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# Managing Global Compliance:
## What to do About IM and Collaboration Platforms in the Enterprise

Collaboration and instant messaging platforms like Slack and Microsoft Teams are the latest tools to transform how people interact at work. Within the last five years, Slack's number of active daily users reached 12 million, and Microsoft reports that 13 million people every day are now using Teams. As ubiquitous as they are, IM and collaboration tools pose multi-faceted challenges when managing global compliance.

## To chat, or not to chat, that is the question

Global organizations are subject to a growing array of regulatory requirements and data privacy laws across the world; from GDPR in the European Union and several laws spanning the APAC region, to new and developing state-specific laws in the U.S. like the recently passed California Consumer Privacy Act (CCPA).

Some firms in regulated industries manage the avalanche of today's communications data and burgeoning laws by prohibiting the use of IM and collaboration platforms for company business altogether. Or they significantly reconsider their mobile policies. But it's not practical or conducive to business to limit preferred modes of communication, especially when it comes to interacting with customers and even attracting younger generations in the workforce.

Plus, there is inherent value in collecting data, even outside of compliance obligations. Information about how employees and customers interact can provide actionable insights for competitive organizations.

Modern messaging platforms elude even the savviest compliance teams. For instance, in addition to common workplace collaboration apps, the most widely adopted global messaging tools like WhatsApp and WeChat are still under-addressed.

Managing compliance in this complicated new paradigm requires well-defined procedures, nuanced data capture and supervision tactics, and modern tools with sophisticated search and review capabilities. All firms must have robust solutions in place for capturing, archiving and reviewing messages (with all the requisite metadata intact), or they risk having gaps in books and records reporting when regulators or legal teams come calling.

Two things can be true – enabling staff to interact across channels and platforms is essential in today's connected world, and regulated companies have reason to be concerned about exposing themselves to risk. To bridge that gap, having the right solution in place to enable airtight supervision for modern messaging will ensure a more productive, enjoyable and – compliant – workplace

## This guide will cover:

- Benefits and risks of enabling instant message and collaboration platforms in regulated industries

- Prescriptive tactics for getting ahead of the supervisory challenges of interactive data with contextual capture and archiving strategies

- How to develop supervision policies that cut through the noise of high volume and high velocity data and reduce the burden for review teams

- Best practices for implementing, fine-tuning and future-proofing a modern supervision program that's purpose-built to protect enterprises from regulatory challenges.

## Collaboration platforms are a customer demand

Many organizations have adopted IM and collaboration platforms, and they're investing resources to support them for a variety of business reasons.

For some global organizations, highly collaborative departments may find email to be limiting because the response times are slow, and inboxes are tiresome and tedious. Collaboration tools encourage instantaneous responses on mobile or desktop, making it easier to get more work done – in and outside the office.

Another factor is the ongoing shift in demographics. Today, millennials make up the largest segment of the workplace. As digital natives, they are generally more tethered to mobile devices and prefer highly responsive communications like text, chat and a variety of collaboration tools, over email. Baby boomers and Gen Xers communicate more through email and in-person, which means a broad variety of ways to engage in a large organization. Meeting your customers on their preferred platforms is a necessity.

For any enterprise looking to maximize efficiency, reduce resource burden, connect with customers, and remove barriers to cross-departmental collaboration, streamlining communication tools is imperative.

### SLACK

**32%** less email

**21%** faster response time to sales lead

**23%** fewer meetings

**86%** say it's easier to share key learnings

(Source: The Business Value of Slack, IDC Research, 2017)
Slack: 12M daily active users

### MS TEAMS

**17%** reduction in emails received per day

**18%** improvement in time-to-decision

**19%** reduction in meetings per week

**832%** ROI over 3 years

(Source: The Total Economic Impact of Teams, Forrester, 2019
Teams: 13M daily active users

## Managing risk in a new reality

For companies that are subject to electronic communication regulations, allowing new tools for chat and collaboration may invite new and various risks of misconduct. These considerations must be taken seriously and addressed regularly.

Each tool is unique, with a combination of features such as chat, file sharing and collaboration, voice, video and embedded AI. They're also interactive, where files can be changed or deleted – persisting in varying states at different points in time. Conversations on IM and collaboration platforms jump quickly between desktop and mobile too, and people may enter or leave group conversations at crucial moments.

And chat on internal collaboration platforms is one thing, but an additional challenge is that almost every mobile app now has an instant messaging component that could trigger a books and records or supervisory obligation.

People also communicate with a more casual tone in instant messages than they do in email. Leaders may (sometimes rightly so) be skeptical that chatting is productive, and instead consider it a distraction, or that those messages are not important.

Instant message and collaboration tools are integrated platforms that connect to many other applications, which extends their potential for productivity. But large firms, with many employees and contractors, using multiple technology platforms, are consistently creating a higher volume and assortment of data that is subject to regulatory review.

When it comes to compliance, these platforms make it more complicated to supervise for fraud and data loss, whether related to regulations, litigation or internal standards. What happens if:

1. You have trouble tracking potential insider trading because employee conversations are happening on multiple collaborative platforms

2. You aren't capturing instant messages that are being communicated through your company's mobile applications

3. There is no company policy governing use of mobile devices, and employees choose to conduct business through encrypted apps

4. Supervision teams miss problematic content because they're too busy tracking information down from various locations and sifting through flattened data

5. You're unable to provide accurate information for e-discovery purposes due to lack of contextual data

6. Teams or Slack has an outage at the same time you need to meet a books and records requirement

It can be tough for organizations to identify which applications could cause the most risk, and they may be late to the game in developing usage and data retention policies for modern platforms.

The good news: all those considerations can be mitigated with well-developed procedures and a unified capture, archiving and supervision solution developed specifically for enterprise firms.

## Heightened visibility in a changing interactive landscape

Massive amounts of IM and collaboration data becomes a multi-dimensional interactive trail to capture and review, which makes a compliance manager or content reviewer's job more challenging.  It's hard to evaluate context when conversations move from private chat to a group channel, or files in various formats are attached, or people communicate only through emoji 😉.

Event information, such as join/leave and edit/delete activities are typically not captured in solutions designed for monitoring email. Even if it is, wrangling communications data from disparate locations and trying to piece that together takes valuable time away from the goal of monitoring problematic content in the first place.

More good news: it's possible to get a comprehensive view across multiple content types, for all employees, in native format, with metadata included. Couple that with the ability to pinpoint troublesome content and build requisite workflows within a unified platform, and there's a recipe for a highly efficient enterprise supervision program.
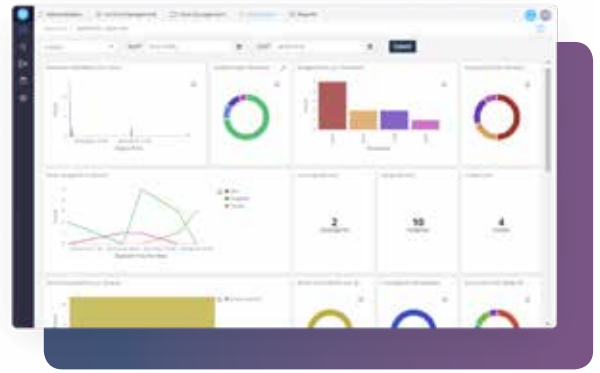
Think of it like sketches from a courtroom trial. You can look at the artist's rendering of the principals, and those drawings can vary in level of detail and quality. Or, you could sit in the room yourself, with a stenographer recording every interaction. Your observation combined with the stenographer's notes give you a well-rounded understanding of the dynamics and activity that was associated with that event and the foresight to plan for further events.

Firms need a solution with total visibility into the communication events that happen in an always-on world.

## Simple steps to get well ahead of supervisory challenges

Here are a few steps that compliance teams and IT teams can take to address the challenges that present themselves before they get to the supervisory desk:

**STEP 1:** Compliance teams must be engaged in the evaluation of new collaborative tools to understand the features of each, and work with front line staff to understand which capabilities are likely to be used in engaging with clients.

**STEP 2:** Compliance teams should leverage their IT teams to understand what access is provided to those capabilities by the source providers via APIs or other methods suitable for full capture of content, context, and metadata.

**STEP 3:** Following the assessment of native capabilities, IT teams can explore availability of third-party solutions to complement the capture and storage of interactive features within those platforms.

**STEP 4:** Based upon those assessments, compliance teams can update communications policies to outline acceptable and prohibited uses of applications, and features within each platform (following the adage that "you can't use what we can't capture").

**STEP 5:** Compliance teams should explore supervisory "pre-review" capabilities that can be implemented prior to that content hitting its supervisory system. For example, technologies that allow for specific features to be disabled to registered reps, and restricted words/phrases to be inspected, flagged and remediated.

**STEP 6:** Review of interactive content like persistent chats should include several time slices or "snapshots" to inspect that communication before and after the policy violation. Items may have changed that could potentially impact the scope of the violation.

**STEP 7:** In review of a policy violation, compliance teams would be wise to also examine metadata surrounding the communications that could provide additional insights. For example, when a person/people of interest joined or left a chat room, when content was modified or deleted in that conversation, and by whom.

## Getting technical:
## How to master the complex supervision needs of a global organization

**Policies:** The Smarsh Enterprise Supervision platform policy engine is designed to speed the review process by automatically classifying messages as they enter a company's communications archive and highlight keyword hits on each message.

Even with a defensive strategy that includes capturing and archiving instant message and collaboration data, policy violations are sure to arise. Supervision requires the most cutting-edge solution for managing all the components of global, multi-platform, interactive communication.

Enterprise Supervision is an application that enables reviewers to expertly monitor all the communications data that even the largest companies produce, with policy filters that cut down on white noise and make compliance less complicated.

Those policies can be custom created and endlessly fine-tuned to reduce the number of messages requiring review, which makes the process more efficient and provides relief to compliance teams. And they connect with nearly every communication channel – widely adopted IM and collaboration tools like Microsoft Teams and Slack, as well as other instant message tools, text messages, social media, email, and even voice apps.

Everything is intuitive to review because it arrives in a reviewer's queue preserved in native format with conversational context and metadata included. There's no email export of a chat log; rather, a reviewer gets the snapshot of how a conversation originally took place on the respective platform.

Managing compliance for a global organization is unique to each company. The right solution for supervision must be granular and highly customizable, giving big firms the ability to implement terms and phrases that are specific to a diversified workforce.

## Additional assistance for a successful supervision program

Communication is fluid and the tools that people use to collaborate will continue to evolve, which puts regulations and resulting data capture, archiving, and supervision needs in an ongoing state of flux.

For additional assistance and consultation, we have a team of professional services experts that are highly attuned to the regulatory challenges that global organizations are facing. They partner directly with firms to manage the complexity of modern compliance and to maximize the value of their investment in technology solutions.

The Pro Services team provides a wide range of services that includes setup training, ongoing consultation, assistance developing a review process (especially when reviewers are in short supply), and policy-tuning, just to name a few.

Once scalable technology has been adopted and supervision policies and procedures are in place, ongoing staff training is key to maintaining efficiency and ROI – especially as new platforms emerge.

## The unified solution for global compliance in today's connected workplace

Here are a few specific ways that enterprise solutions for capturing, archiving and supervising interactive communications data support the investment in collaboration tools, reduce regulatory risk and enable firms to stay focused on their business:

- Inter-departmental collaboration to support revenue generating activities

- Less time supporting compliance teams searching for information in disparate locations

- More time to focus on key IT initiatives

- More comprehensive and tightly aligned mobility tech stack to make onboarding and offboarding staff faster, and policy application easier

- Tighter security, and better data loss prevention through clear and concise enterprise mobility infrastructure

Smarsh delivers a unified solution for capturing, archiving and supervising all electronic communications, with direct-from-source support for all major IM platforms and the broadest range of connected APIs to capture and control custom messaging apps. Rich policy management is available for multi-national, regional, and country-specific supervisory requirements from FINRA, SEC, IIROC, FCA, MiFID II, and more.

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Smarsh® helps organizations get ahead — and stay ahead — of the risk within their electronic communications. With innovative capture, archiving and monitoring solutions that extend across the industry's widest breadth of channels, customers can leverage the productivity benefits of email, social media, mobile/text messaging, instant messaging/collaboration, websites and voice while efficiently strengthening their compliance and e-discovery initiatives.

A global client base, including the top 10 banks in the United States and the largest banks in Europe, Canada and Asia, manages billions of conversations each month with the Smarsh Connected Suite. Government agencies in 40 of the 50 U.S. states also rely on Smarsh to help meet their recordkeeping and e-discovery requirements.

The company is headquartered in Portland, Ore. with nine offices worldwide, including locations in Silicon Valley, New York, London and Bangalore, India. For more information, visit www.smarsh.com.

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