

CEP Magazine – December 2019 Three crucial elements: Servant leadership, CARE, and kaizen

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Business leaders are often highly focused on maximizing profits and minimizing expenses, which may appear as if they have lost focus on what is most important: people! People are employees, customers, vendors, and others who are the foundational structure and success of business outcomes. Your compliance team can help build a value-based organizational structure so these people feel important, which can result in optimal productivity and minimized risk. A compliance team that interlaces three elements—servant leadership, CARE (Compliance, Audits, Risk, Ethics), and “kaizen” (a Japanese business philosophy of continuous improvement)—into the organizational structure helps lead a successful business.

Servant leadership

Many of us still get a little nervous when a police officer is behind us, even if we are doing nothing wrong; we monitor ourselves and are a little extra careful. Well, employees are the same way around compliance folks. Even after years of working with certain people, when I walk around, I still hear, “Did I do something wrong?” After eight years in compliance, I have grudgingly accepted that even the best compliance team can only do so much.

The compliance team should minimize the watchdog reputation as much as possible, though we need to understand that this impression will be impossible to remove completely. The team, however, can do their best every day to prove that they are servant leaders. To demonstrate servant leadership, compliance professionals should practice open collaboration and clear communication, which are the foundation of strong work relationships, because they help build trust, respect, empathy, and passion among individuals.

Along with collaboration and communication, compliance teams should always promote an open-door policy and self-reporting. All employees should feel free to visit and talk to compliance team members any time they want to, and employees should be encouraged to self-report any compliance issue. In turn, the compliance team should praise employees who embrace these behaviors. For example, if someone self-reports an error, and this error is of risk and calls for accountability, consider noting that the person self-reported and reduced the accountability level. Remember, we are all responsible for compliance, and we are all human. When an error occurs, employees should feel comfortable talking to compliance, and compliance should feel comfortable rewarding this behavior. Actions and words must align for a successful compliance team.

The compliance department must be passionate, consistent, and work as one cohesive unit. Compliance must work with all departments, so having a team of compliance professionals who are committed to servant leadership is critical for the organizational culture and financials. Encourage new folks to become a part of the compliance team by earning the title of “compliance champion.” We strive to have compliance champions in all departments so we can minimize risk. We all know what happens when lots of folks are doing something wrong, but no one reports it. I can think of a few recent examples. Can you?

Lastly, it is crucial that you look in the mirror and ensure you really are a servant leader so you don’t lose

credibility. Each employee who becomes interlaced with compliance helps the business grow by mitigating risks. They are passionate about doing things right, which enhances the values of the organizational culture.

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