Branding Your Compliance Project

My "This Week in the FCPA" colleague Howard Sklar often talks about the internal corporate negotiations that a Compliance Department must engage in to obtain funding for compliance projects. Even with the economy on the upswing many corporations are still being extremely conservative on funding, especially for departments which are traditionally viewed as more "overhead" than "revenue generating". It was therefore with some interest that I recently read an article entitled "*Why Everyday Projects Need a Brand (and How to Create One)* in the summer 2011 edition of MIT Sloan Management Review. Authors Karen Brown, Richard Ettenson and Nancy Lea Hyer posit that project leaders and project teams who embrace a brand mentality put themselves in a stronger position to achieve their goals.

I believe that this article, and the approach advocated by the authors, will be useful to a Chief Compliance Officer (CCO), or Compliance Department representative who makes a presentation for additional or greater funding for a Compliance Department project. Whether the proposal is for funding to perform a compliance audit against certain third parties, institute an annual assessment of the compliance function between bi-annual audits, or to provide training for personnel of high risk vendors in the Supply Chain; the article presents a framework for presentations applicable to all.

The authors identify five key stages in the product branding process. They call these stages: (1) Pitch; (2) Plan; (3) Platform; (4) Performance; and (5) Payoff.

I.   The Pitch

The Pitch is the project champion's initial effort to position and sell an idea by persuading the organization's key decision makers what the project will address. The Pitch requires the project champion to explain why the organization should support the project. Without answers to these 'why' questions there can be little hope of the project gaining branding traction. This is true when the project is new or will close a tangible gap. A key is to make the project seem not only compelling but attractive.

II.   The Plan

The Plan represents the project champion's manner to clarify the goals of the proposal, assigning responsibilities within the project team and developing a communication strategy for delivering the right message to the right people at the right time and place. Here the project champion should take care to involve key stakeholders to ensure feasibility and credibility to senior management. The authors believe that it is important, for the branding process that the Plan does not come out from behind closed doors but is created with transparency.

III.   The Platform

The Platform is the collection of visible activities that comprise the project launch. The authors believe that branding success at this stage depends on the way the initiative is legitimatized to the organization. This makes it important that key leaders in each business unit understand how the project contributes to the overall business strategy of the organization. For the compliance practitioner, this means that the business unit leaders must not only understand that compliance is a key component but also how it will benefit their units. If they are using a large number of high risk vendors, the additional costs leading to additional benefits of compliance should be made clear to them. This should not be over-hyped but a clear statement should be made.

IV.   *The Performance*

The authors believe that in the context of branding, the Performance represents the manner in which the project leader and the project team communicate information about the project's delivery, following the official launch. More succinctly, the project team must deliver on the project's promise, this would include transparency to the stakeholders. This does not mean that any attorney-client privilege must be broken or waived but it is important that the compliance deliverable actually be communicated.

V.   *The Payoff*

The Payoff is the culmination of the entire branding project. This should integrate all of the branding steps previously taken. As noted above, if the project was legal in nature, this does not mean that privilege must be waived. However, to the key stakeholders who supported the project and who may have leant their internal company prestige to the project, the project team should show proof of the promised project delivery. There should also be a sharing of the lessons learned. Finally, whatever the outcome, the project team must state why the effort was worthwhile.

Many of us who came to compliance through a corporate legal department simply think that explaining a project logically is sufficient and expect it to be accepted, that is certainly our training. However, in the Compliance Department there may be a greater need to request funding for new project as the parameters of a *best practices* compliance program expands. This article can provide the compliance practitioner with a clear roadmap of how to request such funds and use the results to build such a *best practices* program.

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