

# Diligent Master Class Toolkit for CCOs

A rapidly changing regulatory landscape and increasing privacy and data concerns have elevated the chief compliance officer (CCO) to the spotlight.

From fostering a culture of compliance to being an enabler of innovation and growth, what's expected of the CCO is quickly evolving. The CCO must strike effective partnerships with multiple stakeholders, so they are able to influence and obtain buy-in from other executives and board members.

The Diligent Master Class for CCOs — designed by CCOs who've built, scaled and run compliance programs for diverse industries across the globe — is a one-of-a-kind program that provides actionable advice and frameworks for today's compliance leaders.

The six tools presented here will help you move forward on the plans you set out for your compliance program by:

- ✓ **Empowering you to navigate difficult situations**
- ✓ **Make effective decisions**
- ✓ **Influence key stakeholders**

## Toolkit Contributors

### Kristy Grant-Hart



Kristy Grant-Hart is the CEO of Spark Compliance and the author of the best-selling book *How to Be a Wildly Effective Compliance Officer*. She's a former adjunct professor at Delaware Law School, Widener University, and was previously the Chief Compliance Officer at United International Pictures, the joint venture of Paramount Pictures and Universal Pictures in 65 countries. She's the winner of the GWICie Award for innovation in the field of compliance and ethics, as well as the Trust Across America Top Thought Leaders in Trust award.

---

“When you're the chief compliance officer, you're selling your vision of what the compliance and ethics department can do, and how good the company can be as a result. Your vision needs to be compelling enough to get the executive team and board to buy in, which means giving you their time, budget, energy and commitment to help actualize your vision.”

Kristy Grant-Hart

---

### Ezekiel Ward



Ezekiel (Zeke) advises companies on how to build and refresh best-in-class ESG, ethics and compliance programs. He has been SVP and Chief Compliance Officer at Volvo Group and Yara International. A lawyer by education, he is also a Fellow Chartered Accountant, with a forensic background at PwC and KPMG.

---

“Too often, board discussions about culture are led by ‘gut feeling’ or misleading anecdotes, which are faulty premises for formal decisions. How do we as CCOs lead a more data-driven discussion about culture with boards?”

Ezekiel Ward

---

“When you know you’ve got a lose/lose situation on your hands, perform a “which is worse” analysis. Consider the short-term and long-term ramifications on your program and on your career. Consider how your choices will affect you in the next five minutes, five weeks, five months and five years.”

Kristy Grant-Hart

## Tool 1: “Which Is Worse?” Analysis Tool

Let’s face it — sometimes you’re simply stuck in a lose/lose situation. When you know you’re not going to win, sometimes it’s better to determine which of your choices is worse, meaning that you can make the least-worst choice. It’s easy to be shortsighted in making these determinations. Fill out the table below to determine the best long-term decision when faced with a lose/lose situation.

**When to use:** When you’re faced with a challenging decision to make between two options, use this tool to analyze the immediate and long-term impact of the options, specifically if it feels like a “lose/lose situation.”

Decision to Be Made:		
What will happen if I choose this option?	Option 1:	Option 2:
Now		
Tomorrow		
In a Week		
In a Month		
In Two Months		
In Six Months		
In a Year		
In Two Years		
In Five Years		

**Based on this analysis, which is the least-worst option?**

“Making the case for resources is one of the most crucial jobs that a CCO can have. Doing it effectively can mean getting what you want and what you need in order to have the program that will flourish within the company.”

Kristy Grant-Hart

## Tool 2: Choice-of-Yes Planner

When making a request for resources or favors, be sure to use a choice-of-yes pattern. To use a choice-of-yes pattern, present three options, all of which are acceptable to you. Don't include “no” as one of the choices. Fill out the form to help you frame your requests in a way that's likely to end with a smile.

**When to use:** When presenting a request for a new initiative or requesting additional resources, use this tool to secure alignment in your favor.

What I Want:		
Options to Present		
Option 1	Option 2	Option 3
Pros for Option 1	Pros for Option 2	Pros for Option 3
Cons for Option 1	Cons for Option 2	Cons for Option 3
Best Argument for Option 1	Best Argument for Option 2	Best Argument for Option 3

Option 2 should be the most desired. If the option you want isn't in the Option 2 position, move the options around or choose different options until your choice-of-yes pattern leaves Option 2 as the one you really want.

“You want to show your three-year plan and ask for feedback. If the individual or the group does not like your vision, you want to know that right now, so you can pivot. You want to make sure that they agree to the vision and that if they don’t, you change it, because if you spend the next three years performing something you think is great, if somebody has an unvoiced objection or that’s not what they would’ve chosen, you want to know that right now, before you start. Get that vision before people and allow them to say yes to it so they’re bought into it.”

Kristy Grant-Hart

### Tool 3: Three-Year Vision Template

The framework used to craft this three-year plan comes from the structure laid out in the seven elements of effective compliance as enumerated in the United States Federal Sentencing Guidelines, Chapter 8. This framework, and those similar to it, have been endorsed and used by companies and regulators throughout the world, including by the United Kingdom’s Ministry of Justice in its guidance on what constitutes an adequate procedure defense to the strict liability offense of violating the UK Bribery Act.

The framework takes the compliance program and breaks it into the **seven elements** (below). The three-year vision is laid out by element, and then the goals and deliverables required to achieve the vision are enumerated. The Compliance Dashboard keeps everyone on track to achieve the vision.

**When to use:** An essential step in getting buy-in from broader stakeholders is to ensure alignment to your strategy and your vision. Presenting a three-year vision and getting feedback can help you understand potential concerns or roadblocks, pivot as needed and create a vision that everyone agrees with.

#### The Seven Elements

Element Name	Definition	Example(s)
Policies and Procedures	Written guidelines or rules stating how an organization or individuals within the organization are to behave.	Anti-bribery policy, Code of Conduct
Training and Communications	Teaching and reinforcing a set of skills or behaviors.	Emails, antitrust eLearning courses

## The Seven Elements (Continued)

Element Name	Definition	Example(s)
Monitoring and Auditing	The process of reviewing systems, activities and data to determine whether the actions being taken are creating a culture of compliance and adherence to the law and company policies.	Reports from the whistleblower hotline
Third-Party Management/ Due Diligence	The process of reviewing parties that work with or for the company to ensure that they have a good reputation and are not sanctioned or otherwise problematic.	Sanctions screening of third parties, employee background checks
Discipline and Incentives	The process of managing potential misconduct, performing investigations, making consistent conclusions regarding discipline and incentivizing good behavior.	Whistleblower hotline procedures
Risk Assessment	The systematic review of the compliance-related risks facing the business with a ranking system that results in a plan for continuing risk mitigation.	Risk assessment report
Governance	The structure surrounding the program to create its success, specifically when it comes to management interaction and publishing of disclosures required by law.	Board minutes detailing regular meetings with the compliance lead



## Where We're Going

Element Name	What We'll Accomplish	Deliverables to Prove Accomplishments
Policies and Procedures		
Training and Communications		
Monitoring and Auditing		
Third-Party Management/ Due Diligence		
Discipline and Incentives		
Risk Assessment		
Governance		



## Breaking It Down

Segmenting our three-year plan into annual plans.

Year 1		
Element Name	Year One Goals	Year One Deliverables
Policies and Procedures		
Training and Communications		
Monitoring and Auditing		
Third-Party Management/ Due Diligence		
Discipline and Incentives		
Risk Assessment		
Governance		





## Breaking It Down (Continued)

Segmenting our three-year plan into annual plans.

Year 2		
Element Name	Year Two Goals	Year Two Deliverables
Policies and Procedures		
Training and Communications		
Monitoring and Auditing		
Third-Party Management/ Due Diligence		
Discipline and Incentives		
Risk Assessment		
Governance		



## Breaking It Down (Continued)

Segmenting our three-year plan into annual plans.

Year 3		
Element Name	Year Three Goals	Year Three Deliverables
Policies and Procedures		
Training and Communications		
Monitoring and Auditing		
Third-Party Management/ Due Diligence		
Discipline and Incentives		
Risk Assessment		
Governance		



## Annual Compliance Dashboard

To be filled in on a monthly basis

Compliance Dashboard: [DATE]		
Element	Annual Goals	Progress Update
Policies and Procedures		
Training and Communications		
Monitoring and Auditing		
Third-Party Management/ Due Diligence		
Discipline and Incentives		
Risk Assessment		
Governance		

“We can all drown in data. There’s just so much of it, and there are newer forms of collection, automation and analytics constantly evolving. But only some data is useful, and the way you use it as a compliance professional in the boardroom will directly impact the success of your program.”

Ezekiel Ward

## Tool 4: Data in the Boardroom Planner

**When to use:** Too often board discussions about culture are led by “gut feelings” or anecdotes, which are faulty premises for formal decisions. So how do we as CCOs lead a more data-driven discussion about culture with boards? This diagram provides an example of how to create data on your compliance culture for use with the board.

### Data in the Boardroom: An Example of How to Create Data on Your Compliance Culture for the Board



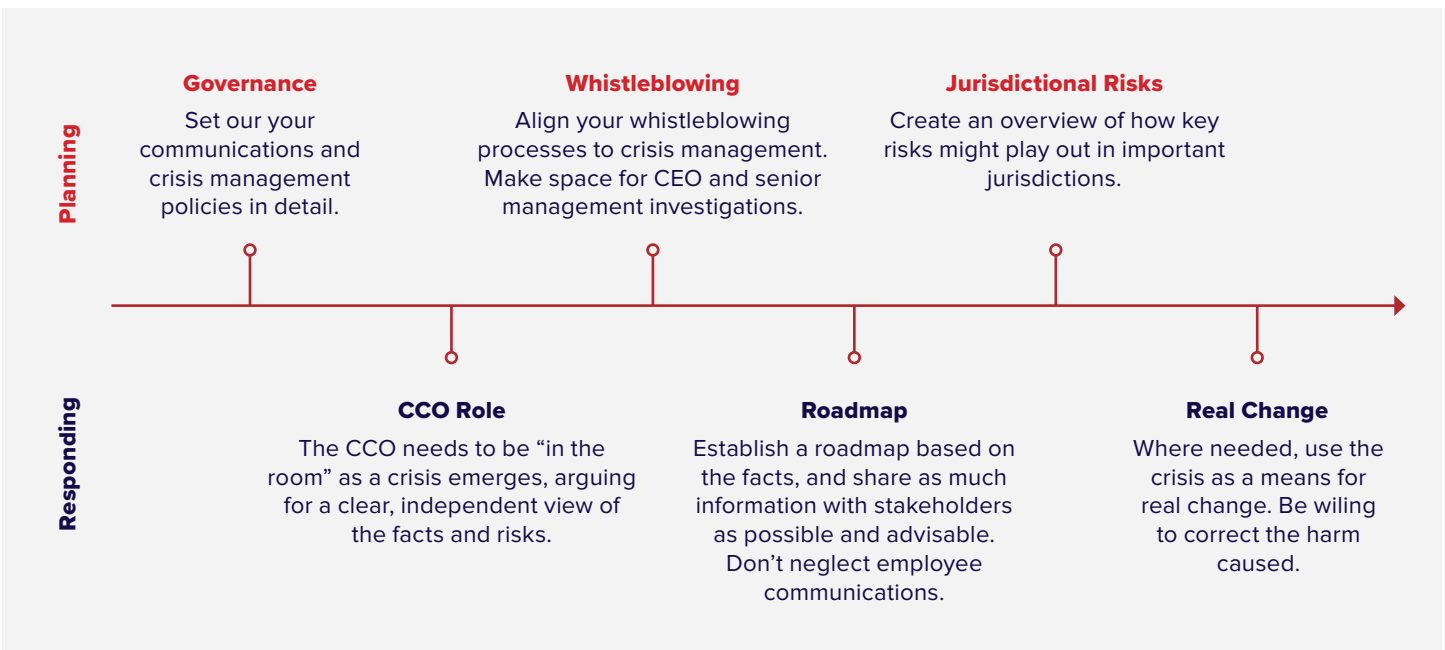
“The compliance function has a critical role in planning for an integrity crisis, along with expert functions such as security, legal and communications. Your job is to make sure that the role of CCO is integrated into the crisis management policy or whatever governance is in place in your organization.”

Ezekiel Ward

## Tool 5: Crisis Management Planner

**When to use:** Planning for a crisis can be nearly impossible. But any organization can set out clear guidelines on what is expected in a time of crisis. This tool helps define how to plan and respond to an integrity crisis.

### Crisis Management: Planning a Response to an Integrity Crisis



“ESG is the future of compliance. How do compliance functions start their journey toward this future? The first step to take is understanding your stakeholders’ perspectives. ESG means different things to different people, and you need to know how they are approaching the numerous topics within the field.”

Ezekiel Ward

## Tool 6: ESG Stakeholder Management Framework

**When to use:** A question often raised is how CCOs begin the journey toward ESG or integrated risk management. The first step to take is understanding your stakeholders’ perspectives. ESG means different things to different people, and you need to know how they are approaching the numerous topics within the field. The first framework helps understand the perspectives of different stakeholders and the second helps build out your definition of what ESG means for your organization.

### What is “ESG” to different actors in society? Different groups mean different things.





**Learn how Diligent Compliance solutions** empower compliance leaders to build stronger relationships with the board and C-suite and create a culture of compliance.

## **About Diligent**

Diligent is the leading governance, risk and compliance (GRC) SaaS company, serving 1 million users from over 25,000 customers around the world. Our innovative technology gives leaders a connected view of governance, risk, compliance and ESG across their organizations, sparking the insights they need to make better decisions and lead with purpose.

Learn more at [diligent.com](https://diligent.com)