

Governance | That Pesky C Word

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Corporate Governance and Business Transactions

14 articles

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Whether your company is big or small, you live (know it or not) each day with *that Pesky C-Word*.

The *C-Word* subject matter strikes most owners and executives as one or more of: boring, pedantic, gets in the way, slows down the mission, distracts from goals and progress, needless details, lint-picking, money and time wasting, consultants' self-serving payday, and so many more.

Most companies of any size hire people and support staff to cover the *C-Word*. Those people are the ones on the wall; they guard the citadel. They enable us to say good night and turn in for regenerative rest. They enable us to rise and work each day and take occasional holidays, all with confidence that bad surprises are unlikely to occur based on what we do.

And yet, these *C-Word* people daily fend off owners and leaders who hide, feint, slide, stretch, bob and weave and, yes, lie, to “advance the mission.” No, we do not live in Utopia; got that. There is a “real world” out there—one that is nasty, competitive, and unforgiving; understood. And, yes, we know it is naïve to think we work on the set of *Mr. Rogers Neighborhood*.

Engineers, accountants, lawyers, and other consultants work with the *C-Word* people to support, inform, and interpret the changing requirements that affect

the enterprise. A component of the fees you pay includes the right to blame us if the train goes off the track... or if guys and gals with shields and government ID's show up at your front desk.

By now, dear reader, you are way past the puzzle and know that we are talking about **Compliance**, sometimes called "Corporate Compliance," that ever, ever-so-pesky *C-Word*. While the specific applications to your business can be complex, the basics of Compliance are not complicated.

One handy version to explain the *C-Word* is ***"... the act of adhering to or conforming with a law, rule, demand, or request. In a business environment, conforming to the laws, regulations, rules, and policies is the part of business operations often referred to as "corporate compliance." Corporate compliance involves keeping a watchful eye on an ever-changing legal and regulatory climate, and making the changes necessary for the business to continue operating in good standing within its industry, community, and customer base. In a broader sense, corporate compliance extends beyond mere legal and regulatory conformity into the realm of promoting organizational ethics and corporate integrity."***[\[1\]](#)

Another buzz-word-free hint to describe the *C-Word* is ***"... the action of complying with a command, or the state of meeting rules or standards. In the corporate world, it's defined as ... making sure your company and employees follow all laws, regulations, standards, and ethical practices that apply to your organization and industry. ...[C]ompliance covers... internal policies and procedures, as well as federal and state laws. Enforcing compliance helps... prevent and detect violations of rules, which protects your organization from fines and lawsuits. The compliance process should be ongoing."***[\[2\]](#)

One excellent way to lower the *Bogacity Score*™[\[3\]](#) of your company that we all claim to care so much about, and in so doing reducing our own personal *Bogacity Scores*™ one humbly suggests, is to think on these things. One imagines little worthwhile to be gained from hiding the ball from our dedicated *C-Word* people, or treating them like the corporate auto-immune rejection of some virus.

Compliance, in its simplest sense is a tidy way to (a) keep those badge and ID peeps away from the front desk and (b) retain or regain one's self-respect as a leader.

Coming soon... Governance | *Measuring Scales for the Compliant*

Yours for Better Governance

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