skillcast connect

The Future of Compliance

2024 Annual Benchmarking Survey Results



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Summary

The Skillcast annual benchmarking report brings together the views of senior managers on the topic of "The Future of Compliance". It was carried out in December 2023, and comprised a short twelve question survey covering the core topics of Innovation, Data-led Compliance and Value. Around 100 senior managers from a diverse range of organisations completed the survey.

Our intention is to repeat this benchmarking survey annually, building on the themes and responses from this year. We will also share the results at our annual flagship summit event, "The Future of Compliance" where these themes and topics will be discussed further.



Innovation

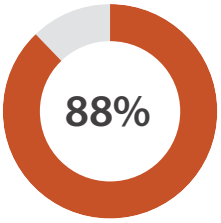


Data-led Compliance

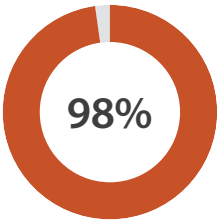


Value

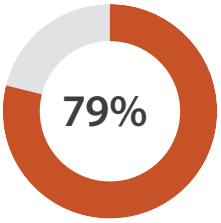
Survey respondents



Work at Financial Service Firms



Hold the title "Manager" or above



Are CCO, MLRO, CRO or Senior Managers

How will this information be used?

The purpose in devising this survey and publishing these results to our community is two-fold.

Firstly, to share amongst you feedback expressed by your peers. Our view is there is too little, quality narrative regarding compliance technology and learning and we wanted to add to the conversation. Skillcast has been delivering learning and technology for more than 20 years and we wanted to build on this and share this experience with you.

Secondly, your input to this survey has a direct bearing on how we develop at Skillcast. Your responses will help to shape, guide, and inform our learning content, technology platform and product development initiatives. We also use our Community to guide us, typically through events, dinners and exclusive portal access where there can be a good exchange of ideas as well as the provision of peer support and the opportunity to network.

Contributors



Paul Coady

Paul has over 25 years of financial services experience focused on compliance and financial crime practice and related people risk. He has held senior roles that included Business Ethics, Policies & Training Manager for AIB Bank; Group Head of Compliance Policy & Learning for Barclays; Global Chief Compliance Officer (CCO); Global Head of Financial Crime Risk Education & Culture for Deutsche Bank. He has recently founded ComplianceLnD, a boutique compliance and financial crime consulting and professional education practice. Paul has worked in Dublin, London, and New York and led teams and complex regulatory transformation across the UK, US, EMEA, APAC and Africa.



Sara Cody

Sara is a Counsel specialising in UK contentious regulatory work. She has experience in all aspects of regulatory enforcement and has written extensively on both FCA/PRA enforcement decisions and the UK, EU, and global enforcement trends. Sara's technical expertise means she is frequently called upon by clients to design and deliver bespoke training on the FCA and PRA enforcement process and investigations skills. She sits on the Consulting Editorial Board of Lexis PSL and the knowledge forum of a major retail bank. She also regularly works with trade bodies and firms responding to FCA and government consultations concerning proposed changes to regulatory policy.



George Carter

George is a strategic leader in digital and data transformation and supports the Royal Air Force as interim Chief Data Officer. He is focused on helping businesses unlock the potential of their data and runs a consultancy business delivering value-led data transformation, ensuring that organisations see a return on their investment into the critical technologies of AI, data and software, while setting themselves up for success in the future.



Peter van Veen

Peter looks after policy and thought leadership on all things board and stewardship related at the Institute of Chartered Accountants for England and Wales (ICAEW). He is an experienced trustee/ board member and is an expert on responsible business practices, ESG, ethical culture, compliance, anti-corruption, risk & resilience, supply chain due diligence, strategy, and good practice around corporate governance.



Carmel Speers

Carmel is a Senior Managing Director at Ankura based in London, with many years of banking experience focusing on financial crime compliance. She spent her early career in retail banking before moving to international wholesale banking over 30 years ago, where she continuously built strong partnerships by listening to her clients to tailor solutions to their special circumstances.



Hannah Dix

Hannah is a leader in global compliance management, and a driving force at Dr. Martens. As Global Compliance Manager, she ensures ethical and regulatory standards are met, safeguarding the brand's integrity worldwide. She oversees comprehensive compliance programs, mitigates risks, and fosters a culture of accountability. Her strategic leadership ensures Dr. Martens' continued success and unwavering commitment to responsible business practices.



Sarah-Rose Perry

Sarah-Rose started her career as a Corporate Financier before moving into the area of Risk and Compliance. She has held various roles at Deutsche Bank, Nomura, Westpac, Octopus Investments and CME. Sarah-Rose is the Head of Compliance and MLRO at BTIG Ltd. Sarah-Rose graduated with a 1st in Engineering from Cambridge University, and on weekends you'll find her playing a cello, at the theatre or speeding away on something in the sea.

Scan to Join

"SkillcastConnect was launched in 2022 as a compliance community that unites leaders and professionals in a shared mission to foster innovation and drive ethical change in workplaces. Through collaborative discussions at our in-person events, problem-solving with experts via our comprehensive webinar series, and an annual benchmark survey, we aim not only to assess performance but to empower compliance leaders with tools for identifying gaps, adopting best practices in risk management, and fostering continuous improvement.

Together, we shape the future of compliance excellence by embracing a dynamic digital landscape. Our community's focus on knowledge sharing and mutual support aims to drive growth, reduce risk, and create more ethical, inclusive workplaces. We strive to evaluate the positive impact of our collaborative efforts, emphasizing that it's not just about assessment but about collectively shaping a better compliance future."



Samantha Martin-Woodgate
Community Leader
Skillcast Group plc



Shelley Grayson - Chief Compliance Officer

"The best event this side of the pandemic - Skillcast held a community dinner for new CCOs and the quality of attendees, the raucous laughter from the conversation, and the fabulous content and company blew me away. "

James Hinch - Head of Compliance at NACFB (National Association of Commercial Financial Brokers)

"The surroundings were phenomenal, the service the panel sessions, and the engagement it's all been absolutely fantastic"





Chris White - CIO at Whiteboard Consulting

"What is important is that Skillcast is building this community of like-minded people, peers, and a forum so people can share their ideas and learn from each other."

Ksenia Hewitt - Director Legal of Sanctions, Ethics, and Compliance at SITA (IT provider for the air transport industry)

"Such a variety of different views from different industries, not always agreeing with one another, gives us food for thought."



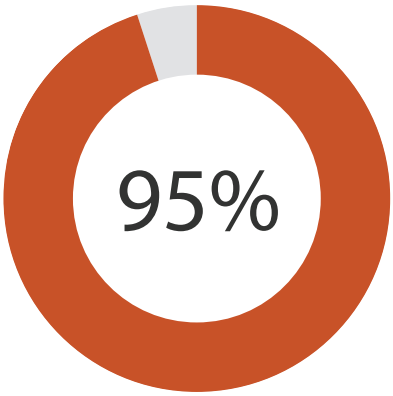


Innovation

"Where the pace of technology and change is not slowing, we are interested in understanding how organisations innovate and manage change through their learning and other methods."

Reinforcing compliance

Q1. Which methods, if any, do you use to reinforce ethics and compliance in your business? (% of respondents)



Compliance education



Controls embedded in business processes

Policy attestations

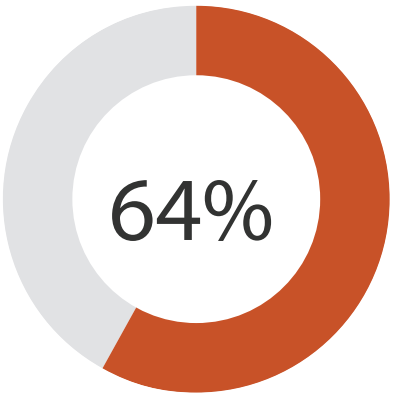
Regular "tone from top" communications

HR processes - disciplinary or incentive

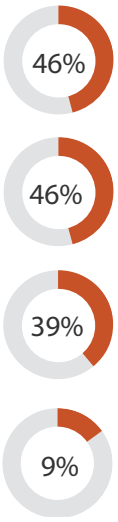
Over three quarters of respondents indicated that education and embedded controls were the primary sources of reinforcement used to develop ethical and compliant workplaces (culture). This gives the opportunity to consider additional methods that also support this cultural development, such as policy delivery, tone from the top, etc.

Enhancing training

Q2. Which methods, if any, do you use to enhance the ethics and compliance training experience for your employees? (% of respondents)



Continuous learning



Bite-size learning

Email updates

Embedded learning at point of need

Daily questions/reminders

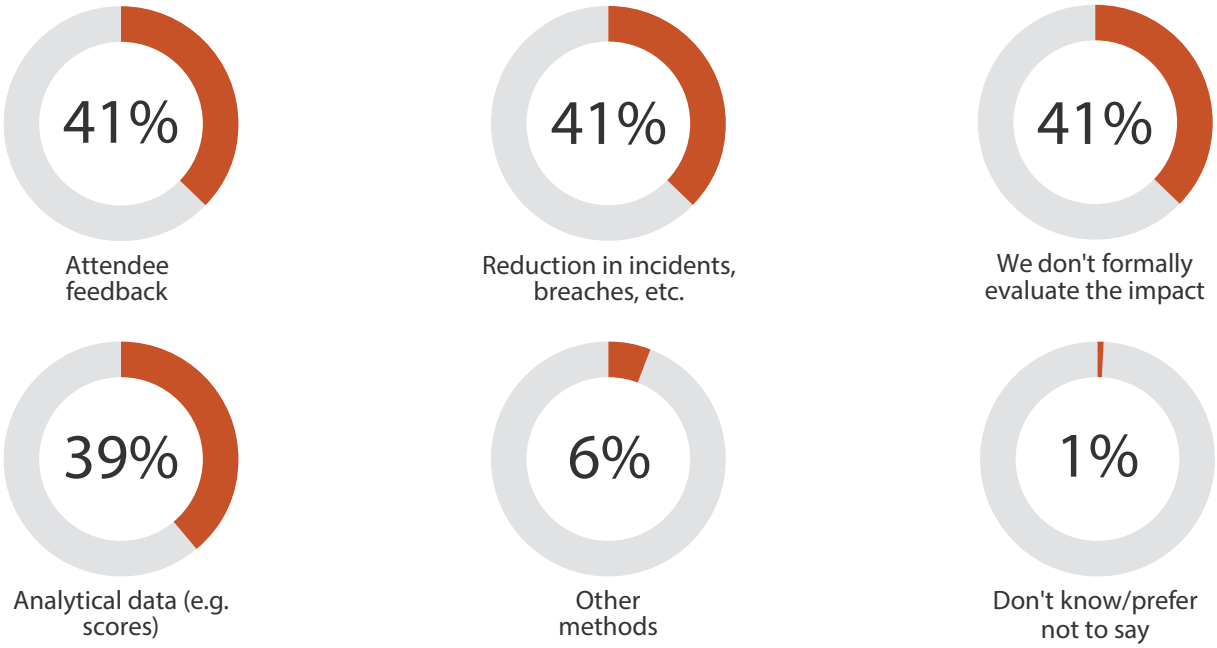
Continuous learning is shown as the key method to enhance the training experience. Technology lends itself to support and serves to develop additional avenues: for example, a very small number (<10%) of respondents indicated using some of this technological enhancement through tools such as daily questions.

"This positively shows the increased need for more timely and flexible learning solutions that can more readily support learners. It may also indicate the increasing role of compliance and ethics learning amongst all compliance professionals rather than centralised training teams."

Paul Coady, Founder & Managing Director of ComplianceLnD

Learning impact

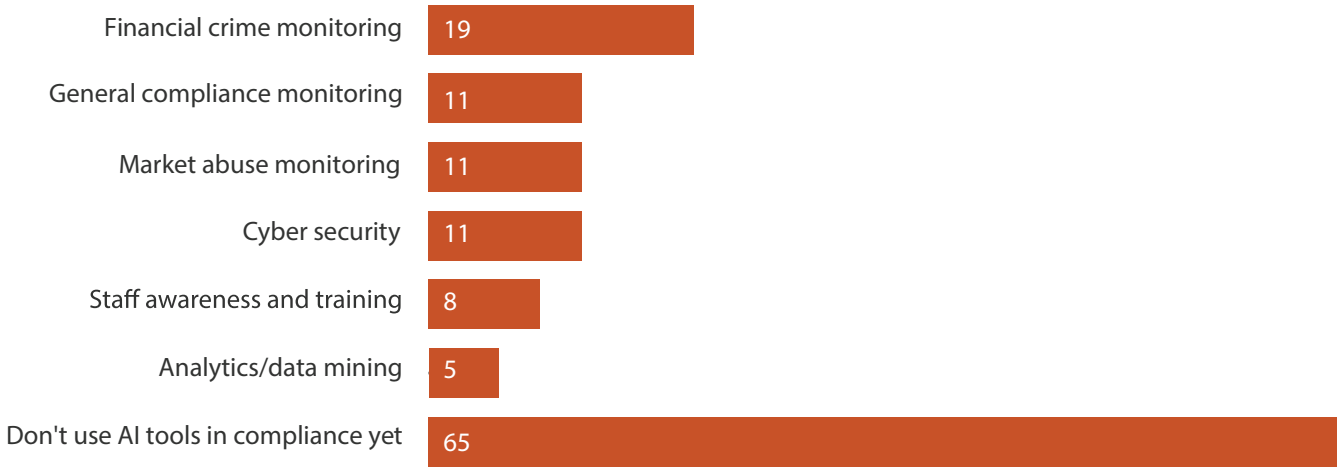
Q3. In which ways, if any, do you evaluate the business impact of your ethics and compliance learning? (% of respondents)



Over two fifths of respondents do not formally evaluate the impact of learning across their businesses. There is plenty of press and regulatory commentary that restates the principle of "skill, care and diligence", our view at Skillcast is that evaluation is a key enabler that supports strong learning, cultural development and compliant workplaces

Utilising AI

Q4. In which areas of compliance, if any, do you leverage AI tools to support your control measures? (% of respondents)



A disproportionately large number of respondents (65%) indicated that there is no use of AI to support control measures in broader compliance controls approx. 19% indicated AI use in financial crime monitoring. We see the use of AI and machine Learning as valuable tools to assist organisations in their control and education programmes.

"The question is not if, but when will we see a seismic shift in the use of AI for compliance purposes. As firms seek efficiency, particularly for second line functions, we will need to harness the power of AI to retrieve and present data. Whilst monitoring and regulatory queries will be the first areas to leverage copilots, AI used to analyse op. risk events and knowledge gaps of staff will lead the pack as this is where real risk lies."

Sarah-Rose Perry, Head of Compliance & MLRO at BTIG

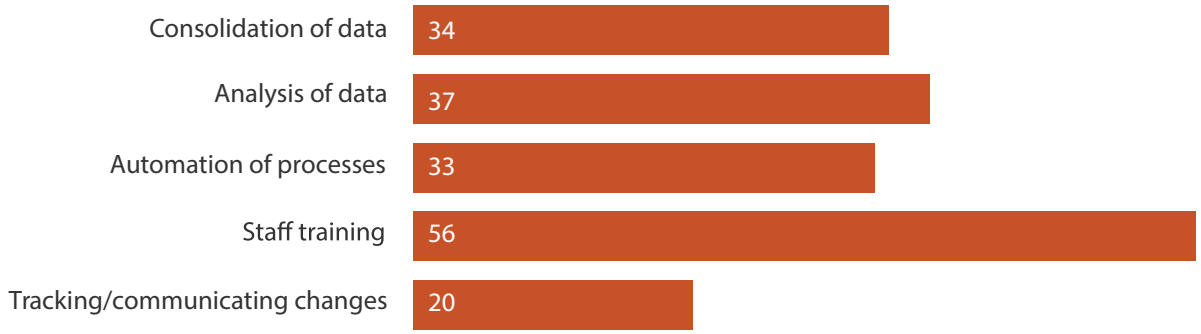


Data-led Compliance

"With an increasing demand for good quality data and analytics to support board and regulatory demands, we are interested to understand how you use systems and information to support."

Compliance processes

Q5. If you use technology systems in your compliance processes, how would you best describe what they do for you? (% of respondents)

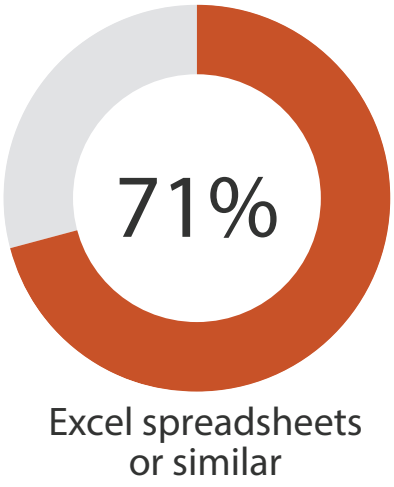


"Its encouraging to see that firms are not over-relying on one metric alone in assessing the business impact of ethics and compliance learning, as this can mask areas of inconsistent impact. Still it is concerning that a quarter of firms are not formally evaluating impact here. As the saying goes, if you can't measure it, you can't manage it."

Sara Cody, Counsel (Knowledge), Linklaters

Collating data

Q.6 How do you normally collect and retain important compliance data? (% of respondents)





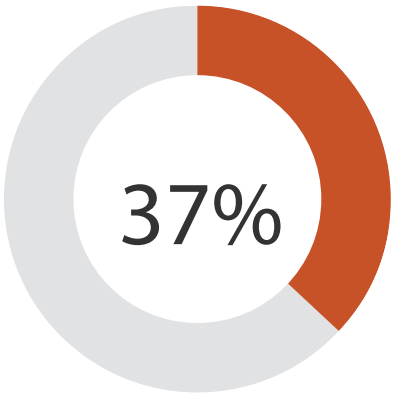
Q6 shows that the two most tools used to collate important compliance data are emails (64%) and spreadsheets (71%). Whilst both are useful tools used in the right way; both present significant challenges to governance, risk and compliance (GRC) teams when used to hold and collect data.

"Whilst not surprising that the majority use emails and spreadsheets as tools for collecting and retain data, it is very surprising that the use of these methods is so prevalent. It doesn't take much to imagine the consequences of this in a stressed situation and what the impact might be in terms of a data loss."

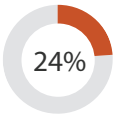
George Carter, Interim Chief Data Officer, RAF (Darter Ltd).

Regulatory requests

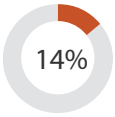
Q7. When, if ever, did you last receive a substantial ad-hoc regulatory request beyond day-to-day reporting information? (% of respondents)



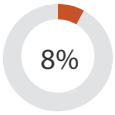
Yes, in the last 3 months



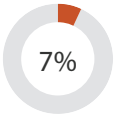
Never received such a request



Yes, but over 12 months ago



Yes, in the last 6 months



Yes, in the last 12 months

When the above is considered with Q7. (data requests) 37% have received a substantial data request in the last 3 months, we can only assume this will present a substantial challenge to compile using email and spreadsheets.

"The indication in Q7 that over a third of firms have received a substantial ad hoc regulatory request in the last three months is a stark reminder of the more intensive approach to supervision the financial regulators are taking."

Sara Cody, Counsel (Knowledge), Linklaters

Business benefits

Q8. For which purposes, if any, would your business benefit from having more, or better quality, compliance data? (% of respondents)



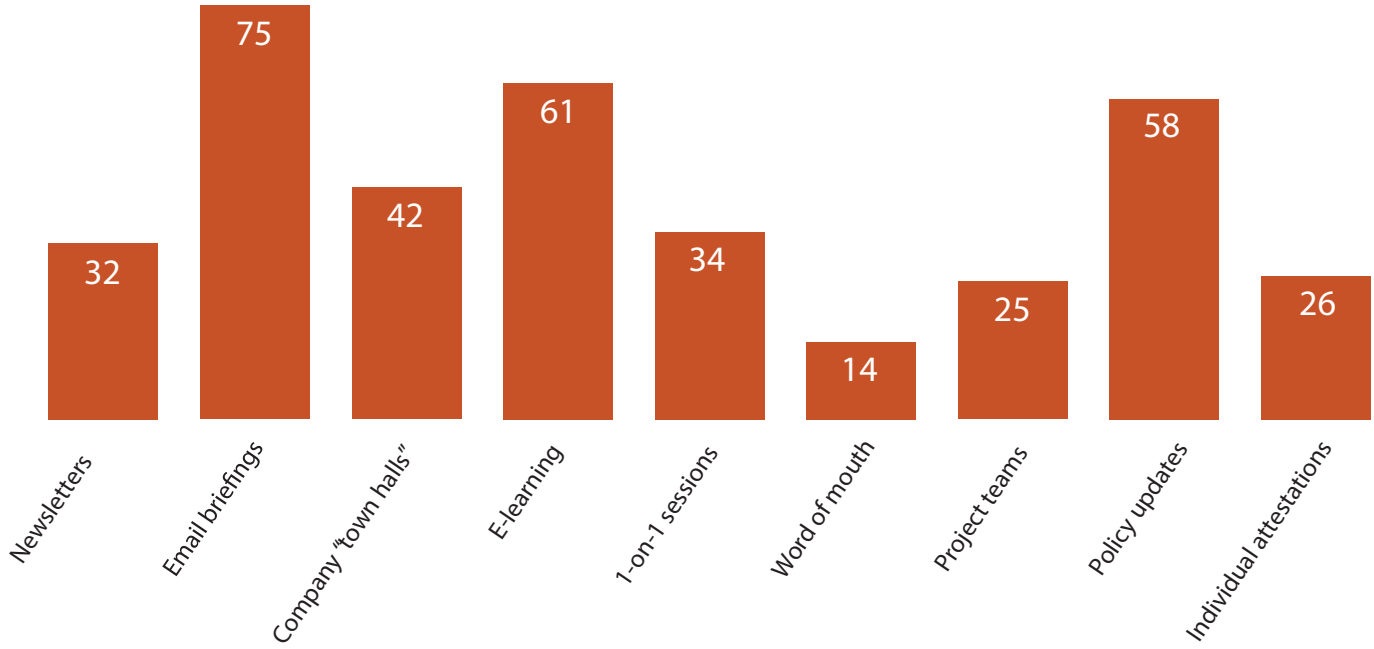
Q8 indicates there is strong demand for change around data and reporting capabilities, indicating that 78% of respondents consider it would assist with monitoring and controls and 60% indicating it would support better board reporting.

"The request in Q8 for better quality compliance data to support board reporting is something the FCA's consumer duty had brought into sharp focus for firms within its scope. This new regime relies heavily on data and MI and the FCA is clear that all firms have a significant amount of work to do to improve here."

Sara Cody, Counsel (Knowledge), Linklaters

Communicating updates

Q9. Which methods, if any, do you use to communicate regulatory updates to your staff?
(% of respondents)



A wide variety of methods were used to communicate regulatory updates, with email being the most popular (75%). When considered with some of the other themes in this report this further illustrates the need to challenge the status quo.

"This is a vast topic and one that regulators and boards are increasingly focused on. The need to be able to provide good quality, meaningful data and insight across a variety of metrics has never been more needed. Systems and tools that provide a narrow, singular view, will potentially become obsolete in favour of tools and platforms that manage multiple applications and provide data that is more "joined up". Data can only become information when we do something with it, and its this that provides the opportunity for organisations to consider what is needed to meet these fresh demands"

Lucien Carter, Director of Regulatory Compliance, Skillcast Group plc.

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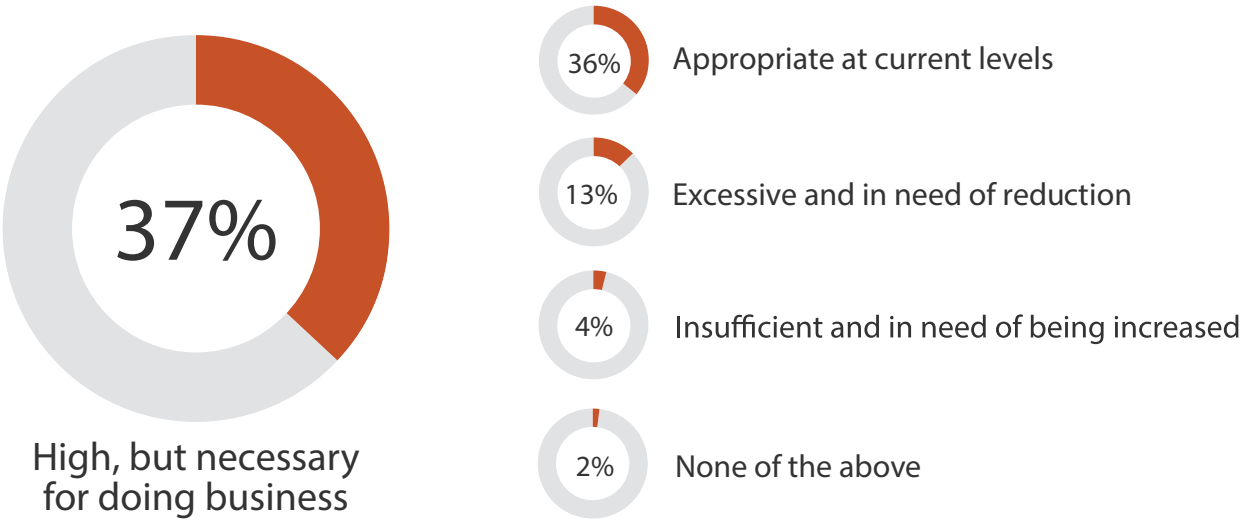


Value

“With an increased focus on cost control, we are keen to understand more about this and where these pressures come from.”

Cost perception

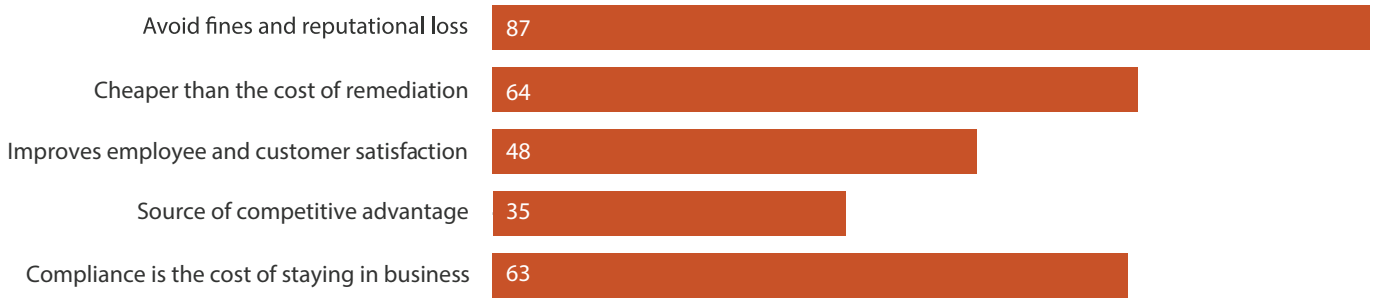
Q10. What is the general perception of the cost of compliance outside compliance departments? (% of respondents)



The "cost" of compliance is a hotly debated topic with approximately 37% indicating costs were "high, but necessary". Reading across to other parts of the survey, it could be seen that the low uptake of data usage and adoption of AI could contribute to this view.

Compliance expenditure

Q.11 When justifying the cost of compliance, which of the following, if any, would you give as a reason/ benefit from this expenditure? (% of respondents)



Q11 shows that most consider these costs to be simply “part of doing business” (63%) or that “it avoids fines and other regulatory scrutiny” (87%). This focus on the negative aspects of Compliance gives scope to reinforce the positive aspects to counteract and balance this view.

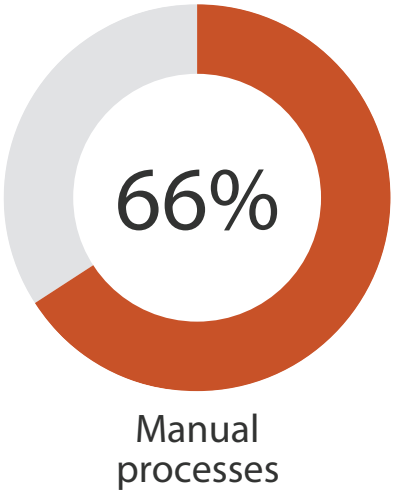
"Whilst this should be considered, it can negatively impact culture and compliance when employees are overly-conditioned to prioritise the risks and consequences for the company over those of its stakeholders e.g., its clients, employees and society. This is an essential consideration in method of engaging employees."

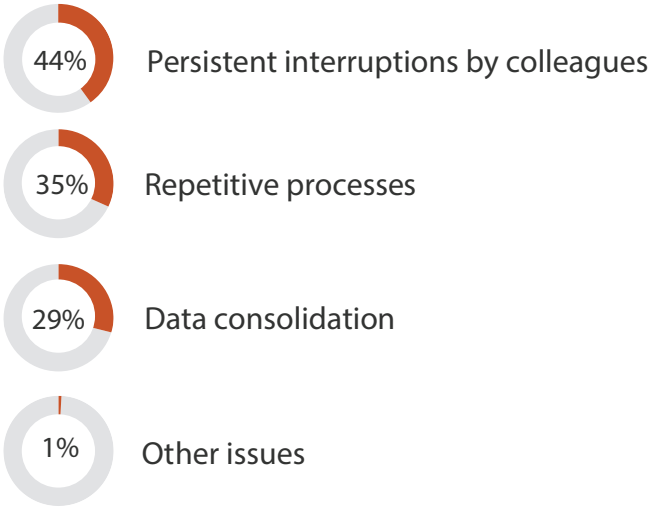
Paul Coady, Founder & Managing Director of ComplianceLnD

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Colleague impact

Q12. Which issues, if any, impact negatively on your personal productivity and strategic planning? (% of respondents)





Q12 gives some insight into the daily life of governance, risk and compliance (GRC) teams and the pressures they contend with. 44% face regular interruptions and 66% are hampered by manual processes. Considering this alongside other responses in this survey, it suggests many are working "in" rather than “on” many of the GRC challenges being faced.

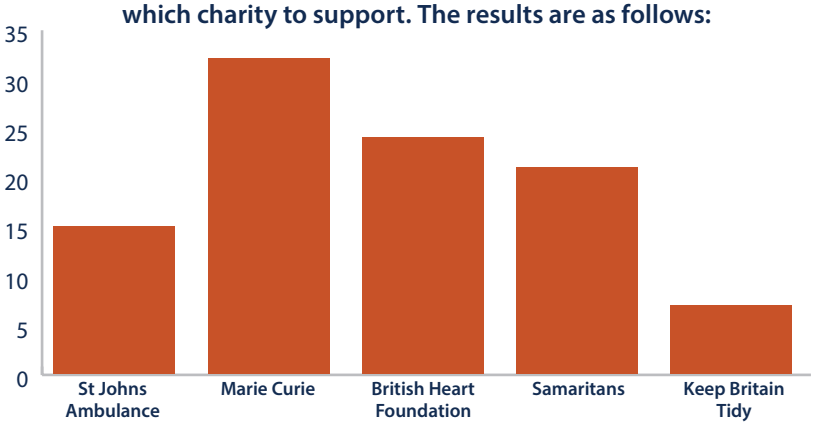
"With a strong focus on a compliant culture by regulators and other governance bodies there is still work to be done to support the implementation of compliant and ethical workplaces. Feedback shows how much day-to-day pressure GRC teams are under, and supports other studies carried out. Inertia is a key challenge, and takes effort to overcome. In the “what gets measured, gets done” mantra, initial steps might include allocating a regular time slot to consider strategic objectives, identifying new data sets and measuring over time, and considering what makes “culture” and finding ways to capture this."

Lucien Carter, Director of Regulatory Compliance, Skillcast Group plc.

Giving back

Skillcast promotes ethical behaviour not only to our customers but to society in general. We do this through education, charitable donations and managing our impact on the environment. We regularly organise games, surveys and other promotions and link these to supporting worthy causes.

For this survey, we polled respondents to determine which charity to support. The results are as follows:



We asked each respondent to indicate which charity they would like to support.

We are pleased to be able to donate £950 to Marie Curie and would like to thank all who contributed to this survey. We hope you find the results, comments and content useful regarding "The Future of Compliance". We look forward to working with you throughout 2024.

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About us

Skillcast helps companies to create compliance awareness and inspire their employees to act with integrity. We offer bespoke e-learning content development, libraries of ready-made courses and a digital platform specifically built for compliance training. Over 600 companies use our digital products to deliver millions of learning interventions each year.

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