

2020

# Cost of Compliance: New decade, new challenges

Thomson Reuters Regulatory Intelligence carried out its 11th annual survey on the cost of compliance. The report highlights several positive trends for firms but also indicates that firms are beginning to reprioritise some of their compliance needs.



## 5 GREATEST CHALLENGES FOR THE BOARD

- 1. Balancing budgets and increasing compliance costs
- 2. Volume of regulatory change
- 3. Driving demonstrable cultural change
- 4. Increasing personal accountability
- 5. Implementation and embedding of regulatory change

## TOP 3 COMPLIANCE CHALLENGES IN 2020

- 1. Keeping up with regulatory change
- 2. Budget and resource allocation
- 3. Data protection



## CREATING A UNIFIED COMPLIANCE CULTURE

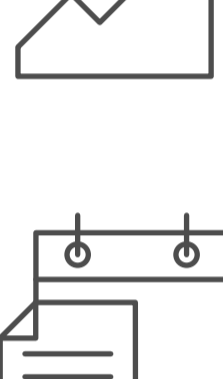
The single biggest culture or conduct risk facing firms is creating a unified compliance culture



# 34%

of firms have discarded a potentially profitable business proposition due to culture and/or conduct risk concerns

## REGULATORY DEVELOPMENTS IN A CHANGING WORLD



Regulatory change was reported as the **top compliance challenge** for 2020



Survey respondents anticipate **more information to be published by the regulator** over the next 12 months



The expectation that senior compliance staff will cost significantly more has **dropped by half** since 2011 (27% down to 13% in 2020).

## COMPLIANCE TEAMS ARE CHANGING

The expected size of compliance teams in the coming year have eased:

Year	% expecting the team to grow
2020	34%
2019	38%
2018	43%

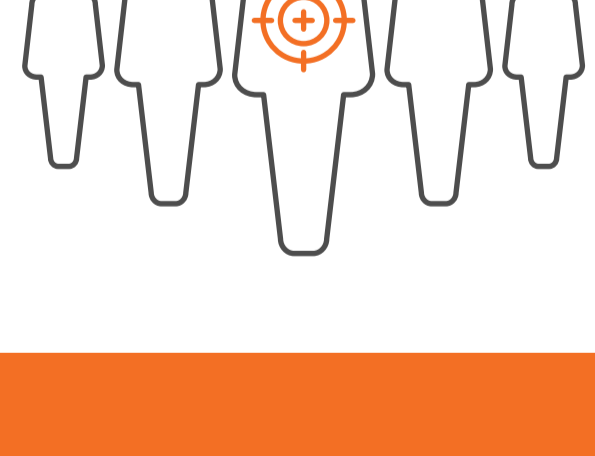
# 34%

 expect the turnover of senior compliance staff to grow in the next 12 months, 43% in the G-SIFI population

## TOP 3 SKILLS of an ideal compliance officer in 2020

- 1. Subject matter expertise
- 2. Communication skills
- 3. Integrity

## PERSONAL LIABILITY REMAINS A PERENNIAL CONCERN



# 73%

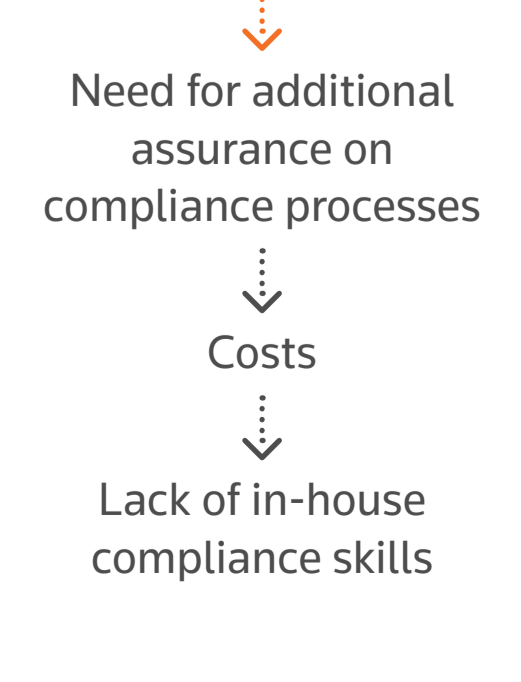
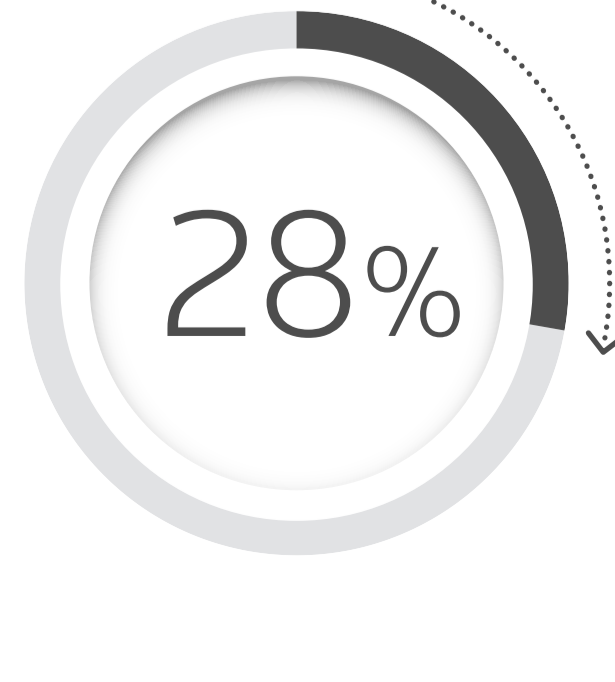
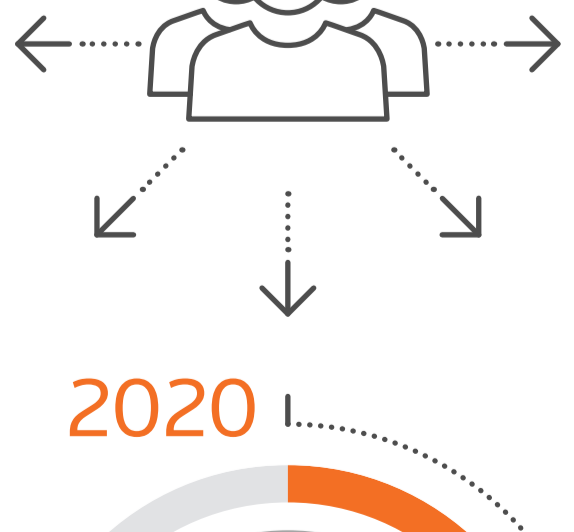
of firms believe regulatory focus on culture and/or conduct risk will **increase the personal liability of senior managers**

41% expect personal liability to **increase slightly**

17% expect personal liability to **increase significantly**

## OUTSOURCING CONTINUES TO GROW

Firms reporting outsourcing some or all of its compliance functionality:



Learn more by downloading the Thomson Reuters Regulatory Intelligence Cost of Compliance 2020 report.

[Download report](#)