

How should companies address sales pressures from an anti-corruption and compliance perspective in this COVID-19 environment?

Updated as of March 11, 2020:

Challenging economic environments, whether temporary or long-term, put pressure on sales organizations to make sales. This can lead to increased risk of fraud, kickback schemes, bribery, and more. There are several steps companies can take to reduce those risks, including:

- Acknowledge that the risk of bribery and corruption increases in moments like this one: economic downturn, risk to supply chain, restrictions on the movement of goods and people. Reinforce the company is committed to acting ethically and in accordance with the law, and that these challenging times do not change that commitment. Focus on employees and high-risk third parties (e.g., distributors, agents, customs brokers).
- Ask that employees reach out when they need guidance or are faced with corruption risk. Remind employees where they can access compliance resources to answer questions, provide guidance, or to report potential violations of laws, regulations, or company policies.
- Encourage management—both senior and middle management—to reinforce the company's values and assure employees that the company's commitment to compliance is not overshadowed by economic concerns. This could start with a clear communication from the CEO and/or board emphasizing that pressures created by COVID-19 will not cause the company to compromise its core values, including commitment to conduct business ethically.
- Consider temporarily increasing scrutiny over certain business areas that are subject to greater corruption risk. Examples could include conducting targeted reviews of high-risk transactions or expanding due diligence requirements for high-risk third parties.
- Ensure critical compliance functions have the necessary resources to enable compliance work to continue even if employees all work remotely during the coronavirus outbreak.