

2013 In Focus Compliance Trends Survey

Deloitte

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OBJECTIVE:

This survey was conducted in order to assess the resources that compliance departments have, the compliance risks associated with their operations, the risks within the extended enterprise, and the use of technology.

METHODS USED:

Responses were collected from 189 respondents from industries and companies that had median annual revenue of \$5 billion and more than 18,000 employees.

KEY FINDINGS:

- 37% of respondents said their top compliance job is a stand-alone position
- 51% of CCOs stated that they answer directly either to the CEO or the board
- 13% of respondents said that their top compliance executive is also the general counsel
- 13% of respondents said that their top compliance executives are also the chief audit executive
- 15% of respondents stated that their organization has no dedicated compliance executive at all
- 52% of CCOs said that their full-time compliance staff consists of five or fewer people
- 47% of CCOs said their annual budget for compliance (including salaries) is \$1 million
- CCOs at larger companies are more likely to focus on strategic issues such as setting standards of ethical conduct and managing risks associated with the business' strategic initiatives
- 78% of CCOs said that their businesses have a social media policy in place
 - More than 50% of these CCOs admitted they don't monitor employee's use of social media to see whether they follow the policy
- 31% of CCOs said they don't calculate the effectiveness of their compliance programs
 - This percentage is still better than the survey completed in 2011 which indicated that 38% of CCOs do not measure their programs' effectiveness.
- 28% stated that their businesses have a team that studies data analytics for ways to improve compliance
- 66% admitted that they either do analytics in an ad hoc approach or not at all
- 43% claim that their companies are increasing oversight (auditing/monitoring) with some changes to business partners
- 15% are re-assessing most of their business partners and activities
- 18% are re-assessing some business partners or bringing some activities back under direct control
- 17% are not re-assessing their compliance policies and executives at all
- 8% are bringing most of their business activities under more direct control and oversight

Conclusion:

There are some billion dollar companies that do not make the issue of enforcing compliance a top priority. In order to raise awareness for compliance, more compliance executives should re-assess their programs and analyze its effectiveness. This will allow companies and organizations to improve their state of following company regulations and promoting ethical conduct.

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