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Tailoring compliance reports for diverse audiences

By Bailey Mack, CCEP, CHPC

In the intricate tapestry of modern business, compliance reports stand as vital threads, ensuring that organizations not only adhere to legal and ethical standards but also communicate their adherence effectively. However, the art of crafting these reports is no mere administrative task; it's a nuanced exercise in precision and adaptability, often learned through trial and error in real-life experiences.

The challenge lies not just in gathering accurate data and insights but in tailoring this information to suit the diverse needs of various audiences. From the boardroom's strategic thinkers to frontline managers, from regulatory watchdogs to potential investors, each audience seeks something different from compliance reports. For some, it's the assurance that the company is mitigating risks effectively; for others, it's the detailed evidence of regulatory adherence.

This article dives deep into the realm of customizing compliance reports, offering actionable tips and practical advice to transform these documents from mere formalities into powerful tools of communication and trust-building. Strategies are provided to identify and understand the unique needs of each audience segment, ensuring that your report speaks directly to their concerns and interests. By focusing on language, structure, and presentation, you'll have a road map to the process of creating reports that are not just informative but are also engaging and persuasive. With these insights and tools, your compliance reports can transcend the antiquated traditional role, becoming instrumental in fostering transparency, trust, and confidence among all stakeholders.

Identifying and understanding your audience

The first step in audience-centered reporting is identifying who your report is for. Your audience could range from internal management to external regulators, from shareholders to the general public. Understanding your organization's key stakeholders can be an asset in generating these bucketed groups. If you have yet to generate a stakeholder analysis, this can be accomplished by considering data input into the agency and the associated data output to said stakeholders. The data output is the assessment of the audience's needs.

Different stakeholders have different priorities and levels of understanding regarding compliance. Understanding this is vital to determining the report's tone, structure, and content.

Practical advice

- Classify your audience into groups based on their roles and interests in your report through a stakeholder analysis.
 - Assess what each segment of your audience is looking for in the report.
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The internal management groups include such parties as executives, board members, operational managers, and the compliance team. Even within this grouping, the parties named have different understandings of compliance and different needs. While executives and board members are likely experienced in business operations and industry focus, this does not automatically translate to being experienced with an effective, efficient, and involved compliance program. You may need to offer regular ongoing training to educate these individuals at levels related to what they need to know in association with what they want to know. This group is usually focused on a high-level overview, but what they need to know is a focus on compliance status, risk management, and any significant issues that could affect the company's strategic plan.

Meanwhile, operational managers require more detailed information about how compliance affects day-to-day operations, including specific departmental impacts and operational compliance. They want to know how their product/service is being impacted and what that could mean for their staff as well as the client/customer.

Continuing along this vein of grouping, we can assess that external regulators and auditors require detailed, factual, and comprehensive data. They are interested in evidence of adherence to laws and regulations and the compliance program's effectiveness. They may need information segmented by different regulatory requirements or jurisdictions.

The above analysis and walkthrough should be conducted for all your stakeholders. Compliance is an in-depth, heavily organized, and thoughtful endeavor. This exercise can support communication with the board regarding the need for a robust compliance program.

Practical advice

- Gather feedback directly from your audience to understand what they find most valuable in a compliance report by conducting surveys or interviews.
- Analyze previous reports to see what worked and what didn't based on the feedback and engagement they received.

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