FIS

7 STRATEGIC MOVES
for conquering risk and compliance

Risks continue to evolve, and compliance is more complex than ever before. To identify and mitigate risks – such as cyberattacks, fraud and climate risks – you need to strategically align your teams, tools, processes and budgets, and leverage real-time, data-driven insights.

1. Harness additional resources to identify and categorize regulatory risk

In addition to internal surveys, brainstorming sessions and reviewing existing risks, external resources like consulting firms and analysts can help you compare your compliance risks with operations peers and industry best practices. You need to understand what's happening in the industry, what's most important to regulators and any possible changes to regulations or legal risks that can impact you. If you can't see the interconnections between compliance and other threats across different categories, it's impossible to analyze how compliance risks may affect your business.

2. Use technology to evaluate regulatory changes more quickly and efficiently

Regulatory changes can be streamlined with filtered feeds that provide you with targeted notifications and action workflows. By filtering notifications, you can quickly identify and manage exceptions without having to sort through newsletters, bulletins and more. From here, you can perform ad-hoc risk assessments and create monitoring and testing schedules for critical regulatory changes that impact your operations strategy.
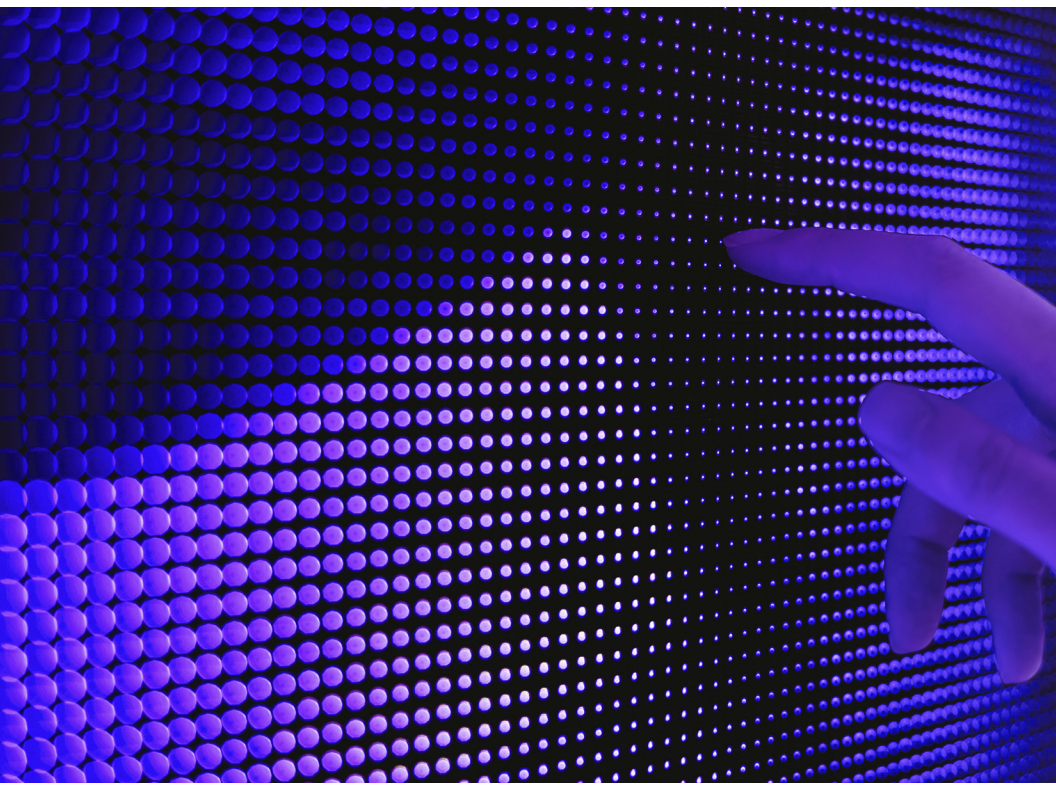
3. Map compliance risks and regulatory inventory to meaningful processes

Mapping the risks and regulatory inventory to meaningful business processes includes knowing which procedures, controls, regulations and training could be affected if there's a situation. Consider if you can leverage existing resources or if you need to supplement with support from external resources. Sometimes, it can also be difficult to effectively communicate with the first line to understand how they're impacted or notify them of changes. Additionally, mapping is challenging to maintain with general-purpose business software, so it's critical to have a sound infrastructure where you can quickly access the information for risk remedy.

4. Reduce guesswork by quantifying risks and controlling effectiveness where possible

Suppose you don't have a standard approach or consistent questionnaires and related formulas to calculate the strength of controls and residual risk. How do you know what to prioritize? With an interactive risk register, calculations can be performed in real time while evaluations occur to generate reports more quickly. Additionally, with risk metrics and the ability to analyze risks, key risk indicators (KRIs) and controls with greater frequency, you can proactively transform your risk program rather than staying reactive.

5. Tailor compliance risk reports and data analysis to your audience for maximum impact

Tailoring compliance risk reports and data analysis to the right audience within your organization is a common challenge. The first line, second line, leaders and decision makers require different levels and granularity of information. Technology can enable quick evaluation of the current risk appetite and help you adjust as needed. A few best practices for scheduling and performing risk assessments: knowing the local and federal regulations, talking to those who operate the process and reviewing customer complaints to understand the root causes.

6. Prioritize and streamline monitoring and testing with integrated risk assessments and workflows

Having the right data at the right time can provide actionable insight and reduce the burden on the first and second lines of defense. The first line of defense can reduce the load by mapping tests to regulations, providing procedure documents and checklist templates to users and assigning questionnaires for testing and reviews. For the second line, collecting data and documentation associated with the testing activities – including work papers, collaboration notes and an audit log of all activities performed for each compliance test – ensures accountability. Lastly, workflow automation can provide real-time visibility into the status of open and planned compliance monitoring activities.

7. Leverage technology to accelerate compliance maturity

The modernization of risk and compliance management platforms and other technologies has accelerated based on work-from-home needs. Still, you have an opportunity to benefit from these advancements moving forward. Matching high-priority initiatives with low time-to-value helps your organization realize positive results quickly. You also need to avoid pitfalls by managing expectations and avoiding scope creep, making sure you have the best industry expertise and knowing when to call in a partner versus a vendor.

Technology can have a massive impact on your ability to manage compliance risk.

FIS® is your risk and compliance partner, with expertise in local and global regulations as well as solutions that help your compliance and risk management teams improve productivity, efficiency and effectiveness.

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