They get a bad rap, but compliance officers don’t deserve all the blame. Are you provoking them? If you’re doing these things, you are creating your own compliance nightmare.

1. Being boring

Let’s start off with a glimpse of life from the compliance officer’s point of view. On a daily basis you are fed a steady stream of jargoned, generic, boring-to-tears blogs, websites, brochures and whatever else the marketing team decides to put on the agenda.

After a while, it all sounds the same.

That’s because financial advisor marketing is all the same – except in rare instances.

Remember that the compliance officer is a human being. How much enthusiasm would you have for reading this stuff? I mean, really. If you’ve ever whined about compliance taking forever to approve something you wrote, ask yourself this question:

If you were the compliance officer, would the thought of reading this content make you want to jump out of your chair and gobble it up lickety split?

Nah, you’d probably let it sit there at the bottom of the pile for as long as you could before people started sending you nastygrams.

I rest my case.

If you want to get your content approved quicker, write something that people, most of all the
compliance team, actually enjoy reading. Example: instead of the same old boring jaunt about business-owner retirement accounts, write an essay about the five best financially savvy, famous entrepreneurs. Maybe interview a business celebrity, somebody cool like Zuck.

Your compliance officer will be utterly delighted to read this blog. Not too many product or guaranteeing statements to take issue with here. They may even personally get a kick out of it.

2. Using trigger words

If it gets returned more than once with red lines everywhere, shame on you!

Imagine how annoying it is for the compliance officer to have to ding people for the same things over and over again. It’s just like the seventh grade history teacher who constantly marks three points off for students who think the Declaration of Independence was signed on July 4th (it was actually signed on July 2nd).

Here is a list of trigger phrases to avoid using. Stop driving your poor compliance officer crazy!

3. Not explaining how things fit together

Social media posts, multi-media, podcasts, videos, Instagram stories. The process isn’t as straightforward as reading text on a website anymore.

Here’s an example. Let’s say that you create a video to put on YouTube. Later on, you’d also like to put it on social media and your website.

Here is a list of all the things that need to be done by your compliance team:

- YouTube video file needs to be watched and approved
- Script for the summary field to go with the video needs to be reviewed
- Title for the video need to be approved
- Disclosures for the summary field need to be added
- Intro/outro screen for the video needs to be approved
- Disclosures for the end of the video need to be approved
- All this needs to be archived
- Comments need to be disabled anywhere you put this video

Now, it would be ideal if the advisor packaged this up into a neat little email and tied it up with a bow. But here’s what happens more often than not to untidy the process:

- Compliance reviews content and then advisor’s boss, partner, friend, wife, (whoever) decides they want changes. Process starts over again.
- Advisor submits one piece of media at a time. This creates incredible confusion. Example: compliance officer receives summary script but has no idea what is the accompanying video.
- Compliance is not told the video will be put on the company website. This is discovered by chance two months later and now the company has a potential violation because nobody disabled comments.
Take the time to organize your submissions when there are many parts.

4. Abusing the hero story

Anecdotes can be a powerful way to get a point across but they are a compliance stumbling block when the story is made to sound like the advisor wears an “S” and is able to leap tall buildings in a single bound.

Example:

My client lacked visibility as to the certainty of his/her retirement income so after I did a customized portfolio review of his/her goals and needs (see, I’m using all the advisor jargon here at once) I recommended IUL and he/she lived happily ever after. Isn’t that just swell of me?

Yes, I am picking on those of you who use less-than-savory insurance sales tactics.

Any time you tell a story, focus on upon what it looked like from the client’s point of view, not what the results were. Nobody will believe your fantastic claims because people inherently distrust financial advisors. Moreover, what concerns the reader the most is them, not you, being the hero. Give them a glimpse into someone else’s mind so they can relate and put themselves in the situation.

5. Not helping them avoid mistakes

The compliance officer’s only goal, the #1 thing they think about when they get to their desk in the morning, is keeping the slate clean. If they do that, they stay on payroll. One minor slipup (that may not even be directly their fault, by the way) and they get canned.

It is that binary.

Instead of looking at it as you versus them, have a tiny bit of empathy for them and what they’re up against. With this in mind, go about what you do in a way that makes their job easier, not harder, by trying to prevent mistakes.

For example, I have one client for whom I write one blog a quarter and it gets published in a particular magazine. After the first few blogs I noticed it was precisely the same disclosure each time. I wised up and figured out that we could get the blog through compliance quicker if I added the disclosure myself instead of waiting for it to come back as a suggested revision.

Here’s another one for those of you who are making media or podcast appearances. Compliance needs to archive everything. So don’t make them go through the whole song and dance three hours before you’re about to tape it. Ask well in advance if you will be given a copy of what you are recording, in what format it will be provided and when. Then tell compliance before they ask.

It’s a minor gesture, but rare. Try it and you’ll see yourself getting a different response.
Sara’s upshot

Compliance can be your best friend if you understand what they're up against and cooperate in ways that make life easier for them instead of provoking the beast.

I’m hosting a free webinar with RIA Compliance Concepts later this month which will give you more ideas about how to do exactly that. Please sign up here.

Sara Grillo, CFA, is a top financial writer with a focus on marketing and branding for investment management, financial planning, and RIA firms. Prior to launching her own firm, she was a financial advisor and worked at Lehman Brothers. Sara graduated from Harvard with a degree in English literature and has an MBA from NYU Stern in quantitative finance.