



COMPLIANCE: DARE TO BE DIFFERENT

2017 COMPLIANCE RISK STUDY

The **Accenture 2017 Compliance Risk Study** indicates the transformation journey for Compliance has entered a new phase in the face of the digital age and escalating margin and performance pressures as financial institutions look to rationalize and reduce costs while improving efficiency.

Our study reveals that institutions are choosing different paths to optimization. Regardless of the path taken, the common challenge is keeping Compliance innovative so the function remains sustainable in a transforming financial services business and risk ecosystem.

A NEW PHASE IN THE TRANSFORMATION JOURNEY

Compliance has assumed its rightful place alongside other functions such as Finance and Risk within financial institutions as a mature control organization.

Despite this, a very large majority of respondents to our study expect to increase their investment in Compliance capabilities as they face a newer challenge that demands sustainability across an expanded set of responsibilities.

86%

of study respondents characterize their role as a regulatory advisor to their institutions

89%

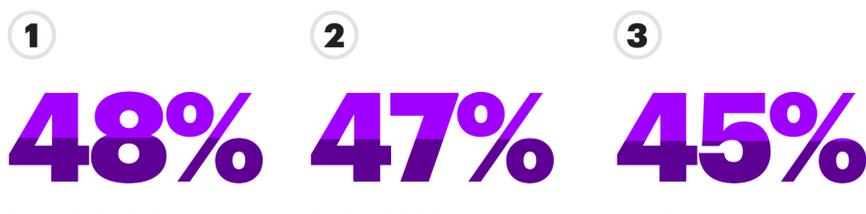
of institutions surveyed project investment in capabilities to increase over the next two years

TODAY, RESPONDENT FIRMS SPEND MORE THAN 5 PERCENT OF THEIR NET INCOME ON COMPLIANCE, A JUMP OF 40 PERCENT YEAR-ON-YEAR.

A COMPLEX RISK ECOSYSTEM DEMANDS CONTINUED INNOVATION

Compliance's role as both a strategic advisor and a risk assessor continues to be challenged by the diversity of risks to understand, monitor and manage.

WITHIN THE NEXT 12 MONTHS, THE TOP THREE COMPLIANCE RISKS ACCORDING TO RESPONDENTS INCLUDE:



In Accenture's experience, a key strategic priority for Compliance is to maintain a continued spirit of innovation that sustains capabilities at the level of sophistication needed to manage a more complex risk ecosystem.

POWERING UP COMPLIANCE

Compliance functions are encouraged to invest strategically to deliver sustainable risk management that is cost effective while maintaining the integrity of the control environment.

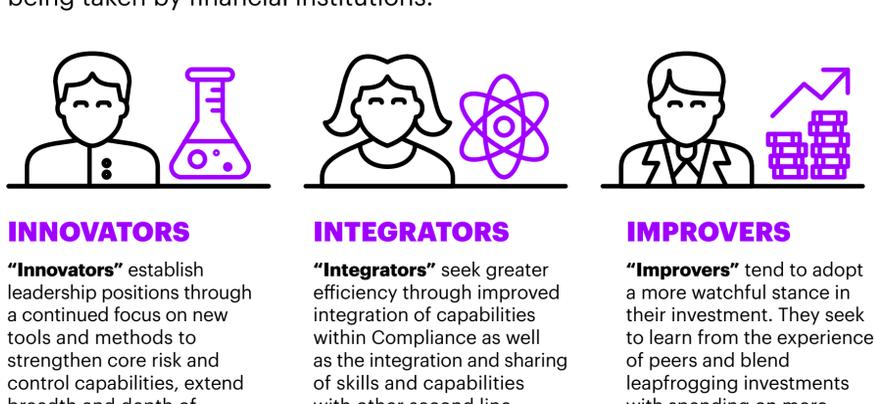
Our 2017 Compliance Risk Study indicates that while investment in the function is increasing and expectations have matured, Compliance has in many cases not taken advantage of tools and technologies that can help it effectively leverage this investment.

THIS YEAR'S STUDY POINTS TO A CERTAIN "DOUBT" AMONG RESPONDENTS CONCERNING EMERGING TECHNOLOGIES



INNOVATORS, INTEGRATORS AND IMPROVERS

In our experience and as confirmed in the **Accenture 2017 Compliance Risk Study**, there are three main models that, while not absolute or comprehensive, can help summarize some of the key approaches being taken by financial institutions.



READY FOR TOMORROW'S COMPLIANCE?

The rules of the road for Compliance have changed. These are driven by the accelerating demands of the digital age and the expanding awareness of the importance of strong conduct risk management.

Compliance functions should recognize this shift and enhance their investments if they are to remain relevant to their institutions and maintain their role as both an objective control function and strategic advisor to the business.

For more information, visit www.accenture.com/financeandrisk