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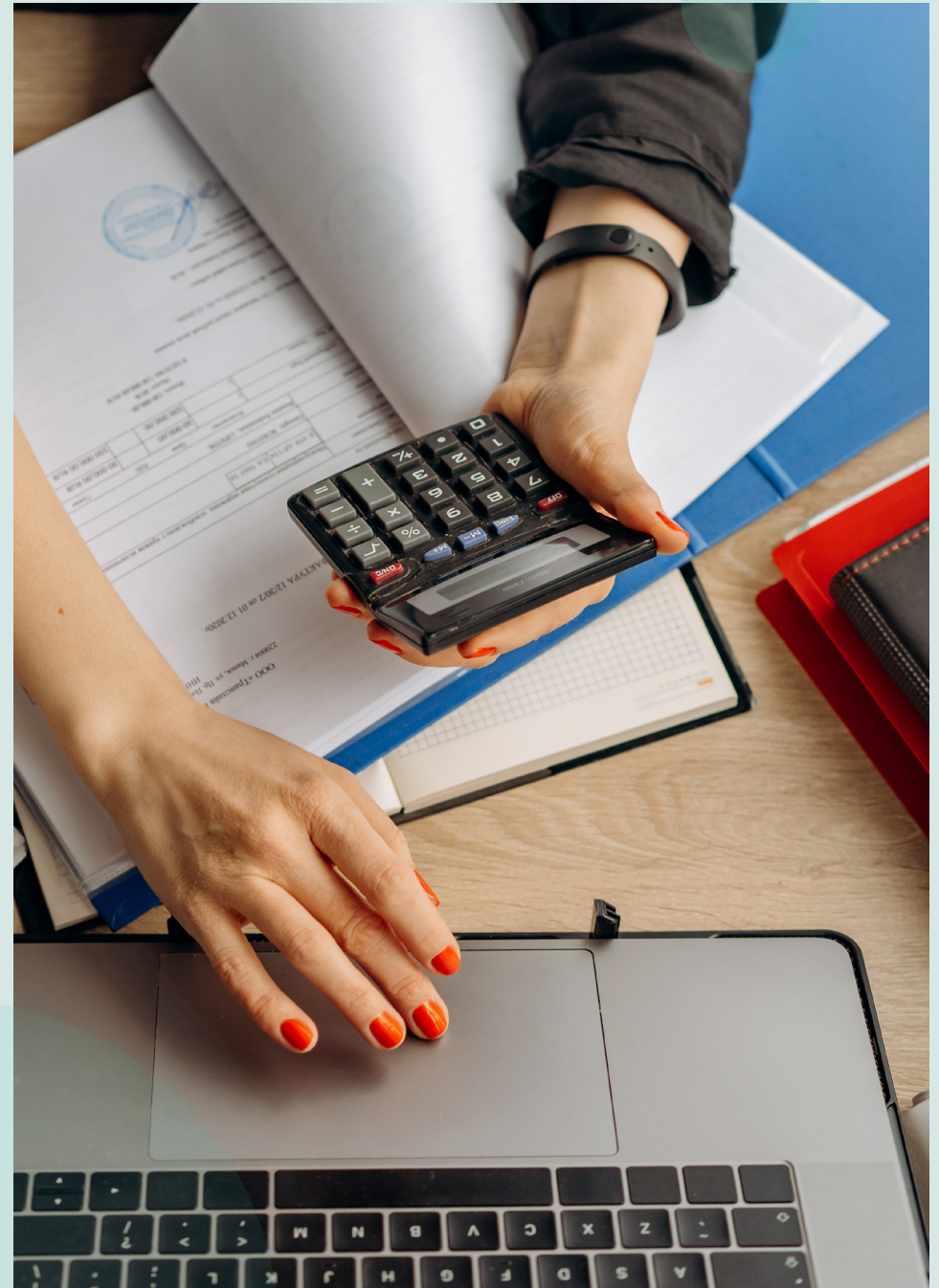
The Cost of *Compliance*

Automating compliance processes and bringing down the cost of compliance

Intro-

As rules and regulations in the market are changing at a rapid pace, having the right tools and resources to manage these becomes a necessity for all companies.

Over the past decade, we have seen the costs of compliance increase significantly – and they will continue to do so. With costs only rising, it is more important than ever to learn how to manage your compliance in an efficient and streamlined way.

With this piece we hope that you can **get a better understanding of how automating compliance processes can help bring down the cost of compliance and lead to better business decisions.**

We hope you enjoy it.

Team Impero

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The cost of compliance
– past and future

The cost of maintaining compliance is significant and will only continue to increase. As regulations are constantly changing and becoming stricter, businesses need to be prepared for costly fines and penalties that are associated with being non-compliant. These can hurt not only financially but can have a lasting effect on your company's reputation.

Compliance in its nature can be complicated and expensive to manage with larger companies **spending an average of $5.5 million annually**, but the cost of non-compliance is *even higher* with some larger companies being **fined up to $15 million annually.**

As we usher in a time with so much uncertainty and the cost of compliance having no signs of decreasing any time soon, taking a proactive approach to compliance management becomes

Since 2011 the cost of non-compliance has **increased by 45%,** and in a 2021 study conducted by Thomson Reuters **78% of respondents** were clear that the cost of compliance was only going to continue to increase within the next couple of years.

all the more necessary for all organizations. To effectively manage compliance within your organization, we must first acknowledge the key challenges that are driving up compliance costs and implement mitigating actions to avoid the burden of potential punitive and damaging fines.

But what are the driving factors that have really brought up the cost of compliance in the last couple of years?

Biggest compliance challenges that are bringing up compliance costs

In the study conducted by Thomson Reuters, respondents were clear that their biggest compliance challenges in 2022 were:

> **#1** Volume and implementation of regulatory change
>
> **#2** Lack of skilled resources
>
> **#3** Availability of skilled resources

As regulatory demands and expectations continue to change and become more challenging to manage, and given the uncertain world we live in, focusing on having the right processes with the right skilled resources in place becomes crucial and should be the main priority for all companies.

For example, if we consider the speed at which the world changed as the impact of COVID-19 we saw new challenges and changes from one day to the next. In its 2020 survey, Thomson Reuters found that one of the biggest challenges for compliance functions was how to work through COVID-19, specifically remote work for compliance teams with almost 2 of 3 employees working from home.

Remote work was a quick transition – virtually overnight - and as we've emerged on the other side of the pandemic, the need and desire for remote work may never leave. Contrary to this, the **demand for remote work has continued to grow after the pandemic** with leaders clearly seeing that employees are just as productive at home as in the office.

But with so many regulatory demands and changes, how were compliance teams able to be productive during the pandemic? **Through technology.**

Biggest compliance challenges that are bringing up compliance costs

The adoption of technology has the power to influence the way we work and has been a driver of change for many years now. Thomson Reuters found that implementing technological solutions was the most effective way to centralize its decentralized compliance functions.

Further, the pandemic has increased their reliance on technology to improve decision-making, performance monitoring, and risk management.

Organizations can continue to build on the power and influence of technology to have more confidence in their compliance.

But how exactly does technology strengthen compliance functions and *bring down* the cost of compliance?

How technology can strengthen your compliance functions

Across every organization, technology and digital tools play a role in how we work.

From using Teams, Slack, to Zoom there is not a day that goes by when we do not engage with some sort of digital tool. The role that technology plays in our work life will only become more widespread.

So as our internal and external communication becomes more digital, now is the time to let the way you manage compliance become more digital – and further explore and increase technological investments throughout other parts of your organization.

The best digital tools should allow you to do more with less – the business benefits of which many organizations have already realized.

A recent study conducted by Hyperproof found that **85% of respondents are planning to evaluate new tools** in the new year with the goal of streamlining and automating their compliance processes.

But why?

Operational compliance often involves large amounts of paperwork and repetitive tasks, and inaccurate reporting can lead to expensive fines and bring up the cost of compliance. However, with the right technology and by automating these tasks and processes, you can decrease the time spent on repetitive tasks and have everything in one streamlined platform, thus bringing down the cost of compliance in a uniform and simple way.

PwC recently conducted a survey where they found that properly-deployed technology can reduce the overall cost of compliance *by as much as 30-50%* - by reducing the handling time and increasing the quality.

It is clear that having the right solution can have lasting benefits for your department, but what should the right technology look like?

What should the right technology look like for **compliance management?**

Because every organization and every industry has its own set of rules and regulations which they must adhere to, having the right tool should be something that can support many different functions in a transparent and simple way.

Likewise, with employees scattered around the world and in various functions, with different languages, the need to streamline compliance and procedures is clear.

Policies must be easy to find and interpret on all levels of the organization.

With that in mind, the right fit for a compliance tool should:

#1 Reduce human error

#2 Simplify compliance processes

#3 Provide transparency throughout your organization

#4 Reduce the risk of fraud

#5 Improve effectiveness and efficiency of operations

While the list is endless on how the right tool could play a role in your organization the underlying theme is that whichever tool it is, it should help bring down the cost of compliance and make compliance simple and transparent but allow your company to scale your activities without increasing costs.

Introducing Impero –
Compliance Simplified

Impero is an easy-to-use compliance management platform. Built on the pillars of trust and transparency, Impero aims to make compliance simple and intuitive and deliver on promises by simplifying compliance.

In the one-stop shop platform, **Impero allows companies to automate and streamline compliance processes** that encourage people to work seamlessly together and to understand and act with confidence.

Introducing Impero –
Compliance Simplified

The Impero platform has many different functions,
but the main features include:

Risk Management

Allowing you to map risks for your entire organization and easily assess the impact and likelihood of each of these. Risks can be mitigated with the correct controls in place.

Control Management

Efficiently simplify your control set-up to follow-up by automating manual tasks, controls, and processes. All tasks, controls, and documents are stored in one place.

Reporting

Maintain a real-time overview of quality control and track risk management processes. Reports can be delivered directly to your email inbox.

Documentation

Ensure clear audit trails and use real-time data-driven reporting for better decision making. Documentation is stored in a secure and easily accessible structure.

Introducing Impero – Compliance Simplified

With the ease-of-use philosophy and intuitive navigation, your compliance team can be certain you are delivering on what you promise and become and stay compliant.

Supported by world class customer support, you can rest assured your compliance is **simplified and you are saving time and money along the way.**

Download our one-pager for more information on how Impero can help you simplify your compliance.

Download one-pager

Final thoughts:

All companies regardless of size, industry, or country must comply with rules and regulations.

As we are becoming more dependent on technology, compliance should not be left behind.

The benefits of automating your compliance processes are endless, **but above all, it saves you time and money.** With the right solution in place, such as Impero, you can become confident that your compliance processes are carefully and intuitively managed.

Join companies such as **Maersk, Anglo American, and Arla** who are already using Impero to simplify their compliance and see just how much it can benefit you.

Interested in seeing just how Impero can simplify your compliance?

Get started today by booking a demo here with our Impero experts.

Book a demo

IMPERO

COMPLIANCE. SIMPLIFIED.