

Compliance Fatigue Syndrome is Real

Forget chronic fatigue syndrome. A more serious ailment may be compliance fatigue syndrome. Which is more ruinous? Hint: One may result in time spent in a federal correctional institution.

In modern slang, is compliance fatigue syndrome even a thing? Unfortunately, it is a thing, but arguably it is a confused thing. Worse yet, if there is talk of it in an organization, it's a red flag — a big red flag. It means that the state of affairs is far worse than you believed.

What is compliance fatigue syndrome?

Urban Dictionary defines it as "a state of chronic fatigue induced by having to constantly maintain compliance with the ever-increasing variety of rules, regulations and processes created by middle management bureaucrats in both public and private organizations."

This frustration does not arise from an issue of whether to comply with legislation and regulations that have been lawfully passed and promulgated. This kind of frustration is with lawmakers and regulators who may be guilty of overregulation, which is ultimately a political issue.

Compliance fatigue syndrome is a misnomer in this situation. It is one thing to be frustrated at the increasing regulatory burdens placed on contractors and therefore "fatigued," but it is quite a different thing to be frustrated with compliance itself. The bottom line is this should not be called "compliance" fatigue but rather overregulation fatigue.

However, there may be resentment of time and money spent on compliance. In effect, this translates into the belief that compliance is a money pit with no benefit to the organization — a revenue drain rather than a revenue maker.

Budgets are tight in today's organizations, and money spent on compliance means that money won't be spent on revenueproducing programs. A manager might want to maximize spending on an important programmatic budget than on what may be considered "overhead." Unfortunately, that perspective betrays a culture that puts very little confidence in compliance.

Instead of viewing compliance programs as strengthening the organization, this attitude views them as just an obligation with little or no benefits. The proper attitude is to see how compliance is an outworking of the corporate culture that places great value on doing things right and making ethical corporate decisions. In the long run, an ethical company will gain a competitive advantage and will avoid devastating investigations and their consequences.

Resentment of the authority of compliance professionals is another symptom of compliance fatigue syndrome. Managers, workers, lawyers and auditors may resent having to take time out of their regular projects to deal with compliance officers who need information quickly. Additionally, managers may resent workers saying things in confidence or beyond their control.

Sometimes functions previously handled by other offices may now be controlled by the compliance office. For example, human resources may have dealt with all employee complaints and interviewed all employees, but certain complaints must now be handled by the compliance office. To be sure, how compliance professionals work with others will either contribute to this kind of fatigue or prevent it. However, in all cases, this type of internal power struggle fails to recognize the bigger picture and how the organization will benefit from effective programs.

Another indicator of compliance fatigue is resentment of stale and repetitive programs. Just as a lecture on nutrition doesn't cause overweight people to lose weight, ethics training alone won't prevent employees from making ethical mistakes. Dietary lectures may be helpful, and even necessary, but they are not sufficient for effective weight loss. Likewise, compliance and ethics lectures alone, however brilliant, will deter very few ethical lapses. This is especially true if the same lecture is repeated year after year. Compliance professionals need to work hard at making training fresh and relevant.

How can compliance fatigue syndrome be prevented?

A compliance program that encourages compliance with the law and regulations is a good start. The most effective programs, however, change the culture of the organization and the people in them. They have a set of core values that are clearly communicated and modeled by organizational leaders.

A values-based compliance program seeks to encourage leaders and employees to follow a set of core values that should result in more effective compliance. The culture of the organization is so internalized that employees are automatically asking: "What is the right thing to do in this situation?" This is better than relying on a memorized rule. This sort of ingrained attitude results from modeling leaders and managers within the organization who know that compliance will lead to more business success.

A values-based compliance program meets and exceeds what is required by federal authorities. The Federal Acquisition Regulation and other rules require a contractor to "promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law." This is how to effectively prevent talk of compliance fatigue syndrome.

In conclusion, to the extent that compliance fatigue is viewed as legitimate and is voiced, trouble will follow. It may be a veiled threat to effective compliance. It could be a way to undercut effective transformation of the corporate culture; undermine the authority and effectiveness of compliance officials; or gain an advantage in an internal corporate power struggle.

In contrast, employees in healthy corporate cultures are asking how to do the right thing in all circumstances and are grateful for help in doing so.

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