

Transforming Compliance from Check-the-Box to Champion

Compliance has long been considered a check-the-box function, known primarily for enforcing rules and imposing mandatory training.

Today's pace and scope of regulatory change has turned that way of thinking upside down. Virtually every organization in every industry is facing an ever-growing and ever-changing number of regulations with which they must comply. At last count, [more than 61,000 regulatory alerts from 1,374 regulatory bodies worldwide were sent out in a single year](#). That's more than 234 updates per day

How can you possibly keep up?

Organizations without repeatable, sustainable processes to manage compliance are in clear danger of failing. And if outdated technology or processes are deeply entrenched, you might not even realize how dire the situation has become.

Simply going through the motions by checking boxes is not enough anymore. One compliance misstep can result in fines steep enough to cripple the organization's future. Organizations unable to effectively manage compliance also open the door to reputational damage that can cut much wider and deeper than any monetary hit.

C-suites and boards are responding by demanding more from the compliance function. They want hard evidence that their compliance risks are being effectively addressed and managed. Can you provide that proof – or are you operating primarily on gut instinct?

New-generation technology aggregates all corporate and legal policies, procedures, and requirements from across the organization into one centralized location for clear visibility into your compliance risk. You'll save time and money by eliminating redundancies and identifying gaps that could leave you vulnerable. Technology also can prioritize actions and minimize risk by facilitating collaboration across the organization and integrating compliance into everyday decision-making.

This ebook will help you transform compliance from a check-the-box function to a well-oiled machine that seamlessly integrates people, processes, and technology with data-driven visibility to champion the organization's future.



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THE FIVE BIGGEST CHALLENGES TO EFFECTIVE COMPLIANCE MANAGEMENT

Compliance is complicated and expensive to manage — often made more so by the very tools and processes intended to get the job done. Otherwise capable compliance teams struggle with clunky, outgrown technology and inefficient processes. Identifying your biggest challenges is the first step toward overcoming them.

What's standing in your way?



40% of compliance teams spend at least 4 hours per week creating and amending reports for the board.

1. SILOED FUNCTIONS

Compliance processes are often created in response to a specific event — a new regulation, litigation, criminal investigation, and so forth — with little thought to how it all works together.

When responsibilities are walled off this way, few people have the means, motivation, or opportunity to share information across functional lines.

2. DISCONNECTED SYSTEMS

When compliance responsibilities are confined in silos, chances are that the technology used to carry out those responsibilities is just as disconnected.

That makes it very difficult to efficiently manage compliance across multiple business lines, functions, or locations. And with no easy way to exchange data, multiple people end up chasing down the same information.



3. MANUAL PROCESSES

Managing compliance via spreadsheets, shared files, and documents probably made sense at one time. But these tools were simply not designed to keep up with a sea of constantly changing regulations. It can take hours upon hours to manually update every spreadsheet in every location to accommodate a single regulatory change. Multiply that by the hundreds of regulatory changes that happen in real life, and you have a problem. Every piece of data that must be re-keyed or copied and pasted also opens the door to more human errors.



4. INCOMPLETE — OR NONEXISTENT — METRICS

Cobbling together information from multiple disparate systems – often by hand – into meaningful reports is a time-consuming, error-prone process. By the time a report is finally assembled, it's likely woefully out of date. And without the help of sophisticated analytics to calculate potential risk and prioritize efforts, you are left managing compliance largely through a lens only able to focus on the past, not the future.



5. NO VISIBILITY

Without an integrated view of compliance-related activities, it's nearly impossible to identify gaps and inconsistencies in how compliance is tracked and managed. That means a damaging risk can easily slip by undetected or unaddressed because you couldn't gauge the full impact until it was too late.

THE PRESSURE IS BUILDING

The current take-no-prisoners social, economic, and regulatory environment is turning up the pressure on compliance from multiple fronts:

Relentless scrutiny by stakeholders. In today's connected world, organizations have no room to hide from the judgement of boards, customers, investors, regulators, or the public at large.

Ever-changing rules and regulations. The unabated torrent of regulatory change makes it harder than ever to simply keep up, let alone optimize the compliance function.

Exponential growth of third-party relationships. Not only do you inherit the risks of your vendors and other third-party suppliers, you are at risk for any misdeed by their vendors, their vendors' vendors', and so on down the line.

Steep consequences for failure. Monetary fines for noncompliance are at an all-time high – and the reputational hit can be at least as damaging.



THE VALUE OF COMPLIANCE TECHNOLOGY

Modern technology makes compliance less painful, less expensive, and less risky. It unites compliance processes and roles across the organization for seamless collaboration and intelligent insights that drive data-driven decisions. It offers huge gains in efficiency, while reducing both costs and the risk of noncompliance. With integrated technology, even small compliance teams can keep up with the constant pressure of both external and internal demands.

What can you do with up-to-date compliance technology?

56% of organizations spend at least 4 hours per week tracking and analyzing regulatory developments.



GET MORE DONE.

Technology does more than simply ease the burden on the compliance team – though it certainly does do that. It automates workflows, assessments, control testing, and remediation assignments, drastically reducing the amount of time and effort needed from the compliance team. With technology, you can leverage a single assessment across multiple mandates. So instead of endlessly chasing down data, you can focus on investigating facts, understanding anomalies, and remediating issues.



DEAL WITH ENDLESS CHANGE.

A significant part of compliance management involves staying on top of an endless number of regulations that are in a constant state of flux. Integrated technology is designed not only to efficiently keep up with new regulations and laws but stay a step ahead of your compliance risk and the impact on the organization.



KNOW WHO DID WHAT AND WHEN.

Having all compliance-related items in a single repository with robust tracking capabilities provides you with a clear audit trail documenting every modification.



COLLABORATE SEAMLESSLY.

An integrated solution brings all corporate and legal policies, procedures, and requirements into one place that's easily accessible to all stakeholders. It breaks down silos by establishing consistent processes and controls across the organization. By making it easier to communicate with the entire organization, technology also fosters a risk-aware culture and creates a sense of ownership where everyone has a part in reducing the organization's chances of noncompliance.



SEE THE BIG PICTURE.

Integrated technology allows you to connect initiatives and data to uncover real insights about how one part of the program affects another and the cumulative impact on the organization. With better insight into your program as whole, you can better identify, prioritize, and address issues before they escalate into full-fledged problems.



ANSWER TOUGH QUESTIONS.

With streamlined processes, real-time data, and built-in analytics, integrated compliance technology makes it fast and easy to create meaningful reports that inspire data-driven decisions. Dashboards give you continuous insight into the effectiveness of your programs. And advanced analytics augment human intelligence by pulling out new and more detailed information from the data. Having this level of insight also allows compliance teams to offer strategic counsel and predictive insights to leadership.

BENCHMARKING DATA— FREE FOR THE ASKING

Which regulations are highly enforced? Which are lightly enforced? Which levy the most expensive fines for noncompliance? Complying with every single regulation in every single jurisdiction may be the ideal – but few companies have the resources to live up to that mark. Industry-specific benchmarking data can help prioritize your compliance efforts. It's readily available – and free! – if you know where to look.



REGULATION RESOURCES

FINANCIAL SERVICES

[Consumer Financial Protection Bureau](#)

[Federal Reserve Supervision and Regulation Report](#)

HEALTHCARE

[Department of OIG](#)

SECURITY

[Verizon Data Breach Report](#)

[MITRE ATT&CK™](#)

ALL INDUSTRIES

[VERIS database](#)

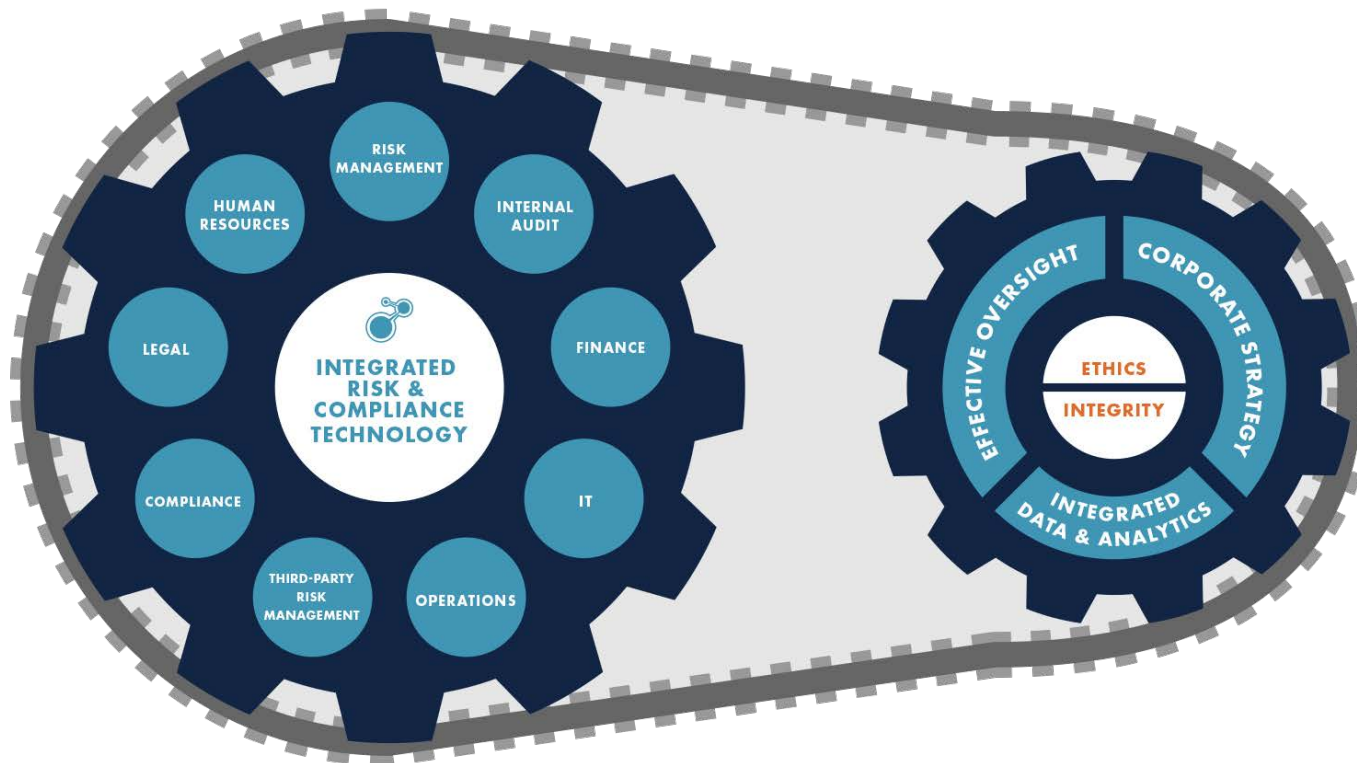
[ISAC](#)

Member ISACs have benchmarking data for specific industries.

WHAT A HIGH-PERFORMING COMPLIANCE PROCESS LOOKS LIKE

What differentiates a high-performing compliance process from the merely adequate? The unobstructed flow of information across all parts of the organization. Stand-out compliance programs give all authorized stakeholders access to the same high-quality, real-time data. They can share information and easily collaborate on actions – without ever leaving the platform.

High-performing compliance teams also don't waste time emailing spreadsheets back and forth or chasing down responses – they have technology to do that. Instead, they spend their time focusing on why, not what, investigating issues, understanding irregularities, finding solutions, and creating value. And looking ahead, an efficient, well-constructed compliance process lays a strong foundation to successfully withstand whatever challenges may come your way.



EVALUATING COMPLIANCE TECHNOLOGY: A CHECKLIST

Keeping up with constantly changing regulations and policies takes a technology solution that's flexible, scalable, and integrated. The right technology will add efficiency, prove effectiveness, and elevate the value of the compliance function to the organization. As you evaluate possible solutions, consider asking:

- ✓ **How easy is the technology to use?**
Even the best software is virtually useless if it's too difficult to use. And the easier it is to use, the more people will engage – and the higher the level of engagement.
- ✓ **How accessible is technology?**
No one wants to be chained to a desk anymore. The software should be accessible anytime, from anywhere, from any device – laptop, desktop, tablet, or phone.
- ✓ **How secure is the system?**
Make sure your data is protected with the highest end-to-end security that has been independently certified.
- ✓ **Where is compliance information stored?**
Cloud-based solutions are widely considered more secure than locally hosted systems. They also offer the advantage of automatic upgrades with minimal disruption.
- ✓ **How reliable is the system?**
To keep users happy, you want a consistently reliable system that will give you the answers you need with virtually no wait time for queries, searches, or analytics.
- ✓ **How easy is it to make changes and updates?**
You should be able to easily add fields, customize page layouts, and otherwise modify the configuration to accommodate changing regulations, new requirements, or evolving priorities – without the help of IT OR your software vendor.

- ✓ **Is everything needed in one place?**
You want to be able to access all relevant documentation, see the current status, and communicate across departments, functional areas, and locations without ever leaving the platform. And every activity needs to be automatically logged for a clear audit trail.
- ✓ **What can be automated?**
An efficient solution automates workflows, assessments, attestations, alerts, and action plans so the compliance team can focus on tasks that require human intelligence.
- ✓ **Does the technology integrate with other functions?**
The value of compliance technology skyrockets when it seamlessly integrates with third-party risk management, internal audit, and other risk management functions to give you an accurate picture of your total risk. With technology that's truly integrated, you can see how one risk event flows through the entire organization – and gauge the cumulative impact from compliance all the way to claims and beyond.
- ✓ **Can you extract the full story from your data?**
Look for a solution that provides data analytics, visualization, and insight into your compliance risks and trends – and that shows you how those impact other risks and the organization overall.
- ✓ **Are dashboards available – and are they customizable?**
Dashboards that can be customized allow everyone – from compliance team members to the C-suite – to keep their fingers on the pulse of the metrics they care most about.
- ✓ **How easily can reports be created?**
Nothing is more frustrating than having great data and no easy way to make sense of it. The most useful solutions offer point-and-click reporting for required regulatory submissions, a comprehensive overview for executives, and drill-down capabilities for tacticians.

IMAGINE THE POWER OF INTEGRATION

Breaking down silos between compliance, third-party risk management, and internal audit makes for more agile and coordinated response to risks that often overlap. And that's powerful. Now imagine if you could follow that through to the insured side of the house.

Technology that's truly integrated not only shows you the impact of your compliance, third-party risk management, and internal audit risks – it shows you if those risks could lead to any claims, for instance, and the expected cost to resolve those claims. You'll finally be able to understand the full impact of any risk on the organization. Imagine what you could do with that kind of power.

WHAT MAKES A COMPLIANCE PROGRAM BEST-IN-CLASS?

COMPLIANCE AND ETHICS

are deeply embedded into the corporate culture.



A CHIEF COMPLIANCE/ ETHICS OFFICER

is a visible and valued part of senior leadership.



TECHNOLOGY

enables continuous monitoring and advanced analytics to make forward-looking, data-driven decisions every step of the way.



WHERE TO BEGIN YOUR COMPLIANCE TRANSFORMATION

The goal is to move compliance from an after-the-fact, transaction-based function to one that's forward-looking and data-driven with the power to influence strategic decisions at the highest level.

Here are 10 steps to get you started:

1. Determine what you want your **final process** to look like.
2. Define your **biggest challenges**.
3. Take a **complete inventory** of all regulations and policies with which you must comply.
4. Define the **control processes** that will ensure compliance and **determine the metrics** you'll use to measure your progress.
5. **Map out** where information currently resides and who has ownership.
6. **Centralize** all regulatory requirements and internal policies, and **integrate** with third-party risk management, internal audit, and other risk management functions.
7. Use analytics to **identify weaknesses** and gaps in regulatory and policy initiatives.
8. Identify what **changes are necessary** to achieve your objectives.
9. Calculate a **compliance score and risk score** – and layer in both to determine priorities.
10. **Monitor the effectiveness** of your controls, and make any necessary improvements.



HOW TO BUILD A BUSINESS CASE FOR COMPLIANCE TECHNOLOGY

Boards and top executives may recognize that technology will provide better oversight and enhance compliance overall – but still fail to allocate budget. The challenge is defining and measuring value – cost, flexibility, efficiency, effectiveness – in a way that’s meaningful enough to sway those holding the purse strings.

Modern compliance software standardizes processes, streamlines data collection, and enforces security. Automating routine tasks allows the compliance team to shift from collecting data to higher-value work like investigating and remediating issues. Built-in analytics and centralized data provide fresh, data-driven insights, identify interdependencies that otherwise would have gone unnoticed, and give you an early look at risk indicators that can be used to drive strategic vision.

You can get more done, deliver better results – and you can prove it.

Real-time reporting extracts the story within your data for better, faster decisions. And dashboards allow continuous monitoring of key indicators and metrics. In short, you have hard data on the current status of your compliance program, where your weaknesses are, and what needs to be done. Always.



A well-run compliance program does more than make sure you have a defensible position if a regulator comes knocking on your door. By breaking down silos, centralizing data, and facilitating collaboration, modern, integrated compliance technology embeds a compliance mindset into the fabric of the organization and pushes all employees to consider ethics and compliance when making everyday decisions.

And it turns out that organizations with strong compliance programs have [better top- and bottom-line performance](#), as well as less danger of reputational and other risks.

While technology cannot replace an experienced compliance team, it does redefine its role. The right technology transforms compliance into a trusted advisor with a voice in how business is conducted – a value that goes well beyond simply checking boxes.



ABOUT RISKCONNECT

Riskconnect is the leading integrated risk management software solution provider. Our technology empowers organizations with the ability to anticipate, manage, and respond in real-time to strategic and operational risks across the extended enterprise.

More than 2,000 customers across six continents use our unique risk-correlation technology to gain previously unattainable insights that deliver better business outcomes. Riskconnect has more than 800 risk management experts in the Americas, Europe, and Asia.

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Internal Audit

Compliance

Policy Management

Project Risk Management

Health & Safety

Healthcare