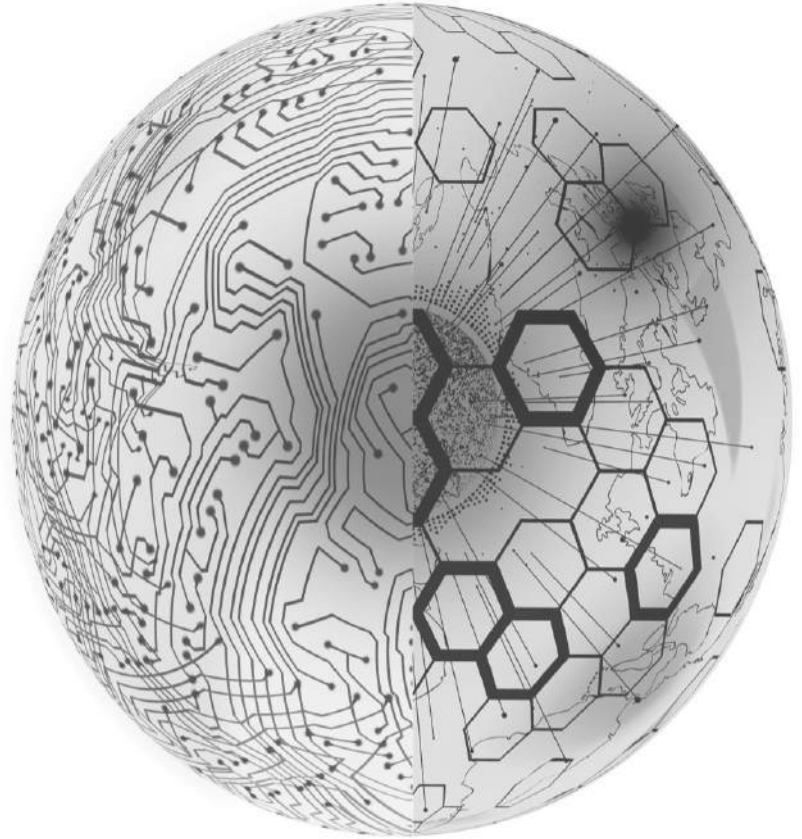
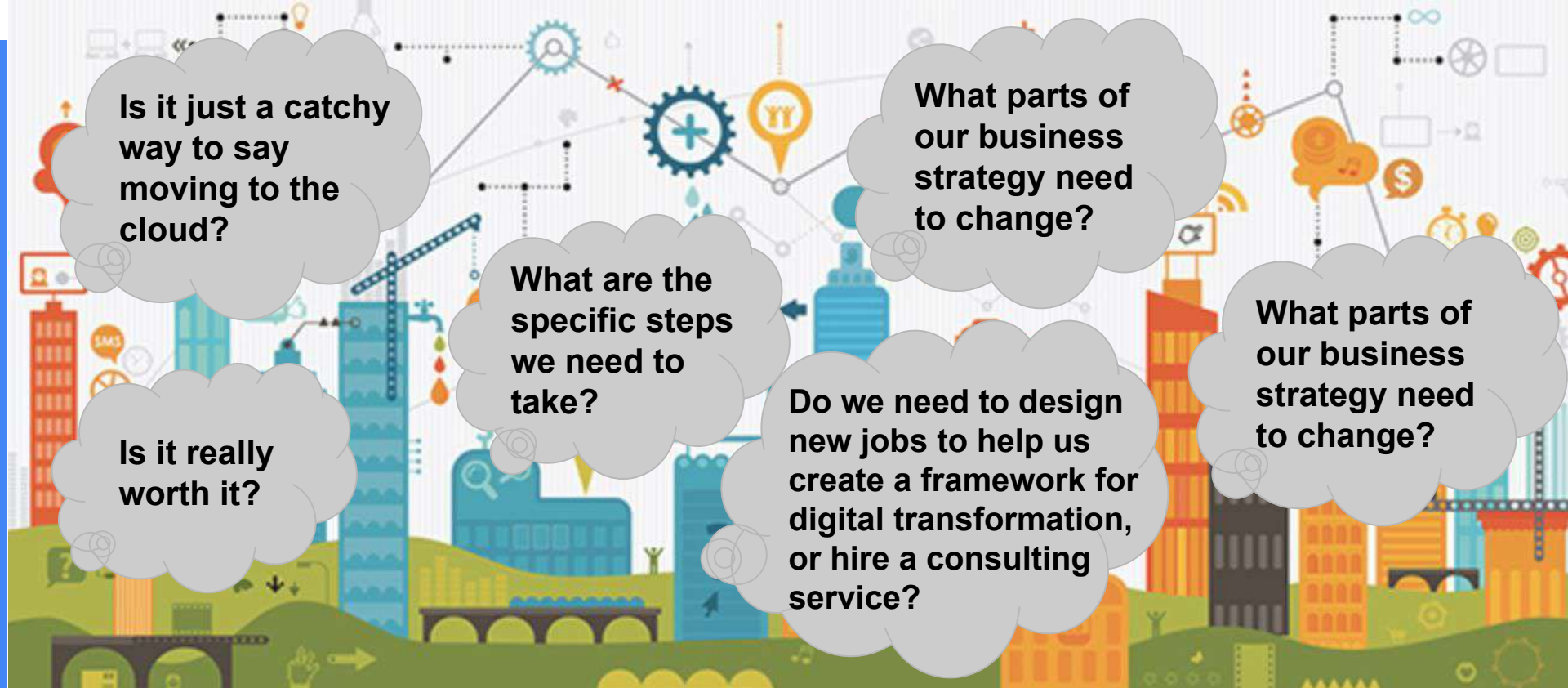


Compliance and Digital Transformation





Is it just a catchy way to say moving to the cloud?

Is it really worth it?

What are the specific steps we need to take?

What parts of our business strategy need to change?

Do we need to design new jobs to help us create a framework for digital transformation, or hire a consulting service?

What parts of our business strategy need to change?

What is digital transformation?

What is digital transformation?

Is the integration of digital technology into all areas of a business, fundamentally changing how you operate and deliver value to customers.

Digital



- Communication between devices

Strategy



- Taking a stance, a market-view
- Backing it up with objectives
- Taking some actions

Transformation



- Business model
- People
- Processes
- Technology

What does it mean for Compliance?



Impacts for the compliance function

Challenges



- Lack of resources: \$\$ | skills, and accessibility to information are crucial issues
- Continued view of compliance as “cost center” not a “strategic business partner”
- More complex environment
- Increase of risks
- Increase of regulatory requirements

Positive



- Purge time consuming manual processes
- Data analytics + artificial intelligence = a competitive advantage and mitigate risk along the value chain.
- Create and show value through data
- Keeping current with regulations, business changes, or innovations

The Future of Compliance

Where to start?



You need to rethink the way you deliver compliance services.



Goal

- Transform your Operation model to squeeze strategic advantage out of compliance.
- Control costs while achieving growth
- Right people, processes, technology
- Automating where needed
- Lead efforts to create a corporate culture that prevents non-compliance behavior

Assessment

- Understand future Plans for Compliance Org
X
- Current Compliance Operating Model
- Market developments and Technologies



Questions to ask yourself

Operating Model

- How to do more with less \$\$\$?
- Framework aligned within Org?
- Make the most of compliance services?

Technology

- Data quality is holding you back?
- Fully intelligent automation- when?
- Keep utomation under control - how?

People

- Do you have the right people?
- Does your team have agile mindset?
- Does your culture help or hinder compliance?

Operating module - Most Important



Aligning risk views enhances process quality and efficiency

1. Share data and technology

2. Adjust foundational elements

3. Design roles & responsibilities

4. Obtain shareholder buy-in

5. Conduct pilot

Questions to ask yourself



Foundational elements

- Single, comprehensive risk categorization,
- Common view of organisation's risk assessment unitsn Org
- Consistent scoring methodology across risk types ana activities calendar



Governance Processes

- Clear and differentiated roles and responsibilities across all lines of defence
- Central coordinating function for risk assessments




Data & Technology

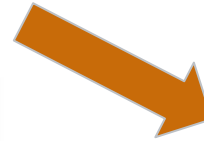
- Single integrated platform
- Facilitate collection and aggregation of data
- Process automation

People & Culture



THE ROLE CHARTER OF COMPLIANCE PROFESSIONALS CHANGES SIGNIFICANTLY ...

 <ul style="list-style-type: none">• Compliance expert• Legal & regulatory background• Narrow focus• Inspector	 <ul style="list-style-type: none">• Advisor & partner• Diverse skills set• Influencing• Technologist, digitally fit
<ul style="list-style-type: none">• Unstructured and inefficient processes• Reactive to incidents• Lacking formal framework	<ul style="list-style-type: none">• Aligned to strategy• Autonomous processes• Proactive prevention & prediction• Defined framework
<ul style="list-style-type: none">• Unclear mandates• Perceived as cost/business preventer• Less intense regulatory environment• Small team	<ul style="list-style-type: none">• High profile, clear mandate• Increasing expectations of regulators• More compliance with less funding• Bigger footprint



... NEED YOUR COMMITMENT TO PEOPLE'S LEARNING JOURNEYS:

- 1** Identify the skills gaps in your compliance organisation
- 2** Invest in upskilling programmes and tools
- 3** Make your compliance learning journey a **key strategic priority**
- 4** Inject **new talent** to **move at the speed** of the organisation

- 1. Identify the required skills and skills gaps**
- 2. Take measures to close gaps, shape your team**
- 3. Promote / foster new mindsets and behaviours**

People & Culture

To influence a culture of compliance you have to get the four key components right



Build the right **relationships** and connections to foster **trust and open communication**.

Encourage the organisation to admit mistakes and to learn from them



Make sure you influence the **mindset** around compliance and ethics, including values and ways of thinking, by **targeting behaviour** through role modelling, communication and **consequent measures** in case of noncompliance.



Equip your people with the right compliance **skill sets** and capabilities, give clear guidelines across the organisation – people and leaders – in order for them to behave appropriately and eventually to be able to take risks confidently.



Use change levers to reinforce **behavioural change**. **Appropriate reinforcers** (e.g. incentivisation structure, aligned targets) need to align with the behaviours you want to drive. Use **active leadership and example from the top**.



'Self-sustaining patterns'

because culture has inertia—without a really strong and persistent force, it won't change its course



'Behaving'

because what people feel, think and believe is reflected in—and shaped by—their daily behaviours



'Feeling, thinking and believing'

because both the emotional as well as the rational sides matter



THANK YOU!