

How to Promote Compliance Within Your Organization



Chicago Regional Ethics & Compliance Conference
May 3, 2019

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FEATURING....

- **Kathy O'Toole** - Senior Counsel - Global Compliance & Safety, McDonald's Corporation

- **Elizabeth (Liz) Sheyn Brown** - Senior Counsel, Compliance & Employment, Groupon, Inc.



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ROADMAP

- The Importance of Compliance
- Strategies for Promoting Compliance Within Your Organization
- Specific Engagement Methods
- The Future of Engagement
- Questions



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POP QUIZ #1

1. How many of you work for publicly-traded companies?
2. How many of you work for private companies?
3. How many of you work for companies with locations outside of the U.S. and Canada?
4. How many of you work for companies with less than 1,000 employees?
 - a. Over 1,000 employees?
 - b. Over 5,000 employees?
 - c. Over 10,000 employees?
 - d. Over 50,000 employees?



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The Importance of Compliance



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The Importance of Compliance or How Did We Get Here?

- A compliance and ethics program is designed to prevent and detect criminal conduct [U.S. Sentencing Guidelines]
- An effective compliance program promotes an organizational culture that encourages ethical conduct and a commitment to compliance with the law [U.S. Sentencing Guidelines]



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The Importance of Compliance or How Did We Get Here?

- The following are the seven recognized elements of an effective compliance program [U.S. Sentencing Guidelines]:
 - Standards and procedures
 - Organizational leadership and culture
 - Training and education
 - Monitoring, auditing, evaluation of program effectiveness, and risk assessment
 - Performance incentives and disciplinary measures
 - Appropriate remedial measures
 - Reasonable efforts to exclude bad actors

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The Importance of Compliance or How Did We Get Here?

- Having an effective compliance program:
 - Prevents violations of law
 - Mitigates fines and penalties if violations of law occur
 - Promotes a speak-up corporate culture
 - Preserves and improves a company's reputation
 - Protects investor value and confidence
 - Facilitates retention of top talent



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Strategies for Promoting Compliance Within Your Organization

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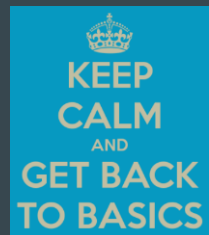
Promoting Compliance Within Your Organization

- Every company is different - always build and drive a compliance program keeping your company in mind
- Consider doing the following:
 - Honestly assess your needs and resources
 - Get the basics right
 - Focus on tone at the top and work your way down
 - Always focus on alignment with company values
 - Re-evaluate regularly and adjust your approach if necessary

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Promoting Compliance Within Your Organization

- In getting the basics right, focus on:
 - Written standards of ethical workplace conduct (e.g., Code of Conduct)
 - Training on the standards
 - Company resources that provide guidance on ethics and compliance issues
 - Reporting mechanisms
 - Systems to address misconduct



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Promoting Compliance Within Your Organization

- The right tone at the top is facilitated by the following:
 - Talking about the importance of ethical conduct
 - Acknowledging and rewarding ethical conduct
 - Holding accountable those who violate standards, especially leaders
 - Modeling ethical conduct



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Specific Engagement Methods



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POP QUIZ #2 - True or False

1. Most individuals only have to hear a message once in order to retain it.
2. Individuals have different learning styles, which should dictate how compliance programs approach training and messaging.
3. Individuals retain information better when receiving content in short bursts.
4. One of the best methods of learning is allowing individuals to test their knowledge in scenarios applicable to their day-to-day work.
5. Companies that invest in training have higher revenues and productivity.



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Specific Engagement Methods

- Current trends:
 - Targeted training
 - Refreshing and repurposing existing content
 - Scenario-driven training
 - Game-based learning
 - Continuous learning experience
 - Strategic use of reminders
 - Online and mobile resources
 - Contests
 - Attentiveness to timing
 - Compliance champions



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Specific Engagement Methods - Groupon

- Company profile:
 - Publicly-traded e-commerce company founded in 2008
 - Approximately 6,500 employees in 15 countries
 - Headquartered in Chicago
- Compliance program profile:
 - Part of Legal Department
 - Small team composed of CCO and Senior Counsel

The Groupon logo, featuring the word "Groupon" in a bold, green, sans-serif font.

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Specific Engagement Methods - Groupon

- Targeted online and in-person compliance training
 - Game - and scenario - based training
- Long and short form training
 - Short refresher training every two years
 - Off-the-shelf and customized short video content
- Multi-faceted content approach
 - Pocket cards
 - Dedicated blog with frequent blog posts
 - Biennial survey with incentives

The Groupon logo, featuring the word "Groupon" in a bold, green, sans-serif font.

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Specific Engagement Methods - McDonald's

- Company profile:
 - 36,000 restaurants in 119 countries
 - Franchise model
 - 10,000 Corporate employees
- Compliance program profile:
 - Part of Legal Department
 - CCO and team of attorneys and paralegals



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Specific Engagement Methods - McDonald's

- Targeted in-person training
- Tracked training curriculum
 - Annual certification of Standards of Business Conduct
- Multi-faceted content approach
 - Short video bursts and communications
 - Tone at the top custom video
 - Compliance ambassadors
 - Compliance Week
 - Mobile app



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The Future of Engagement



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The Future of Engagement

- Chatbots
- Predictive modeling
- Content at your fingertips
 - More digital/mobile content and resources that can be accessed on the go
- Quick snippets
- Trend towards targeting will continue



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Questions

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