HOW TO KEEP YOUR HEAD ABOVE WATER IN A SEA OF CHANGE

Meet The Presenters

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Discussion Objectives

**Strategies**

- Strategies to identify what types of change your organization is dealing with and how to respond accordingly so you aren’t left wondering “how did I get here?”

**Friends or Enemy**

- The friends and enemies of a successful Compliance Professional... which do you possess?

**What Now?**

- Ever left wondering, now that I am here, what do I do next? We have some best practices that will help you define a path forward

“The Change is the only constant in life”

- Heraclitus, a Greek philosopher

**STRATEGIES**

Strategies to identify what types of change your organization is dealing with and how to respond accordingly so you aren’t left wondering “how did I get here?”
The Many Faces of Change
Integrated Blocks Infographic

Changes in Leadership
Changes in leadership within compliance or the business can cause a chain reaction of change.

Changes to Business Strategy
Adding a new business line can create some conflict of priorities.

Changes in Enforcement
Evolving interpretation of new/existing regulations.

Regulatory Change
Change to the regulatory landscape will invariably result in changes.

Industry Change
Expanded scope of practice for mid-level practitioners.

Results of Monitoring Programs
Evaluations of compliance will

Types of Change*

Developmental
Identify a need to make improvements to an existing compliance program
Refine & Define

Transitional
Identify a need to implement a brand new element of your compliance program
Plan & Implement

Transformative
Identify external circumstances that cause you to need to react accordingly
Recognize & Survive

*As defined by Management Training Specialist:
http://www.mtdtraining.com/blog/three-types-of-change.htm
Developmental Change

What causes developmental change?
- Program evaluation
- Audits (internal/external)
- Continuous Improvement
- New Employees

What does developmental change feel like?
- Progress
- Invigorating
- Planned & Organized
- High engagement with stakeholders

Transitional Change

What causes transitional change?
- Regulatory Change
- Enforcement Trends
- Data Analytics
- Audit Results

What does transitional change feel like?
- Stretched beyond “norm”
- Challenging but manageable
- Planned & Organized
- Create short-lived tension
Transformational Change

What causes transformational change?
- Regulatory Change
- Change in Enforcement
- Changing Leadership

What does transformational change feel like?
- Disruptive
- Uneasiness/Challenging
- Reactive
- May create conflict

Pointers for Effective Change Management

Communication
The key to successful change is significantly attributed to the communication that precedes it!!!

Planning
Knowing where you expect to be at the end of the change is important to ensure that is where you end up!

Execution
If you don’t execute the plan effectively you likely won’t get the impact that you are looking for with the changes

Communicate AGAIN
The key to successful change is significantly attributed to the communication that follows it!!!
FRIEND OR ENEMY
The friends and enemies of a successful Compliance Professional...
Which do you possess?

Facts You Must Consider
Compliance Professional Realities

Compliance is DYNAMIC
(of a process or system) characterized by constant change, activity, or progress

Compliance never achieves PERFECTION
the action or process of improving something until it is faultless or as faultless as possible

Compliance is an ART
requires a skilled performer - an artist - who interprets & persuades a sometimes reluctant audience to understand and comply

Compliance is a SCIENCE
technical requirements - the science - of laws and regulations – risk analysis and mitigation

There will always be, “What’s Next?” and this reality must be embraced.
Successful people build lasting relationships:
- Personal
- Professional

Proficiency that is acquired or developed through training or experience
- A developed talent or ability

An art, trade, or technique

Relationships

Resources

Skill Set

People
- Processes
- Systems

01

02

03

Personal
- Board of Directors
- C-Suite
  - CEO
  - COO
  - CFO
- Internal Audit
- Department Stakeholders

Professional
- Industry Contacts
  - Peers – other companies
  - Organizations (leadership / members)
- Regulatory Agencies

Friends of Compliance
Friends of Compliance

Resources

People

Processes

Systems

People:
• Corporate Culture (tone at the top)
• Adequate Structure
  • Right Size
  • Right Talent in the Right Role (key to success)

Process:
• Corporate Policies
  • In writing
  • Clear
  • Current – Review Process
  • Communicated
  • Introduced to Vendors
  • Strong Training Avenues

Systems:
• Adequate Funding
• Properly Prioritized
• Consistent Review and Rollout process of enhancements

Skill Set

Proficiency that is acquired or developed through training or experience
A developed talent or ability
An art, trade, or technique

Know Your Role
Understand the Elements of a Successful Compliance Program
Attention to Detail with a Global Vision
Right Mindset
Seek Advanced Degrees/Certifications

Teamwork
Strong Analytical Ability
Gifted Translator
Benign Skeptic
Emergency Leader
Courage
FRIEND OR ENEMY

The friends and enemies of a successful Compliance Professional...

Which do you possess?

Enemies of Compliance

01

Lack of Knowledge
Lack of Transparency in Communication
Employees Becoming Risk Adverse
• Anxiety
• Hide Mistakes
• Fear Based Culture
Fulfill Wrong Vision/Mission

Inadequate Systems
Too Many
Too Complex
Wrong Owner

02

Inadequate Structure
Compliance Officer Not Reporting to the Board of Directors
Failure to put People First – Strategy Second
Wrong Priorities
Poor Execution of Plans

03
## Caution! Warning Signs of Rough Seas Ahead!!

<table>
<thead>
<tr>
<th>Lack of Vision</th>
<th>Lack of Performance</th>
<th>Lack of Communication Skills</th>
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<tbody>
<tr>
<td>Leaders who lack vision cannot inspire teams, motivate performance, or create sustainable value.</td>
<td>Leaders who consistently fail are not leaders, no matter how much you wish they were.</td>
<td>Leaders with poor communication skills are normally short-lived in their position.</td>
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### How is your VISION?  
### How is your PERFORMANCE?  
### How are your COMMUNICATION skills?  

<table>
<thead>
<tr>
<th>Lack of Investment in Others</th>
<th>Lack of Accountability</th>
<th>Lack Ability to Adapt &amp; Refine</th>
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<tr>
<td>Leaders who are not fully committed to investing in those they lead will fail.</td>
<td>Leaders don’t blame others, don’t claim credit for the success of their team, but always accept responsibility for failures that occur on their watch.</td>
<td>Leaders don’t become insecure, complacent or disgruntled by change, but rather use it to energize themselves and the people around them.</td>
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### Are you INVESTED in the success of your team?  
### How is your ACCOUNTABILITY?  
### How is your ABILITY TO ADAPT?  

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**WHAT NOW?**

Ever left wondering, now that I am here, what do I do next?

We have some best practices that will help you define a path forward.
What is Our Process?

Evaluate
- Type of Change
- Resources Needed
- Stakeholder Alignment
- Change Busters/Promoters

Plan
- Identify what success looks like
- Determine success measures
- Align resources to tasks with defined timelines

Develop
- Put the plan into action
- Determine inflection points along the way
- Assess progress and modify accordingly
- Accountability is key

Execute
- Communicate, Communicate, Communicate!!!!
- Launch the enhancement/new program element

Monitor
- Evaluate success measures
- Data analytics
- Audit the results
- Get feedback from the front lines

Fundamentals of Change Management

Communication
Tell them what you are going to tell them
Tell them!!
Tell them what you told them

Transparency
Being transparent means being responsible with the information you have and sharing it appropriately with your stakeholders
NO SURPRISES!

Training
Training MUST be considered in your program, changing practices is a hard --- a lack of training can be a rate limiting step to seeing the fruits of your labor