



THE DEADLY SINS OF COMPLIANCE

By Bernard George

bernard@socrates-training.co.uk

For a compliance officer the good news is that there are five deadly sins, not seven. The bad news is that committing them is not fun.

Putting it off

How do you ensure something will never get done? Answer: wait for a quiet day.

There is no end to fee earning. So set a deadline for sorting out your compliance work, then stick to it. Set a diary reminder for reviews, and for chasing up others who have particular responsibilities.

Lack of clarity

Does everyone in your firm know how they should record deadlines (so even if they are away the deadline will not be missed)? Is there an office standard about recording client instructions? What about costs updates?

All quality systems boil down to “we say what we do, we do what we say”. If you have not defined what you expect of people you cannot grumble if they do not do it.

Seeing the cost but not the opportunity

It is easy to see compliance as a burden which distracts you from productive work. But the best and more profitable firms have well thought out procedures, and insist on compliance by all staff (yes, even the biggest-billing partners).

Think how your firm would prosper if nobody ever made a mistake. Risk management systems can help make your professional life not only less stressful, but also more profitable.



Trusting people

The rules of golf assume that golfers will try to cheat, even though the vast majority would not dream of it. Likewise your procedures should be written on the assumption that not only clients, but also your colleagues, could turn out to be rogues.

Tragically, countless firms have been let down by staff they liked and trusted, but who turned out to be involved in embezzlement, mortgage fraud or money laundering or who were simply ignoring proper procedures. File reviews are required by Lexcel and other quality standards, but in any case they are a must, if you want to sleep well at night.

Reinventing the wheel

A classic management mistake is to reject something because it was “not invented here”. At best you will waste your valuable time. At worst you will get bogged down and never get your systems sorted. So when possible use external training and documentation.