Diploma in Corporate Administration & Compliance

Compliance Fundamentals

Course Title	Compliance Fundamentals
Course Code	CML101
Type of Course	Core/Required
Level of Course	Undergraduate, First Cycle
Year of Study	First
Semester	Second
Credits (ECTS)	6
Prerequisites or co-requisites	N/A
Recommended optional program components	None
Language of Instruction	English
Mode of Delivery	Face to Face

General Information

Description

In the rapidly evolving regulatory landscape, understanding the fundamentals of compliance has never been more critical. The course is designed to introduce students to the key principles, practices, and challenges of compliance within the corporate sector. It is designed to equip you with a solid foundation in the key concepts of compliance, the role of regulatory bodies, and the strategies for developing effective compliance programs within organizations.

Through a blend of theoretical knowledge and practical application, you will delve into the complexities of legal frameworks, explore the intricacies of compliance risk management, and understand the significance of ethics and corporate governance in compliance processes. The course will feature a variety of learning methods, including lectures, case studies, guest talks from industry professionals, and hands-on exercises, providing students with a real-world perspective on compliance challenges and solutions.

Course objectives

This course aims to give you all the tools, knowledge, and skills they need to stand out as experts in helping organizations manage their rules and standards. This course promises to deliver an in-depth understanding of the foundational elements that underpin effective compliance frameworks. You will be immersed in a thorough exploration of compliance principles, delving into the nuances of legal and ethical considerations, and mastering strategic methodologies for assessing risks.

Furthermore, the course offers a deep dive into managing the compliance function, equipping you with the knowledge to design, implement, and oversee compliance programs that not only meet current regulatory requirements but are also adaptable to future changes. Through this course, you will emerge as an expert capable of navigating the complex landscape of organizational compliance, poised to address challenges and drive the creation of value-driven compliance cultures within your organizations.

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Learning Outcomes

On successful completion of the course, students will be able to:

1. Have a solid foundation in the principles and practices of compliance across various industries.
2. Be equipped with the skills to design, implement, and manage comprehensive compliance programs.
3. Understand the ethical considerations in compliance work and how to foster an ethical organizational culture.
4. Be familiar with the technological tools and innovations that can support compliance efforts and enhance compliance operations.
5. Be prepared to address compliance challenges and opportunities in a rapidly changing regulatory and technological environment.

Course Readings & Learning Activities

Required Readings

- Lecture notes, assignments, cases, and other useful information will be posted on the CLASSE.
- Hayward, A & Osborn, T, The Business Guide to Effective Compliance and Ethics: Why Compliance isn't Working - and How to Fix it, Latest Edition, Kogan Page Ltd
- Grant-Hart, K, and Murphy, J., How to Be a Wildly Effective Compliance Officer: Learn the Secrets of Influence, Motivation and Persuasion to Become an In-Demand Business Asset, FT Prentice Hall.
- Many case studies can be found in the textbook.

Optional Readings

- Chesnut, R. and Hamilton, J, Intentional Integrity: How Smart Companies Can Lead an Ethical Revolution, latest edition., St Martins Press
- Reinke, G. Intentional Integrity: The regulatory compliance matrix: regulation of financial services, information and communication technology, and generally related matters, latest edition., Gold Rush Publishing
- Mills, A. Haines, P., Essential strategies for financial services compliance, latest edition., John Wiley & Sons Ltd
- Rooij, B., Sokol, D., The Cambridge Handbook of Compliance, Cambridge University Press.

Planned Learning Activities and Teaching Methods

- **Case Study Method:** Uses real-world accounting scenarios to teach you how to apply accounting principles and concepts.
- **Simulation and Role-Playing:** You will simulate real-world accounting situations or role-play as accountants, clients, or auditors.
- **Computer-Assisted Learning:** Utilizing accounting software and tools in teaching to simulate real-life accounting processes.

- **Collaborative Learning:** You will work in groups on accounting projects or case studies, encouraging peer-to-peer learning.
- **Problem-Based Learning (PBL):** You will be presented with an accounting problem to solve, requiring them to research and apply various accounting principles.
- **Flipped Classroom**: You will learn basic concepts and theories through pre-class assignments and videos. Class time is dedicated to practical application, problem-solving, and discussions.
- **Guest Lectures and Industry Interaction:** Inviting accounting professionals and experts to speak or interact with you.
- **Interactive Lectures with Real-Time Feedback**: Using technology such as clickers or educational apps to allow you to answer questions or solve problems during lectures and receive immediate feedback.

Course Notes

Copies of lecture slides and other class information will be available through your CLASSE365 account.

Course Detailed Syllabus

Students should read the assigned chapter(s) BEFORE the associated lecture date.

Topics	
Section I: Compliance Basics	
Learning Objectives: 1. Define compliance and understand its critical role in modern business operations and ethical practices. 2. Recognize the historical evolution of compliance and its growing importance in corporate governance. 3. Analyze the impact of non-compliance on organizations, including financial penalties, legal consequences, and reputational damage. 4. Navigate the complex global legal and regulatory landscape, understanding key international regulations and their implications for businesses operating in multiple jurisdictions. 5. Develop strategies for managing compliance effectively across different countries and regulatory environments.	
Lectures 1	**Understanding Compliance** • Introduction to compliance ✓ Definition and scope of compliance ✓ Historical evolution of compliance in business practices ✓ The role of compliance in corporate governance and ethical business conduct • Significance of compliance in today's business environment ✓ Case studies on the impact of non-compliance (financial, legal, and reputational risks) ✓ Compliance as a strategic advantage

Lectures 2	**Understanding Regulation: Purpose and Necessity**
	• Introduction to regulation
	• Objectives of regulation
	• Law and regulation
	• The differences between laws, regulations, and policies
	• Example of applicable laws and regulations for a company
	• Purpose of compliance sources for an organization or institution
	• Rules-based and principles-based approaches:
	    ✓ Regulatory models
	    ✓ Regulatory approaches
	    ✓ Regulatory powers
	• Sources of regulation

Lectures 3 & 4	**Global Regulatory Landscape**
	• Jurisdiction of the different regulators
	• Overview of international regulatory bodies (e.g., UN, WTO, IMF) and their influence on national regulations:
	    ✓ G-20
	    ✓ Financial Stability Board (FSB)
	    ✓ Bank for International Settlements (BIS)
	    ✓ International Organization of Securities Commissions (IOSCO)
	    ✓ European regulatory bodies
	    ✓ Professional bodies
	    ✓ Introduction to major compliance laws and regulations (e.g. Anti-Money

<table>
<tr><td></td><td>Laundering Directives, GDPR).

• Understanding compliance across borders
✓ Challenges of global compliance: Jurisdictional overlaps and conflicts
✓ Strategies for managing compliance in a global context</td></tr>
<tr><td colspan="2">Section II: The Compliance Function</td></tr>
<tr><td colspan="2">Learning Objectives:
1. Define compliance and explain the different roles involved in an organisation's compliance function.
2. Understand the key components and requirements related to the compliance function.
3. Implement a sound and proper compliance programme, manual, and set of policies for an organisation.</td></tr>
<tr><td>Lectures 5</td><td>Key Aspects of the Compliance Function
• Defining compliance
• Key duties and responsibilities of a compliance function
• Independence of the compliance function
• Head of Compliance
✓ Responsibilities and accountabilities of management and staff
✓ Understand how to Monitor whether a business complies with regulations, internal policies, and procedures
✓ Risks of non-compliance
✓ Identification, measurement, and assessment of compliance risk
✓ Compliance role in training
✓ Non-compliance by individuals
✓ Business development</td></tr>
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<table>
<tr><td>Lectures 6</td><td>Global Practices
• Global guidance: Ten compliance principles
✓ Responsibilities of the Board
✓ Responsibilities of senior management
✓ Adequate resources
• Compliance manual and policies
✓ Purpose and scope of the compliance manual
✓ Communicating the formal status of the compliance function
✓ Compliance monitoring programmes</td></tr>
<tr><td colspan="2">Mid–Term Examination</td></tr>
<tr><td colspan="2">Section III: Designing and Implementing Compliance Programs</td></tr>
<tr><td colspan="2">Learning Objectives:
1. Develop and implement comprehensive compliance programs that address the specific needs and risks of their organization.
2. Design and conduct effective compliance training that engages employees and promotes a culture of compliance.
3. Utilize advanced risk assessment tools and techniques to identify and mitigate compliance risks proactively.
4. Plan and execute compliance audits that provide meaningful insights into the effectiveness of compliance programs.
5. Prepare and manage compliance reports and documentation that meet legal and regulatory standards.</td></tr>
<tr><td>Lecture 7</td><td>Elements of an Effective Compliance Program
• Fundamentals of effective compliance programs</td></tr>
</table>

	✓ Core elements and their importance ✓ Compliance leadership and organizational culture • Policy and procedure management ✓ Development of policies and procedures ✓ Communication strategies and enforcement mechanisms • Strategic risk assessment ✓ Identifying and assessing compliance risks ✓ Risk management frameworks and tools
Lecture 8	**Implementation and Management of Compliance Programs** • Compliance training programs ✓ Designing effective training content ✓ Delivery methods and engagement strategies • Implementation strategies for compliance programs ✓ Integration of compliance programs into business operations ✓ Overcoming common implementation challenges • Group Activity: Compliance program design simulation ✓ Teams develop a compliance program for a hypothetical scenario, addressing risk assessment, policy development, and training strategies.
Lecture 9	**Compliance Monitoring and Auditing** • Effective compliance monitoring techniques ✓ Tools and techniques for continuous monitoring ✓ Role of technology in compliance monitoring • Compliance auditing principles

	✓ Planning and conducting effective audits ✓ Internal vs. External audits: purposes and outcomes • Enhancing compliance through auditing ✓ Learning from audit findings ✓ Implementing audit recommendations
Lecture 10	**Reporting and Documentation** • Compliance reporting best practices ✓ Internal reporting mechanisms ✓ External reporting and transparency requirements • Documentation and record keeping ✓ Legal and regulatory requirements ✓ Best practices in documentation management • Interactive Workshop: Audit scenario analysis ✓ Students analyze and discuss audit scenarios, focusing on identifying audit objectives, conducting the audit process, and preparing audit reports
Section IV: Compliance Ethics and Culture	
Learning Objectives: 1. Understand the ethical principles that underlie effective compliance programs and how these principles guide compliance practices. 2. Assess and influence organizational culture to promote ethical behavior and compliance with legal and regulatory standards. 3. Implement ethical decision-making frameworks within compliance programs to ensure ethical considerations are integrated into business processes. 4. Design and manage whistleblower programs that protect individuals and encourage reporting of	

	unethical behavior and compliance violations. 5. Navigate ethical dilemmas and compliance violations through practical exercises, enhancing their problem-solving and decision-making skills in real-world contexts.
Lecture 11	**Building an Ethical Culture** • Introduction to compliance ethics ✓ The relationship between ethics and compliance ✓ Ethical theories and principles relevant to compliance • Developing an ethical organizational culture ✓ Role of leadership in shaping culture ✓ Strategies for promoting ethical behavior and decision-making • Incorporating ethics into compliance programs ✓ Ethical decision-making frameworks ✓ Integrating ethics into policies, training, and communication
Lecture 12	**Responding to Compliance Violations** • Responding to compliance violations ✓ Ethical considerations in investigating violations ✓ Remediation and disciplinary measures for non-compliance • Whistleblower programs and protection ✓ Importance of whistleblowing in compliance and ethics programs ✓ Best Practices for designing effective whistleblower protection programs • Case studies and role-playing exercises ✓ Analyzing real-world scenarios involving ethical dilemmas and compliance violations

	✓ Role-playing exercises to practice ethical decision-making and response strategies
Section V: Technology and Compliance	
Learning Objectives: 1. Identify and utilize key technologies that support compliance management, risk assessment, and monitoring efforts. 2. Understand the critical importance of data protection laws and cybersecurity measures in maintaining compliance and protecting organizational integrity. 3. Evaluate the potential of emerging technologies, such as blockchain and AI, to enhance compliance processes and ethical standards within organizations. 4. Develop strategies for keeping abreast of technological advancements and integrating innovative compliance solutions into existing compliance frameworks.	
Lecture 13	**Harnessing Technology for Compliance** • Introduction to compliance technology ✓ Overview of compliance technology landscape ✓ Key technologies driving compliance efforts (Compliance Management Systems, RegTech) • Digital tools and platforms for compliance ✓ Automating compliance processes: Case studies and best practices ✓ Leveraging data analytics for risk management and compliance monitoring • Technology-enabled compliance training ✓ E-learning platforms and digital training tools ✓ Gamification and interactive learning in compliance training • Data protection and cybersecurity in compliance

	✓ GDPR, CCPA, and other data protection regulations ✓ Cybersecurity frameworks and compliance (NIST, ISO 27001) • Emerging technologies and compliance ✓ Blockchain for transparency and audit trails ✓ AI and machine learning in risk assessment and fraud detection • Preparing for the future of compliance technology ✓ Trends and predictions: The future of compliance in the digital age ✓ Developing a strategy for integrating new technologies into compliance programs
Course Reflection, Specialization, and Application	
Lecture 14	**Reflection and Review** • Recap of Major Topics and Themes • Highlighting Key Learnings and Insights • Identifying Connections Between Concepts • Interactive Q&A **Reflective Practices** • Reflection essays • Small group discussions • Whole class discussion **Considering Future Directions and Applications** • Applying course knowledge to real-world contexts

	• Setting goals for future learning and development Exploring opportunities for applying learning beyond the classroom
Revision	
5Lecture 14	**Course Revision & Practical Application** • Case study scenarios • Applying knowledge to real life scenarios
FINAL EXAMINATION	

Assessment Method and Criteria

Type of Assessment	**Weight**
Final Examination	60%
Mid Term Examination	30%
Class Attendance and Participation	10%

Assessment Criteria

Numerical Grade	**Grade**	**Meaning**
90-100%	A	Excellent

85-90%	B+	Very Good
80-84%	B	Good
75-79%	C+	Above Average
70-74%	C	Average
65-69%	D+	Below Average
60-64%	D	Poor
Below 60	F	Failure