

# A Different Approach

Strategic influencers can help to bring clarity of voice to governance and compliance within an organisation

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Just imagine a future where the voice of governance and compliance is clear – not only is it heard, but also understood, universally respected as a business enabler, and applied consistently throughout your organisation.

With an ongoing commitment to projecting this voice, the key principles of governance and compliance can be used in everyday operational decisions and form a core aspect of company culture. As a result, they can be fully utilised as a strong foundation in support of delivering long-term sustainable performance for all stakeholders to benefit from, while promoting agility and trust as we continue to traverse an ever-disrupted business environment.

There's currently inconsistency in the way we speak about governance and compliance, and the frequency and tone in which we deliver it, but we have the ability to be instrumental in driving change and placing it at the heart of company culture.

## A New Era

With implementation well underway to comply with a number of sweeping changes made in 2018 to the UK corporate governance framework for both premium listed and large private companies, there has never been a better time than now to challenge how we embed these principles, along with compliance requirements, into the fabric of our organisations.

An emphasis has been placed on the board's requirement to influence and have oversight of corporate culture. A key component of a strong culture is that everyone embodies the company values, demonstrating them through day-to-day behaviours and actions. We need to ensure as part of this that we weave in governance and compliance as integral components.

The benefits of taking a proactive role in bringing clarity of voice to governance and compliance are:

1. it helps them become accessible, relatable and easier to implement
2. we support the board's requirement to influence culture
3. it's rewarding to tap into our creative side and collaborate with others
4. we raise our profile to a wider internal audience
5. we contribute towards building trust and confidence, which in turn supports society
6. it helps prevent failures, avoiding the detrimental ramifications for many stakeholders
7. it demonstrates a consistent commitment, helping mitigate reputational and financial fallout if a failure were to occur.

## The Embedding Process

Put simply, to embed governance and compliance, we need to communicate and engage employees. The Chartered Governance Institute 2018 Next Generation Governance Report, clearly reflects this point. With

responses from over 400 governance professionals, when asked 'What factors have the biggest impact on the quality of governance?' 43% responded that 'communication' and 'stakeholder engagement' collectively would have the largest impact.

Despite these findings, I believe a gap remains between recognising this and the action taken to utilise the benefits of communication and engagement. Having worked in-house as a chartered secretary, I was often frustrated by the lack of awareness and understanding when I talked to colleagues outside the c-suite bubble – I saw this as my problem. As a consequence, I continued my journey by establishing an internal communications consultancy, with the mission to bridge the gap between the technical and creative worlds. By doing so, I would help my peers bring clarity of voice to governance and compliance and foster greater engagement in an easier and more effective way.

With this in mind, and as we continue to navigate our way through an eventful year of implementing new requirements, I've created five key 'embedding' actions to consider:

## 1. Adopt a Strategic View

Over the past few years, we've seen increased reference to the importance of both strong culture and good governance, with recognition that they afford clear competitive advantages. However, you cannot have one without the other, and both require employee engagement. While this is possible to obtain, sustained engagement needs constant nurturing and a strategic approach.

For long-term success, we can't take short-term sporadic steps and expect this to work. Rather than delivering governance and compliance communications on an ad hoc basis when new requirements come in and then move on, we need a clear roadmap. We need to create a plan that pieces everything together coherently over the year, with objectives set for the next few years.

By taking a strategic view, we have the ability to move away from functional communications that deal with topics in isolation and move towards a holistic approach where core governance and compliance principles are woven and reinforced throughout a variety of communications. This way we influence behaviours and culture on an ongoing basis, empowering employees through context, joined up messages and clear connections to the business strategy, purpose and values.

## 2. Devise a Project Team

Given the constant demand on time and resource, collaboration is key. Out with a siloed departmental approach, and in with project teams. Work alongside HR and internal communications teams, or any other colleagues who are responsible and produce employee communications to find synergies, share resource and connect topics seamlessly.

Find somebody within your immediate team who wishes to take this on as an ongoing project. It will develop their understanding of the key principles

of good communication and broaden their commercial expertise.

Build a team of champions and advocates that span the business, across subsidiaries and a variety of locations. This will help project the governance and compliance voice and make sure any findings or feedback are raised in a timely manner to allow for incremental improvements to be made.

### 3. Consider your Communication Style

We need to look at the way we communicate with colleagues and be mindful of the change in how we now absorb information and retain it. Lengthy and formal policies tick the box, but often fail to engage and change behaviours.

We generally see companies cover the 'what, when and how', but often miss the 'why', which is vital in providing context to the bigger picture and business goals. Similarly, we see a lot of formal language and legal jargon that the majority of people shy away from. Another problem is large paragraphs of text, with no visuals, breaks or variations of format, making it tiresome for people to read.

We can easily address these issues while also focusing on a principle of 'less is more'. Providing little and often is far better than a single communication which overwhelms the reader and prompts them to switch off.

Consider having content on-demand as we're now generally more adept at retrieving answers from the likes of Google when we need them rather than relying on memory recall. Including scenarios and stories also helps to make things relatable and more memorable.

Lastly on this point, try using a variety of communication channels, both digital and print, to suit your audience. Utilise opportunities for two-way dialogue so it becomes more people-centric – gain views and feedback whenever possible. To engender a sense of empowerment and buy-in you could even try this when drafting policies and procedures by asking for opinions from a group of operational employees who are key users before they are finalised and circulated.

### 4. Get Creative

As chartered company secretaries and governance professionals, we possess a myriad of skills and technical abilities that can really add value to the process of communication and engagement. We may not see ourselves as creatives, but you'll be surprised at how this can be nurtured when working alongside those who are when devising an engagement strategy, communications plan or campaigns. I would never have said I was creative, but I am, and it's certainly developed over the past seven years of immersing myself in this.

With the changing workplace landscape, creativity is ranked as one of the highest skills to possess, so it's also great for personal development and helps you think outside of the box in so many other ways.

You just need to get comfortable with testing, reviewing and refining the process as there is no

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single way of achieving consistent engagement that works for everyone. Creativity can be fun and no idea is a bad idea – they often open the door to unique and innovative outcomes.

### 5. Listen, Measure and Report

Communicating to engage employees is an ongoing process so it's key to take regular reviews of progress achieved. Engagement is as much about listening as it is about talking, so reach out and gauge current sentiment via pulse surveys and then conduct these again at the end of each campaign to determine any shifts in awareness, understanding and engagement. Demonstrating behavioural and knowledge shifts help give your actions credibility, value and provides a clear record of accountability and commitment to nurturing a strong culture.

The Code is placing more emphasis on the need to not only engage, but to evidence this engagement. Listening and measuring throughout the year will provide ample content for reporting purposes that is both authentic and robust.

### An Impossible Task

There is no quick win to embedding governance and compliance into company culture, so this may all seem like an impossible feat given current demands and available resource but focus on culture is a worthwhile investment that will pay off in the long-term. This is reinforced by a quote from Sir Winfried of the FRC: "A healthy culture both protects and generates value. It is therefore important to have a continuous focus on culture, rather than wait for a crisis... strong governance underpins a healthy culture".

If we fail to look outside of the box and continue to just tick it, we'll remain at threat of breaches and failures despite having a new framework and robust new policies in place.

### Next Steps

If we want to foster a genuine culture for 'doing the right thing' as part of day-to-day business, this involves having buy-in from every employee. This is difficult in the transient workplace we operate in, so we need to combine policy and process with communication for increased and consistent engagement.

It is evident that a company's culture carries more gravitas than ever before and it's not about to subside, so we must acknowledge our part in influencing this by communicating what we know best – governance and compliance. So, let's keep this discussion open by using #NextGenGov on social channels – share ideas and success stories so we collectively #ChallengeTheProcess and make an impact. n