

# Sailing in or sailing out the financial regulatory landscape?

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**L**eading in the depths of regulation is becoming a real puzzle (not to say a headache). When companies are given tight regulatory frameworks, managing feels like “interpreting” what the regulation imposes with the perception that little room for manoeuvre is left.

On the one hand, regulation, policies, standards, and controls never sleep, and on the other, regulatory professionals are in high demand but hit by a talent shortage. Navigating amid never-ending regulation can cause suffocation and stress to professionals, who, despite their knowledge and aptitudes, need meaning in what they do. In parallel, leadership ought to frequently adapt and find ways to remain compliant



by contemplating organizational changes at a time when penalties for not following regulations can mean anything from a warning to a heavy fine.

Is there a distinctive mindset to sail the regulatory landscape? How to retain the workforce when the going gets tough? Tapping into the “What” in contrast with the “How” may unravel an effective way to be compliant. The risk-based approach asks you to understand and anticipate so why should our thinking stop at the point regulation takes up?

Blocking creativity creates rigid working environments that can cascade involuntarily into fixed mindsets. How to keep a workforce motivated when the only way to comply with regulation implies, that we follow a set of instructions? How to get it right and avoid “quiet quitting” (or alternatively loud exciting)? How to make work purposeful without losing one’s thinking and creativity?

A set of laws and regulations does not necessarily define a certain way of “being compliant”. Whilst regulation sets forth

what needs to materialize to be compliant, the method you adopt to ensure compliance is still yours. Regulation instructs the “what” (end goal). Organizations are tasked to define, in the most effective way, the “how” to be compliant. We are done with tick-box attitudes and spoon feeding teaches nothing other than the shape of the spoon.

In such confluence of circumstances, today’s workforce needs oxygen, let people breathe! Let go of the bridle and encourage creativity and out of the box thinking!

Double bottom line can be achieved despite strong regulation. How? By building knowledge through interesting and practical trainings, per business line, allowing “ask anything” and real conversations in a safe and trustful environment. Give the workforce tools and means to know it all. Keep it simple, interact,

encourage legitimate curiosity to allow employees to sense what the regulation is aiming to achieve. Encouraging flexibility of mind opens the door to diverse ways to do things including in compliance (when possible).

Carve out from the competition! Understand where business value can be enhanced and use the regulation at both the company, its clients and stakeholders’ advantage.

As regulation goes hand in hand with regulators, one should not lose sight of the importance of building successful relationships with the latter. Regulated entities’ strategic planning involves commitment and forward looking by building processes and documentation from the inception. Be “examination-ready” and “investigation-ready” at all times.

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