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Incorporating Behavioral Science in Audit & Monitoring (Part II)

The integration of behavioral science into audit and monitoring can enhance compliance within organizations via effective analysis of data to identify potential risk areas. This note summarizes part two of our two-part podcast with Richard Bistrong of Front-Line Anti-Bribery LLC and Jules Colborne-Baber of Deloitte on this topic, which can be accessed in full [here](#). Part one of the podcast, which focused on how behavioral science can help inform strong compliance programs, can be accessed [here](#).

- Elements of effective compliance audit and monitoring:
 - Data is an important component of effective auditing and monitoring, but data sets and trends must be reviewed holistically and in conversation with the business to identify potential concerns (*e.g.* expenses under a certain threshold might not be queried, but the frequency of these expenses combined with a potential lack of business justification must be considered)
 - Behavioral science theories remind us that we must engage in conversations with the business to understand patterns and practices and why those are occurring (compliance cannot sit in isolation)
 - Testing operational and design effectiveness on an ongoing basis is critical, as trends and behaviors change
 - **Takeaway:** Using data and behavioral science to inform testing and monitoring leads to efficient and effective compliance solutions, but they should be continually assessed for effectiveness
- Fostering a speak-up culture is critical to ensuring effective monitoring:
 - Monitoring and testing can never catch all red flags or instances of misconduct; conversations must occur and the business should speak up about both their own challenges and non-compliance observed in others, and have trusted processes for doing so
 - Organizations should demonstrate that speaking up is valued through leadership culture and by handling reports of non-compliance appropriately
 - Sharing lessons learned during training sessions and ethical dilemma workshops can help employees internalize these values by giving individuals a platform for discussion and exchange
 - **Takeaway:** Ensure personnel are motivated to speak up and create trusted channels for doing so

Speakers



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