



## Mitigating Stress Levels For Compliance Employees

by [Steve Brown](#) [human resources](#) [employees](#)

**Summary:** Over 50% of full-time workers are stressed at least 60% of the time during the workweek. Compliance is one area that bankers find especially stressful as it is very important and yet very complex, especially with changing regulatory guidance. To mitigate the stress of your compliance employees, here are two important steps to take.

Today is National Popcorn Day. In the US, we eat approximately 17B quarts of popcorn annually, which makes sense since it is America's favorite snack food (by volume). Most of the popcorn produced comes from Nebraska — 250MM pounds per year. Some trivia about popcorn: it has more iron than eggs, can pop up to 3 ft high, and even during the Great Depression, popcorn businesses thrived. Popcorn brings back memories of movie nights and carnival visits for many of us.

These memories may give you a mental vacation and many of your employees could use a mental vacation too. [Over half of full-time employees in the US are stressed at least 60% of the time](#) during the workweek. According to the American Institute of Stress, the reasons that people feel stress at work can vary. For 46%, it's the workload, while another 28% have issues with people at their workplaces. Twenty percent are juggling work and personal responsibilities and 6% worry that their jobs aren't secure. On-the-job stress can result in physical symptoms, mental health issues, absenteeism, accidents, employee turnover, diminished productivity, extra medical costs, disengagement, and burnout.

Bankers are not immune to stress and, in fact, some need to deal with a specialized type of stress that could be overlooked — stress due to compliance requirements. Most community financial institutions (CFIs) can rely on compliance requirements to raise employee blood pressure. Compliance procedures sit at a challenging junction, in that they're mission-critical and can be complex. Fortunately, there are **three key ways to reduce the stress that CFI compliance employees feel**.

**1. Find the stressor.** Begin by looking for the sources of stress for your compliance team. According to an ABA webinar questionnaire, compliance employees' top two current stressors were regulatory pressure and budget/resource limitations. In addition to that, upcoming exams or audits and dealing with new high-risk business areas were noted as anticipated stressors.

Ask your compliance team what their top stressors are. It's likely that they are affected by a mixture of activities that includes operational demands, regulatory changes, time constraints, and, of course, the changes brought in by the pandemic.

None of those stress sources exist in isolation. Clearing alerts are an example of how sources can tangle up together. Many CFIs have backlogs of alerts and clearing those alerts is part of complying with AML regulations. But staff shortages and complex transactions mean that it takes more time to review and close alerts. Discuss the specific points of stress with your compliance employees and ask for their suggestions on how to alleviate their stress. Supporting employees by listening to and

addressing their concerns as much as possible will let them know you are trying to help, which could be enough to lighten their stress.

**2. Determine priorities.** Next, review your institution's multiple priorities and consider the best ways to balance them with your institution's compliance activities. Board expectations, leadership demands, and various department projects are likely needing attention from the compliance team in various ways. Without clear direction on how to effectively manage these priorities with ongoing compliance requirements, compliance employees could feel more stretched than necessary. To ensure you are providing clear direction, you will want to answer these questions.

- What are our top priorities and how is compliance involved?
- How will we manage competing bids for our time and effort?
- What factors could disrupt our plan and how would we resolve this disruption?
- How can we best manage new levels of regulations?

**3. Give clear direction.** Once you have answered these questions, communicate them clearly, so that employees can plan their individual work accordingly. Clear direction and work structure help to alleviate uncertainty, which is a culprit of higher stress levels.

While you are likely already doing it, remember to check in with compliance employees regularly as well, to find out how they are balancing your institution's priorities with the usual regulatory guidelines. Adjustments may still be needed along the way, as regulatory guidelines shift and demand more time from your compliance staff.

As Lou Holtz, former football player, coach, and analyst said, *"It's not the load that breaks you down, it's the way you carry it."* If you can help your compliance team to more effectively carry the load, you will decrease their stressors and increase the overall well-being of your institution, not just that of your employees.

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## ECONOMY & RATES

Rates As Of: 01/19/2022 05:45AM (GMT-0800)

| Treasury         | Yields         | MTD Chg                                   | YTD Chg |
|------------------|----------------|---|---------|
| 3M               | 0.16           | 0.10                                      | 0.10    |
| 6M               | 0.37           | 0.18                                      | 0.18    |
| 1Y               | 0.57           | 0.19                                      | 0.19    |
| 2Y               | 1.05           | 0.31                                      | 0.31    |
| 5Y               | 1.65           | 0.39                                      | 0.39    |
| 10Y              | 1.87           | 0.35                                      | 0.35    |
| 30Y              | 2.19           | 0.28                                      | 0.28    |
| <b>FF Market</b> | <b>FF Disc</b> | <b>IOER (Interest on Excess Reserves)</b> |         |
| 0.08             | 0.25           | 0.15                                      |         |
| <b>SOFR</b>      | <b>Prime</b>   | <b>OBFR (Overnight Bank Funding Rate)</b> |         |

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