seeking Compliance Officer ☆

Description: New York City based boutique technology oriented broker-dealer seeking Compliance Officer

Requirements:
- Series 7, 63, 65, 24
- Hard worker
- Relatively clean record
- Experience supervising retail trading in brokerage accounts

Compensation:
- Competitive Salary
- Possibility of stock options

When: Looking to fill position immediately.
Next Step: Interested parties respond with resume

• Principals only. Recruiters, please don’t contact this job poster.
• do NOT contact us with unsolicited services or offers

Core Compliance Skills

Analytical Skills
Baseline Skills
Strategic Skills
Soft Skills
Technology Skills
The Importance of Soft Skills

What’s Your “Compliance” Type?
Building a Complementary Team

Team Composition
- Communication Styles
- Learning Styles
- Expertise
- Generation
- Leadership

Asking Insightful Interview Questions

Behavioral Interviews
- Tell me about a time when...?
- Interpreting the Unspoken
Caring for Your Compliance Workforce

Recognizing Problems

- The Firm’s Culture
- Does Compliance = Scapegoat?
- Do we have each other’s backs?
- Do I like what I do?
Alleviating Problems

- Work distribution
- Cross Training
- Clear Goals for Advancement
- Reward Systems
- Team Building
- Leadership Training

Motivating Factors

<table>
<thead>
<tr>
<th>Past</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>My Paycheck</td>
<td>My Purpose</td>
</tr>
<tr>
<td>My Satisfaction</td>
<td>My Development</td>
</tr>
<tr>
<td>My Boss</td>
<td>My Coach</td>
</tr>
<tr>
<td>My Annual Review</td>
<td>My Ongoing Conversations</td>
</tr>
<tr>
<td>My Weaknesses</td>
<td>My Strengths</td>
</tr>
<tr>
<td>My Job</td>
<td>My Life</td>
</tr>
</tbody>
</table>

Wolters Kluwer
Engaging Your Present (and Future) Workforce

⇒ Opportunities for growth (and they will leave to find it)
  • Average millennial tenure: 2 years
  • Average Gen X tenure: 5 years
  • Average Boomer tenure: 7 years

⇒ A coach, not a boss
  • Access to leadership
  • Mentorship vs. direction
  • Ongoing check-ins highly preferred

⇒ Is there an app for that?
  • Find creative ways into integrate tech. for routine, administrative tasks
  • Attachment to tech.
    • Tension of keeping the worker engaged vs. meeting mission/performance goals

⇒ Balance and democracy
  • Flexible work locations and hours
  • Performance based on output, not time spent (not big on facetime)

Source: Jeff Fromm, Millennials in the Workplace: They Don’t Need Trophies But They Want Reinforcement, Forbes (Nov. 6, 2015)