

# Enhancing Compliance by Leveraging Forces Beyond Inspections & Enforcement Actions

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# A Question

How can we improve compliance (reduce inspection violations)?

- ① More & better inspections/inspectors
  
- ② Other ideas?

## ① Public Disclosure

- Mandatory disclosure
  - Customer incentives
  - Proximity to HQ & neighbor firms
- Voluntary disclosure
  - Unraveling hypothesis
- Disclosure standard setting
  - Threshold effects
  - Multitasking & “teach to the test”
  - Patient selection

## ② Media Enhanced Disclosure

- Press releases for severe incompliance (regulation by shaming)

## ③ Self Disclosure

- Less monitoring for self-auditors / reporters

# Future Research

## ① Disclosure Design

- A v. A+, Grades v. Scores, Rankings, how much detail (& history)?
- Non-uniformity across jurisdictions
- 3P analytics & disclosure providers

## ② Digital Disclosure

- Interactive / customizable disclosure
- Effective use of smartphone, iWatch
- Social media (Yelp, Instagram)