

# State of Risk & Compliance Report

2024



# Table of Contents

—	Introduction	3
—	Survey Methodology	4
—	Key Definitions	5
—	Snapshot of Survey Participants	6
—	Executive Summary	8
—	Program Maturity and Current State	12
—	Program-Specific Elements	21
	01 Ethics and compliance	22
	• Hotline and Incident Management	24
	• Ethics and Compliance Training	30
	• Policy Management	34
	02 Risk Management	37
	03 Environmental, Social and Governance	39
—	Notable Observations	42
	01 Leadership’s Commitment to Compliance	44
	02 The Role of Technology in Risk and Compliance	52
	03 Compliance and the Role of Third Parties	59
—	Conclusion	64
—	Appendix	66
—	About The Author	80

# Introduction

NAVEX has been delivering leading-edge market benchmark reports to the risk and compliance (R&C) industry since 2010. In 2019, we published our first-ever “Definitive Corporate Compliance Benchmark Report,” a comprehensive review of R&C programs that offered key findings, analysis and insight to help organizations measure, evaluate and advance their programs.

For 2024, NAVEX partnered again with independent research firm The Harris Poll to survey R&C professionals from a wide range of industries about the design, priorities and performance of their R&C programs. Readers of this latest report will discover the results of significant survey updates meant to deepen our exploration of collaboration across leadership and a host of other areas relevant to R&C programs.

**New this year, NAVEX allowed respondents to direct a donation to one of several nonprofits upon completion of the survey. We were extremely pleased to see respondents directing support to each of the organizations below:**

Ethics and Compliance Initiative (ECI);  
Special Olympics International; Girls Who Code; World of Children; Care.org

The results of the survey represent over 1,000 respondents globally who influence or manage their organization’s risk and compliance programs. In addition, this report includes detailed responses from those who actively manage or influence their program’s incident management, policy and procedure management, ethics and compliance training, third-party risk management, integrated risk management, and/or environmental, social and governance (ESG) functions.

## Insights and analysis addressed in the new 2024 report include:

- What functional areas are the strongest partners to Compliance, and which are the most challenging?
- How does commitment to compliance across different levels of leadership correspond to other program elements and outcomes?
- What role is technology playing in R&C programs?
- How do trends differ across organization size and geography?
- At what rate do organizations see Compliance as a business enabler – or necessary evil?

# Survey Methodology



The 2024 research was conducted online by The Harris Poll on behalf of NAVEX among 1,066 adults age 18+ who are nonacademic professionals (Management/ non-Management or higher) and knowledgeable about risk and compliance in the United States (n=589), United Kingdom (n=133), France (n=113), Germany (n=113), and other countries (n=118). The survey was conducted between February 12 - March 18, 2024.

Raw data are not weighted and are therefore only representative of the individuals who completed the survey.

Respondents for this survey were from NAVEX's list of customers or prospects (n=552) or selected from among those who have agreed to participate in our surveys (n=514). The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within +/- 3.0 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.

All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.

**Note:** When comparing data between 2023 and 2024, it is important to note a range of differences in terms of specific question design, question order, and respondent base. Any year-over-year analysis should include this caveat.

## How to use this report:

The data and insights in this report help chief compliance officers and other R&C professionals to make informed program decisions. The report also outlines practical ways to improve R&C programs across all maturity levels and organizational sizes.

- Benchmark your organization's program design and outcomes against peers
- Assess your program maturity
- Identify specific steps to improve program performance
- Review and compare program priorities and effectiveness measures
- Determine whether your approach to organizational risk is aligned with others
- Review how your organization is protected or exposed to risk through your approach to specific programmatic areas
- Leverage these findings to gain buy-in from other decision-makers across the organization

# Key Definitions

**POLICY MANAGEMENT** includes controlling the organization’s policies and procedures throughout the policy lifecycle: drafting, editing, approving, updating, distributing, storing and documenting attestations. Policy management software (or a policy management system) refers to the technology that enables more efficient management and execution of those practices.

**ETHICS AND COMPLIANCE (E&C) TRAINING** includes regulatory compliance, conduct, employment law and information security training from a behavioral perspective. This definition includes all forms of training on ethics and compliance topics: online, in-person, virtual and blended training approaches. Educational and awareness approaches are also within this scope of training.

**INCIDENT MANAGEMENT** typically consists of telephone, web, mobile and other whistleblower channels where employees and other stakeholders can make reports. Incident management systems receive, record and encourage responses to questions, reports and incidents received, and offer executive reporting tools and the ability to track and manage resolution

**INTEGRATED RISK MANAGEMENT** is a process that improves decision making and enhances business value by integrating risk intelligence into activities across the enterprise, such as strategic planning and strategy execution, investment decision making, project portfolio management, enterprise performance management, third-party performance management and information governance.

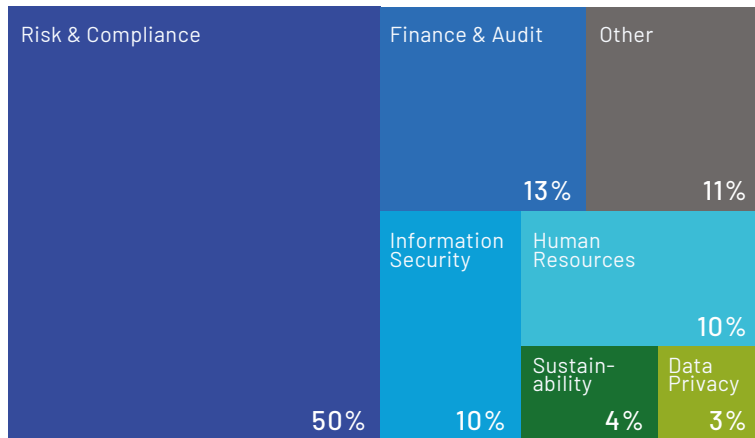
**THIRD-PARTY RISK MANAGEMENT** is an umbrella term that refers to all risk-management activities related to third parties: onboarding, screening, monitoring and in-depth risk analysis; as well as associated processes to identify, stratify, prioritize and mitigate third-party risks. Third-party due diligence refers to the studied assessment of third parties before, during and after an engagement. Internal business justifications, external preliminary risk assessments, establishing business rules and authorizations, processing documentation and policies, database analysis and reputational reporting are all third-party due diligence. It also includes active monitoring of third-party engagements for new “red flags” and real-time changes to the third party’s risk profile.

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)** is a subset of non-financial performance indicators which include environmental, social, ethical and corporate governance issues such as managing a company’s carbon footprint and ensuring there are systems in place to ensure accountability.

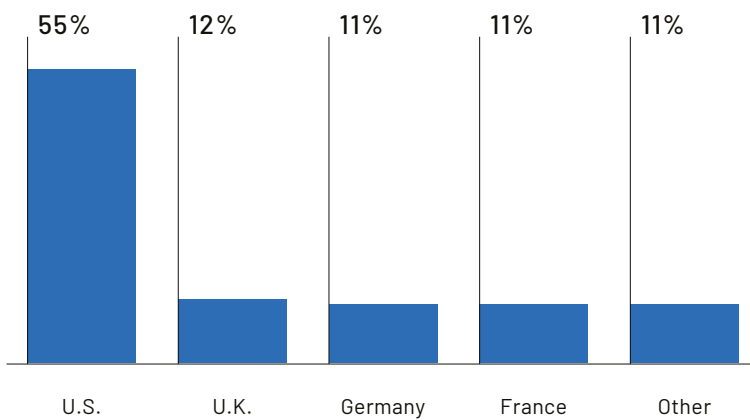
**PROGRAM MATURITY** is a measure of the size and sophistication of a company’s existing risk and compliance program. For the purposes of the 2024 study, maturity designations were self-reported based on the criteria of the [Framework for E&C Program Excellence](#) from the Ethics and Compliance Initiative (ECI). We utilize program maturity as an indicator of current proficiency and performance.

# A SNAPSHOT OF OUR SURVEY PARTICIPANTS

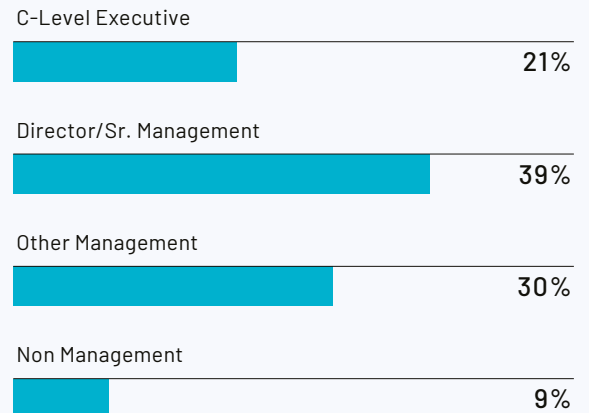
## JOB FUNCTION



## COUNTRY OF RESIDENCE



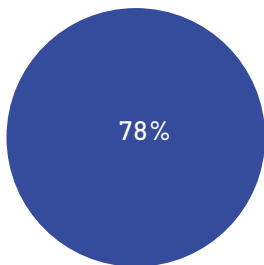
## JOB LEVEL



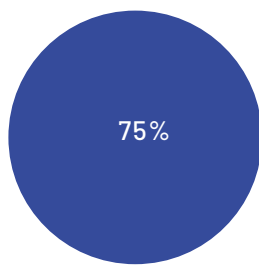
## COMPANY HEADQUARTERS



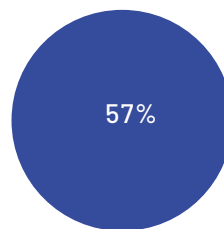
## AREAS OF RISK & COMPLIANCE KNOWLEDGE



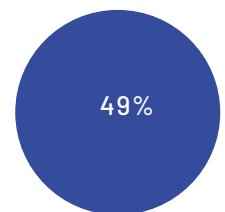
Ethics & Compliance



Risk Management



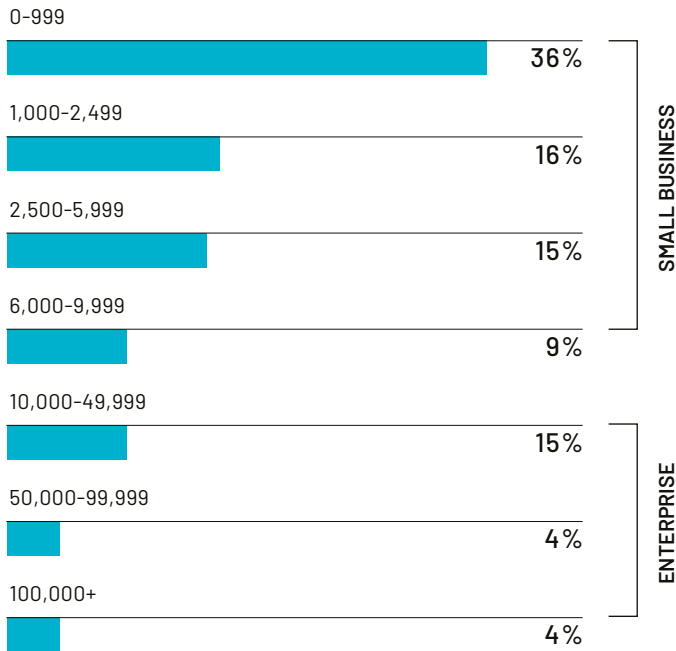
Use of Technology  
in Compliance



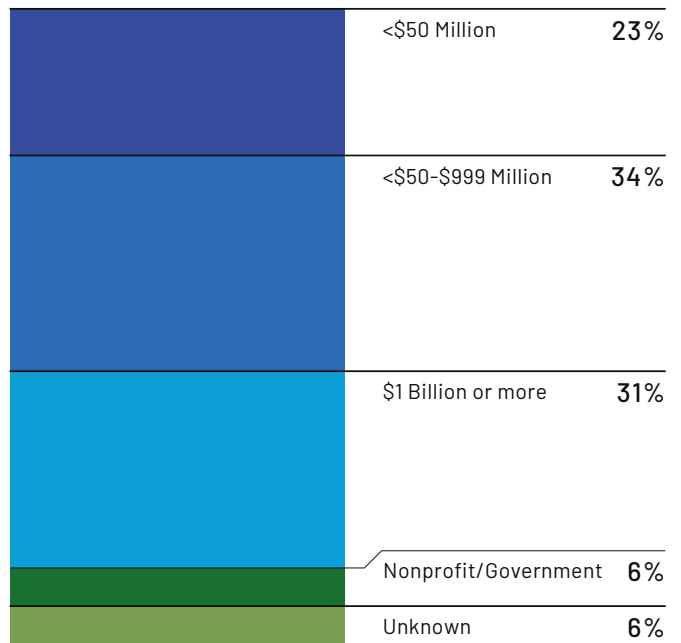
Environmental, Social, &  
Governance Management

# SNAPSHOT (continued)

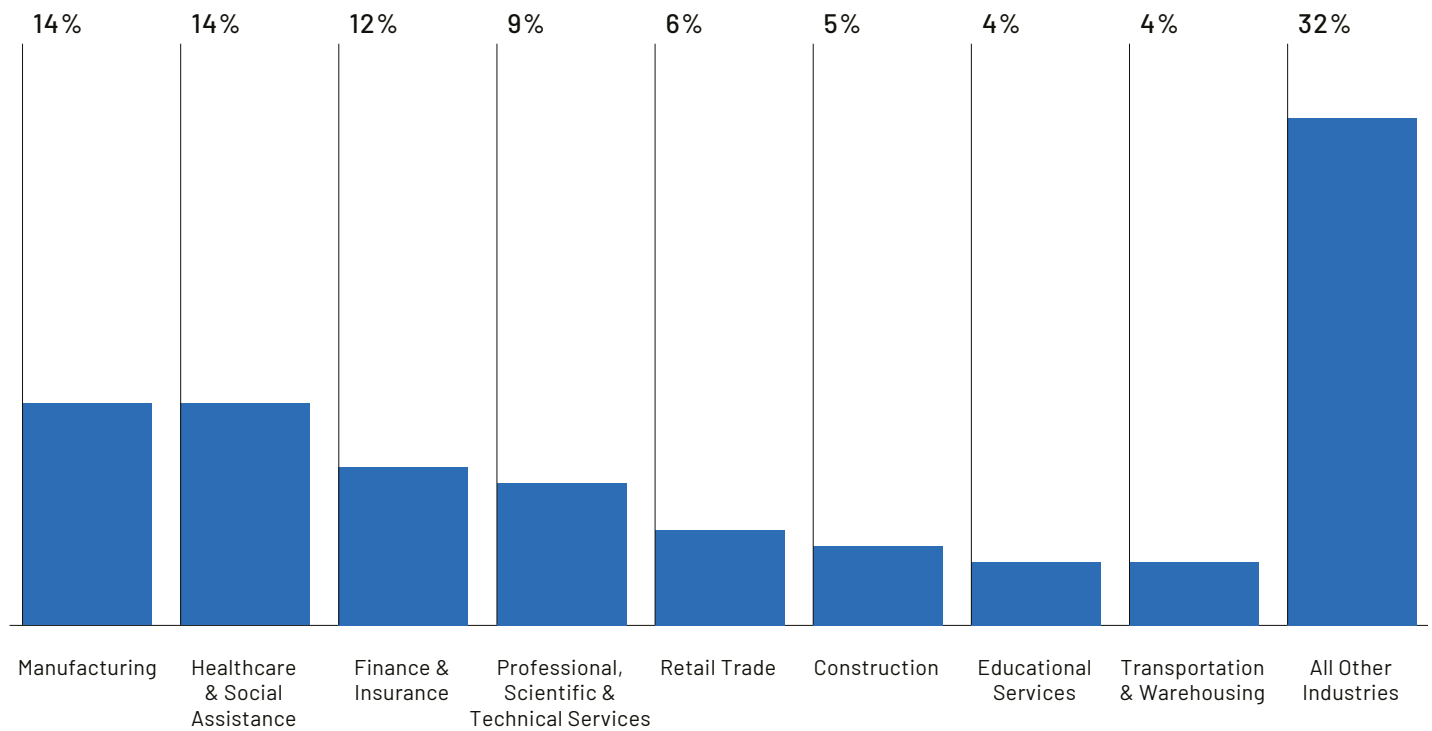
## NUMBER OF EMPLOYEES



## ANNUAL REVENUE



## INDUSTRY



# Executive Summary



Drawing on survey responses from over 1,000 risk and compliance professionals across the globe, NAVEX’s annual State of Risk & Compliance Report provides a multitude of insights with which readers can benchmark their programs and compare their operations against global trends. As always, we ensure responses shed light on some of the foundational elements of effective programs. We also invited respondents to help us explore some of the important forces shaping our professions and organizations.

Below are some of the notable storylines our teams identified from this year’s survey data.

## **Greater level of maturity holds steady for second year, though lack of important program elements raise some concerns**

Using the five-level Framework for E&C Program Excellence from the nonprofit Ethics & Compliance Initiative, responses for this year’s survey suggested stability in the drift toward greater indicated levels of maturity first seen in

2023. While year-over-year comparisons are inherently imprecise due to annual changes in our question set and respondent base, this appears to signal continued confidence in many risk and compliance programs. Fifty percent of respondents said their program was in one of the top-two maturity tiers of either Managing or Optimizing. Only 22% said their program was in one of the two lowest tiers of Underdeveloped or Defining.

While many respondents appeared to express confidence in having strong program maturity, it’s worth noting that several areas of our survey revealed a surprising lack of some critical risk and compliance (R&C) program elements. Only 61% of respondents said their organization has a hotline or whistleblower internal reporting channel as part of their incident management program, for example. Fewer – 55% – said their organization has a non-retaliation policy. Sixty-four percent said training on ethics and code of conduct was planned in the next two-to-three years, meaning a large share are not planning training in this foundational topic.



### Leadership's compliance commitment associated with program maturity and outcomes

Readers of this report likely have an instinctive understanding that a strong leadership commitment to compliance is a valuable asset for any organization. Our survey sheds new light on the extent to which this commitment across all levels of leadership is associated with perceived program maturity – and also, the extent to which a lack of that commitment appears associated with negative compliance outcomes.

As one example, 92% of respondents who placed their organization in the highest maturity levels of Managing/Optimizing also flagged at least one positive behavior among senior executives pertaining to the compliance program – “encouraging compliance and ethics within their organization,” “modeling proper behavior” and/or “persisting in a commitment to ethics in the face of competing interests and/or business objectives.” A smaller share – 75% – in the earliest-maturity bands of Underdeveloped/Defining said the same about senior executive behavior, a 17 percentage point spread. In other words, those who indicated their program was more mature were also more likely to say senior executives were doing positive things for ethics and compliance. This general trend manifested for middle and first-line management as well.

Meanwhile, it was respondents who described their program as being in lower maturity stages that were more likely to flag a negative behavior. Fifty-one percent of respondents who said their program was in the early-maturity stages of Underdeveloped/Defining indicated at least one negative behavior among senior executives –

“tolerating greater compliance risks in pursuit of new business objectives and/or greater revenue,” “impeding compliance personnel from effectively implementing their duties,” and/or “encouraging employees to act unethically to achieve a business objective.” On the other end of the maturity scale, a smaller share of respondents describing their program as Managing/Optimizing flagged a negative behavior (37%). This dynamic was also seen across all levels of leadership.

Our analysis also found an association between a respondent saying their organization had experienced a recent compliance issue, and a greater likelihood of flagging negative leadership behaviors. Again using the example of senior executives, 51% of those who said their organization experienced at least one compliance issue in the past three years also flagged at least one negative behavior. Twenty-seven percent of those who said they had not experienced a recent compliance issue flagged a negative behavior. In short – respondents who said their organization experienced a compliance issue were more likely to flag negative behaviors among senior leadership.

The picture gets murkier when looking at the relationship between whether the organization was said to have experienced a recent compliance issue, while also citing positive behaviors among leadership. Interestingly, it appears those who said their organization had experienced a compliance issue in the past two-to-three years were also very likely to flag at least one positive behavior across each level of leadership.

For those who said their organization had not experienced an issue, respondents, still, were likely to flag at least one positive behavior. This dynamic invites some nuanced consideration, but may suggest, at least, that it is occurrences of negative behaviors that has the strongest correlation with the occurrence of compliance issues.

These findings, which are articulated further in the “Notable Observations” section of this report, create an architecture through which readers can inform leadership about the influence their engagement has on the compliance program. Positive behaviors among leadership are clearly associated with substantially better perceived program maturity. Negative behaviors appear associated with greater compliance risk.

### Technology sharing is uneven across silos, and AI engagement is common for Compliance

It may not be an exaggeration to say that the rise of artificial intelligence and other advanced technologies will transform every conceivable business process in the years to come. Yet this disruption is nothing new – technology has been changing the way Compliance and other business functions achieve their goals for years. What differs is how functional areas are sharing technology, creating opportunities to discuss whether those silos are optimized and sharing data by design or resulting in unnecessary risk.

When asked whether their function shared technology systems and data with other functional areas – not their own – respondents were most likely to say they did so with Compliance (81%), Risk (76%) and Data Privacy (73%). The smallest share said they shared technology with Sustainability (53%), but relatively small shares said they shared technology with Finance (64%) and Human Resources (68%) as well.

Technology is not intended to substitute for a strong culture of ethics and compliance, yet it often goes hand-in-hand given the reality of today’s operating environment. Where functional areas are not sharing technology and the associated data, there may be a risk of failing to capture a full view of the compliance and other trends impacting the organization.

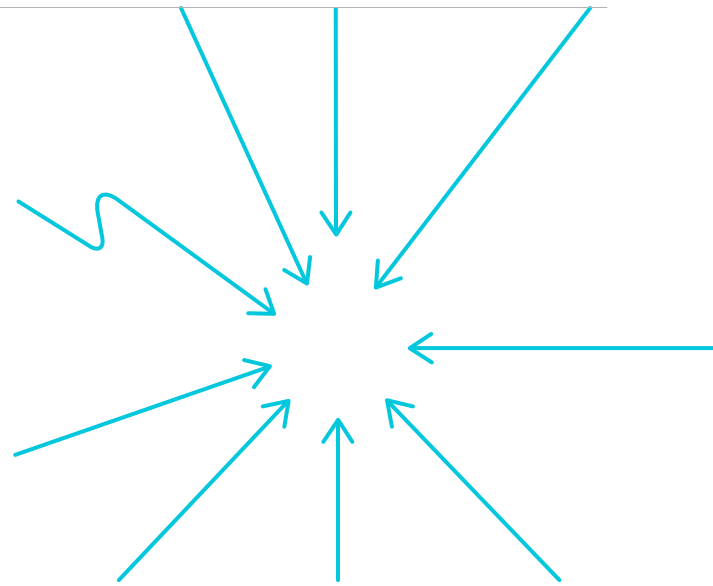
Our survey also explored the role of Compliance regarding AI risk management. Seventy-five percent of respondents said the compliance function was at least “engaged” in AI risk management. Thirty-nine percent said their organization planned training around AI. This is a rapidly evolving area we intend to watch closely in NAVEX research going forward.

### Ongoing oversight of third parties appears to present some challenges

The role of third parties has become an increasing risk area for even the smallest of organizations. For the largest organizations, the reputational and regulatory footprint extending beyond their own four walls is profound. Continuous monitoring of the supply chain is critical, but our survey reveals that many also consider it a challenge.

Only 69% of respondents said their organization was at least “good” at engaging in ongoing monitoring and risk management throughout the course of a relationship with a third-party. This suggests three out of ten organizations are challenged in this area – and 11% of respondents went as far as to say their program was “poor” with respect to ongoing monitoring of third parties. Regulatory and consumer pressure will continue to increase expectations of ethical business practices across the supply chain globally, requiring due diligence to be more than a “check-the-box” or “one and done” exercise.

On a related note, close to half (49%) of respondents said third parties are able to report through their internal reporting channels. [NAVEX's 2024 Whistleblowing & Incident Management Benchmark Report](#) includes further analysis of the value of these reports – organizations that encourage them are getting a more holistic view of the issues they face.



### Read on for deeper analysis

Where notable throughout this report, we call out findings based on region, country, company size and industry. These findings are highly nuanced – with the help of Harris Poll and NAVEX's internal team of data scientists, our callouts represent areas flagged as significantly deviating from a typical norm. This report also offers dozens of additional findings revealing industry trends for risk and compliance programs – we encourage readers to leverage this data to both benchmark their own success and deepen communication and collaboration with other business units.

NAVEX provides a number of major research publications freely to the public – not just our customers. We hope readers will use this 2024 State of R&C Report in conjunction with [NAVEX's other major research publications](#) in order to better understand the context of their R&C program successes – and ways to improve.

An abstract graphic on a blue background featuring several light blue arrows of varying lengths and directions pointing towards a central point. One arrow on the left is a jagged, sawtooth-like line. The overall composition is dynamic and suggests convergence or focus.

# Program Maturity and Current State

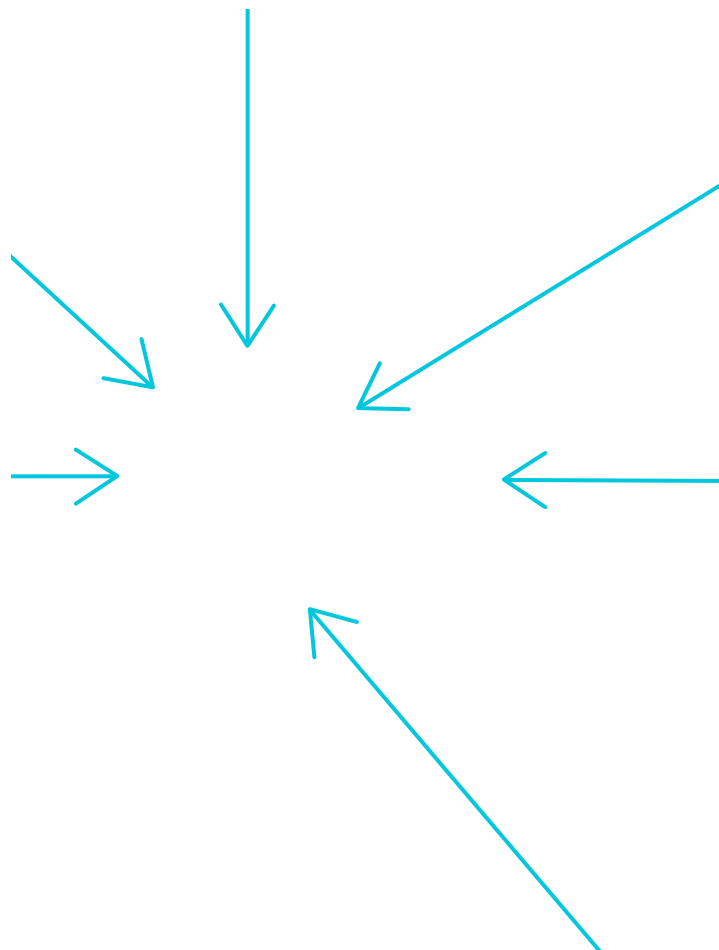
NAVEX's major research publications provide real-world benchmarking metrics with which risk and compliance (R&C) practitioners can assess the operations of their own organization and programs compared to norms in the field. Where our whistleblowing benchmark reports derive actionable insight from the activities of internal reporting programs, this "Program Maturity and Current State" section of our State of Risk & Compliance Report does so through the direct voice of surveyed R&C professionals. Readers might see our internal reporting benchmarking as a measure of how R&C programs are playing out in real time. This State of R&C Report provides broader measures of how organizations are designing their programs to address the opportunities and challenges ahead.

To help determine the state of programs in 2024, NAVEX asked respondents to self-report their R&C program maturity based on the [Framework for E&C Program Excellence](#) criteria from the nonprofit Ethics and Compliance Initiative (ECI). This five-point scale begins at the least mature, "Underdeveloped," and advances in maturity through the stages of "Defining," "Adapting," "Managing" and, finally, "Optimizing." It is worthy of note that there is no "end" to the spectrum – even the most mature programs have room to refine their approach.

We also asked respondents to outline factors pertaining to their program reporting structure, engagement in various aspects of organizational strategy, relationship with other functional areas, and more. These questions seek to paint a picture of the role R&C is playing in terms of overall organizational dynamics.

Finally, for this section, we asked respondents some specific questions about the operations of different program elements – internal reporting, training, policy management, risk management and areas under environmental, social and governance (ESG).

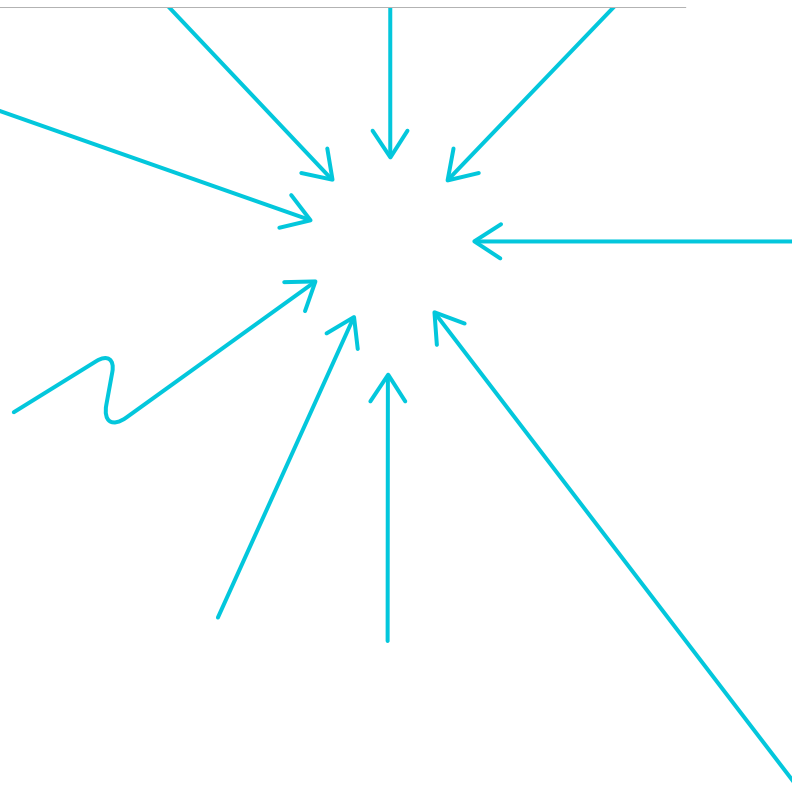
This section provides readers a sense of the current state of global R&C programs. Where notable, we've called out relevant findings by cohorts such as company size, maturity, geography and other measures within our respondent group. Readers can use this data to understand where they diverge from prominent trends, and use those findings as an opportunity to reexamine their program and open conversations for ways to improve.



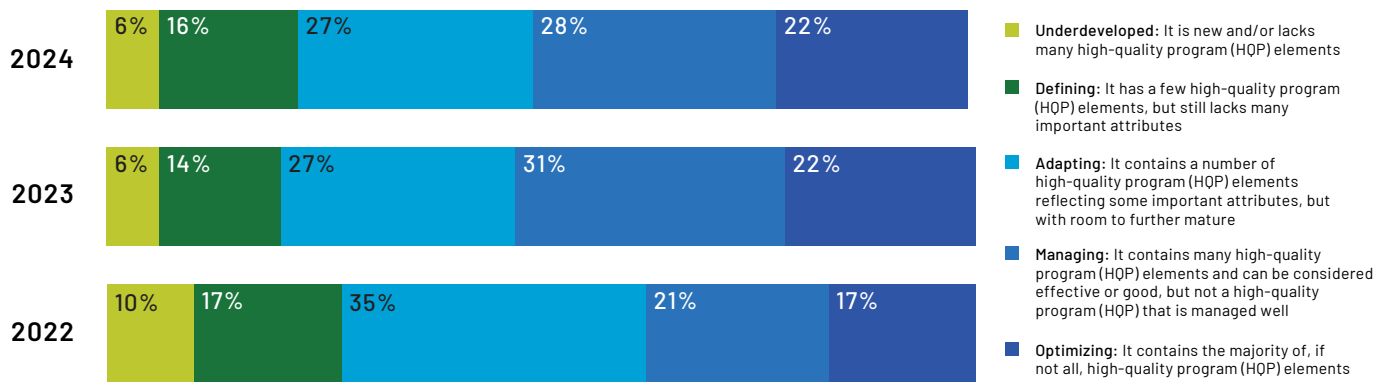
### Half of respondents place themselves in top 2 of 5 maturity tiers

Based on the maturity definitions of the Ethics and Compliance Initiative (ECI), half of respondents (50%) described their program as either “Managing” or “Optimizing,” the top two of five tiers on the maturity spectrum. In simple terms, half of respondents said they have a strong program, and about half suggested they have room to improve.

Year-over-year comparisons in this report necessitate the caveat that each annual survey undergoes refinements and attracts a different mix of respondents. It is not possible to make a precise year-over-year comparison. That said, the share of respondents aligning their organization with a given maturity category was nearly identical comparing 2024 and 2023.



## DESCRIBING ORGANIZATION'S R&C PROGRAM



BASE: ALL QUALIFIED RESPONDENTS (n=1,066)  
Which of the following statements best describes your organization's Risk & Compliance program?

### Cross-functional relationships strongest with Compliance, Data Privacy and Risk

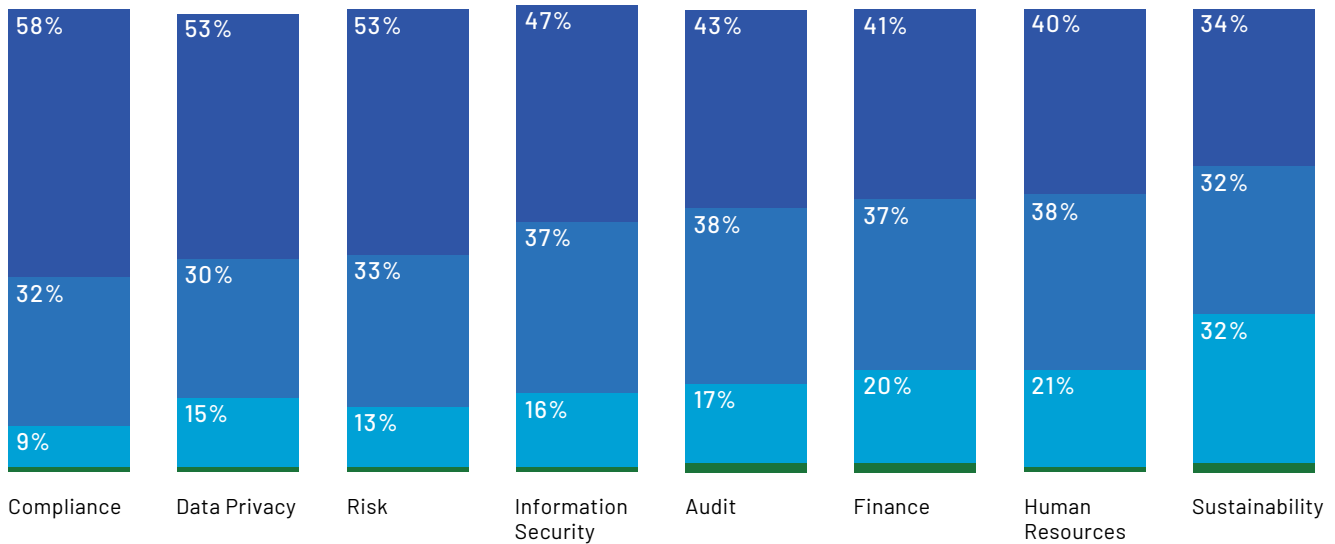
Our survey asked respondents to assess their cross-functional/cross departmental relationships. Noting that respondents were not asked to describe their relationship with their own functional area, more than half of respondents indicated they have a “Strong” relationship with Compliance (58%), Data Privacy (53%) and Risk (53%). On the other side of the spectrum, nearly one-third (32%) described their relationship with Sustainability as “Occasional,” with one-fifth saying the same for Human Resources (21%) and Finance (20%). A vanishingly small share of respondents described their relationship with any functional area as “Oppositional.”

**Additional Findings:**

- France-based R&C professionals (65%) were more likely than those in Germany (44%) and the United States (46%) to say their job function’s relationship is strong with Information Security. Those in the United Kingdom (65%) were more likely than those in France (44%), Germany (42%) and the United States (54%) to say their job function’s relationship is strong with Risk.
- Those in finance and insurance (66%) were more likely than those in manufacturing (49%), professional, scientific and technical services (49%) and other industries excluding educational services and health care and social assistance (52%) to say their job function’s relationship is strong with Risk.

### DESCRIBING JOB FUNCTION’S RELATIONSHIP WITH OTHER FUNCTIONAL AREAS

- Strong: we have regular meetings and information sharing; our programs drive toward mutual goals
- Periodic: we meet and share information periodically but typically operate in different silos
- Occasional: we have little to no regular relationship and operate separately
- Oppositional: this area often serves to resist or block my function’s goals



BASE: VARIABLE BASE  
Which of the following is true about your job function's relationship with these other functional areas?

### Nearly one-quarter of Compliance programs split across multiple departments

Nearly one-quarter of respondents who are knowledgeable about ethics and compliance (23%) said their compliance program was split across multiple departments. This was the most common response, yet our analysts would have expected this share to be even higher. It is quite common for compliance obligations to be shared across HR, IT, Risk, Finance and potentially other functions. This highlights the importance of close relationships between these functional areas.

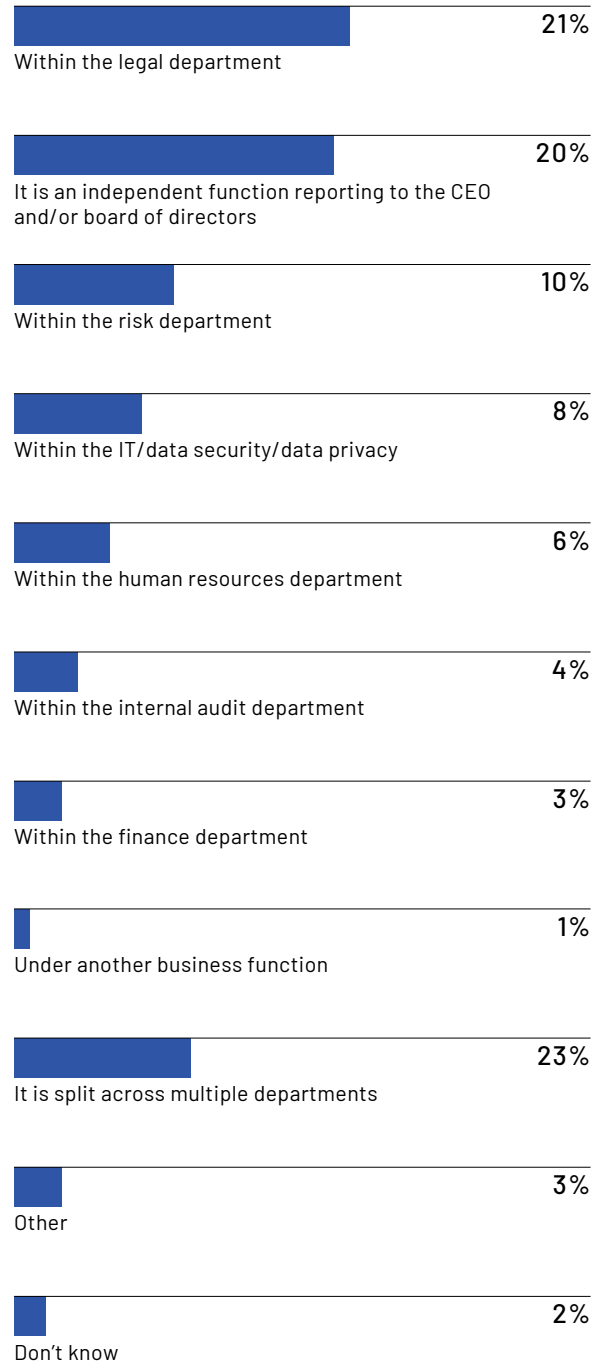
Twenty-one percent said their organization’s compliance program rested within Legal, and 20% said it was an independent function reporting to the CEO and/or board of directors.

Three percent said their program is within Finance – a potential red flag as these functions may be better able to facilitate effective governance when operating independently.

**Additional Findings:**

- Respondents from organizations based in the North America (24%) were more likely than those from organizations in Europe including the U.K. (17%) to say Legal was responsible for their organization’s compliance. Organizations based in EMEA were said to be more likely than those based in the Americas to say the function is within IT Security/Data Privacy (11% versus 6%).

### FUNCTION RESPONSIBLE FOR COMPLIANCE



BASE: KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which function is responsible for your organization's compliance?

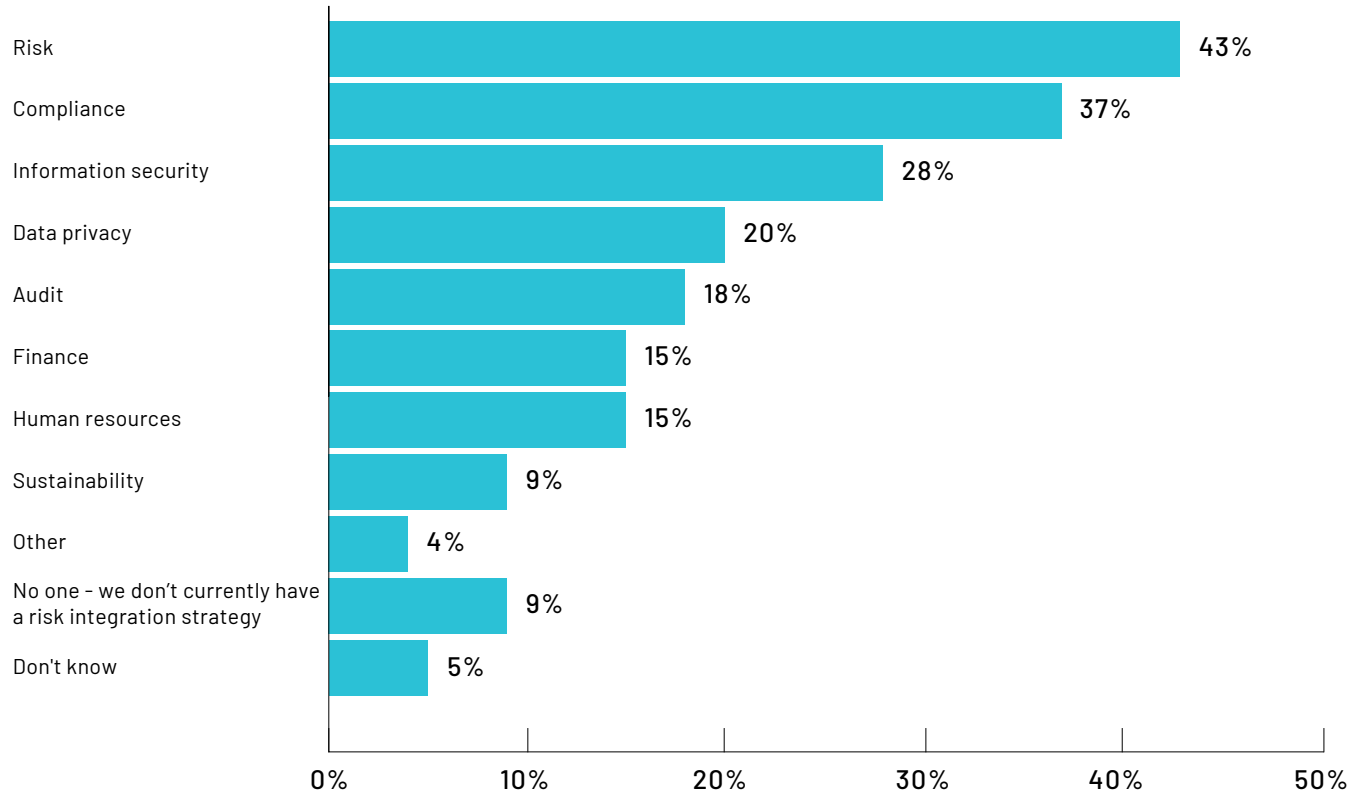


### Majority say Risk or Compliance have responsibility for risk integration

Sixty-two percent of respondents who are knowledgeable about risk management said that Risk and/or Compliance were responsible for risk integration strategy, with 28% saying the same for Information Security. These groups were the most commonly cited as having responsibility for the effort. It stands to reason that the business function responsible for risk integration should have access and agency over cross-functional conversations about defining, measuring and tracking risk, and cross-silo collaboration is necessary for achieving that unified understanding.

Organizations with a holistic view of risk are better able to manage those risks – a value many R&C professionals understand. When it comes to achieving that goal, however, responsibilities are mixed. This is not necessarily a bad thing, as the nature of risks facing a given organization may differ. For example, in some cases, it may be entirely appropriate that Information Security leads this effort.

#### RESPONSIBLE FOR MANAGING RISK INTEGRATION STRATEGY



BASE: KNOWLEDGEABLE ABOUT RISK MANAGEMENT (n=801)  
Who in your organization is responsible for managing risk integration strategy?

### Over half of organizations have faced a compliance issue in past 3 years

Half (50%) of respondents said their organization experienced at least one compliance issue in the past three years, and 31% said they experienced more than one issue. Again offering caution of comparison between differing respondent bases and questionnaire designs, these numbers were down compared to 2023. That year, 63% of respondents said their organization experienced at least one issue, and 41% said they experienced more than one.

As in last year’s report, a data privacy/cybersecurity breach was by far the most commonly cited issue (28% in 2024, and 30% in 2023). The second-most-cited issue – regulatory or stakeholder demand for ESG transparency and reporting (17%) – is increasingly the state of the operating environment for organizations across the world.

**Additional Findings:**

- Organizations that respondents described as being of lower maturity – Underdeveloped or Defining – were slightly more likely (54%) than those of greater maturity – both Adapting and Managing/Optimizing (47%, 49% respectively) – to say they had at least one compliance issue over the past three years.
- Respondents who indicated their organization’s risk management capabilities were siloed throughout their organization were slightly more likely to say their organization had experienced a compliance issue in the past three years (27% versus 21%).

### COMPLIANCE ISSUES EXPERIENCED IN THE PAST 3 YEARS



BASE: ALL QUALIFIED RESPONDENTS (n=1066)  
 Has your organization experienced any of the following compliance issues in the past 3 years? Please select all that apply.

- German R&C professionals (72%) were more likely than those in France (56%), the U.K. (47%), and the U.S. (45%) to say they have experienced at least one compliance issue in the past three years. German R&C professionals were also more likely to say they have experienced regulatory or stakeholder demand for ESG and transparency reporting (32% vs. 18%, 18%, 13%, respectively) and third-party ethics or compliance failure (30% vs. 18%, 15%, 12%, respectively) in the past three years.
- C-level executives (23%) were more likely than senior management/directors (14%) and other management (13%) to say they have experienced third-party ethics or compliance failures in the past 3 years.

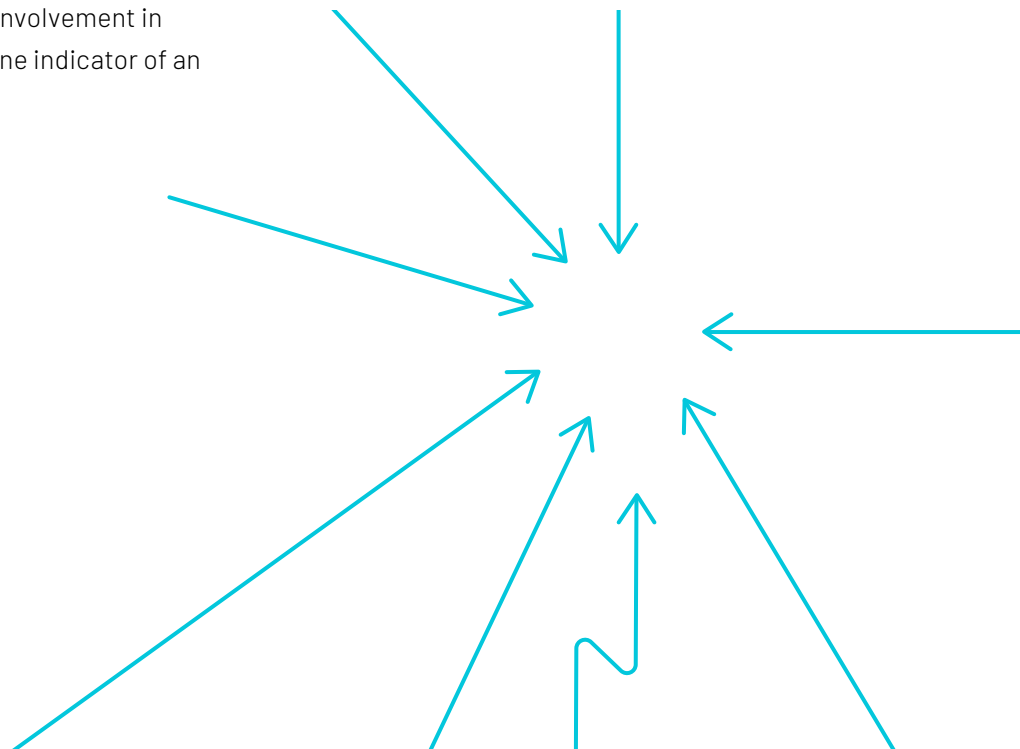
### Compliance is broadly engaged – however, mergers and acquisitions deserve special attention

It is encouraging to see large majorities of respondents indicating Compliance is either highly or moderately engaged across several business process areas such as reputational harm, data breach, or mergers and acquisitions (67%-86%). Too often, Compliance is brought in late in a timeline, where changing course is more disruptive. A close level of engagement helps to ensure processes are running smoothly and generating minimal ancillary compliance risk.

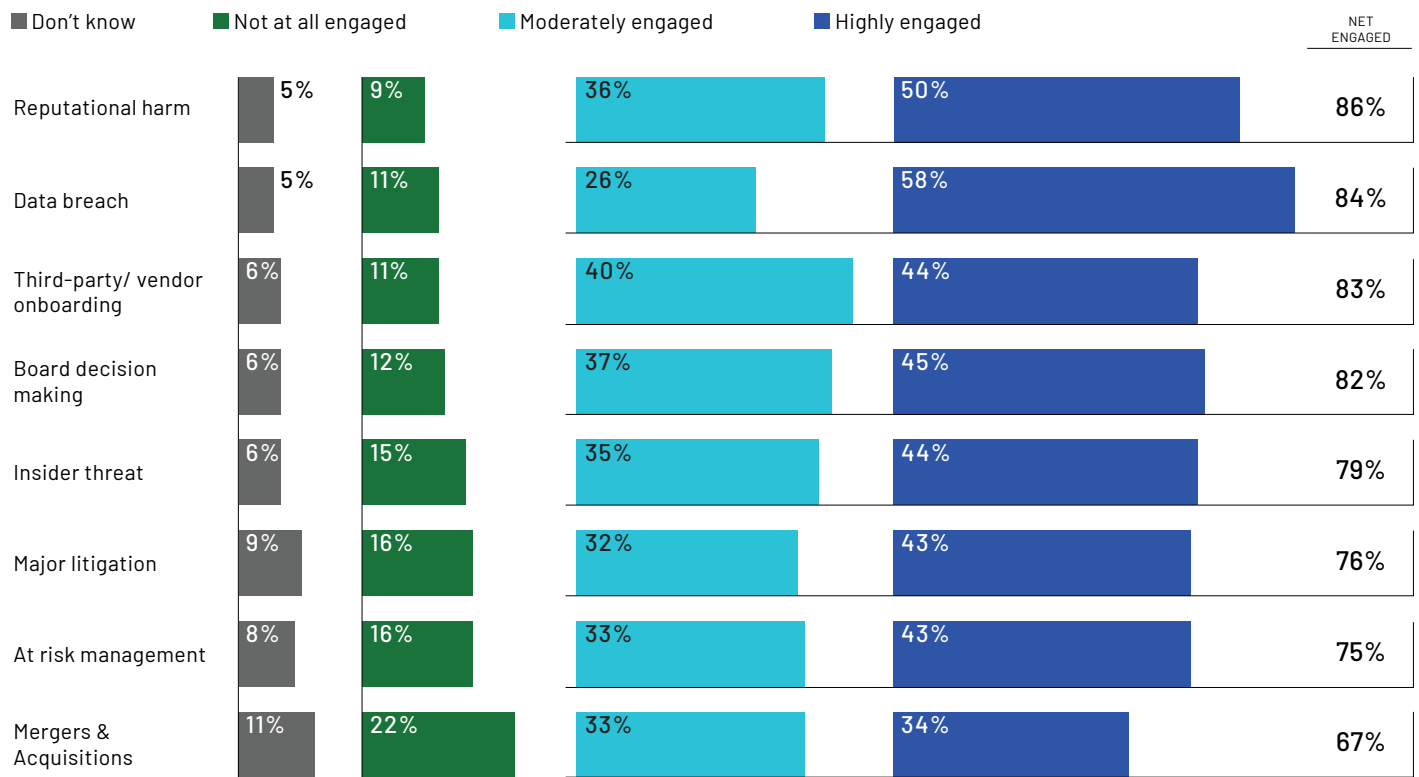
One special business process area of note regards mergers and acquisitions. This is another area where close involvement from Compliance is a best business practice, and the one where the smallest share of respondents indicated Compliance was engaged at some level. More than one-fifth (22%) said Compliance was not at all engaged. It is worth noting that the U.S. Department of Justice has spelled out Compliance’s involvement in mergers and acquisitions as one indicator of an effective program.

#### Additional Findings:

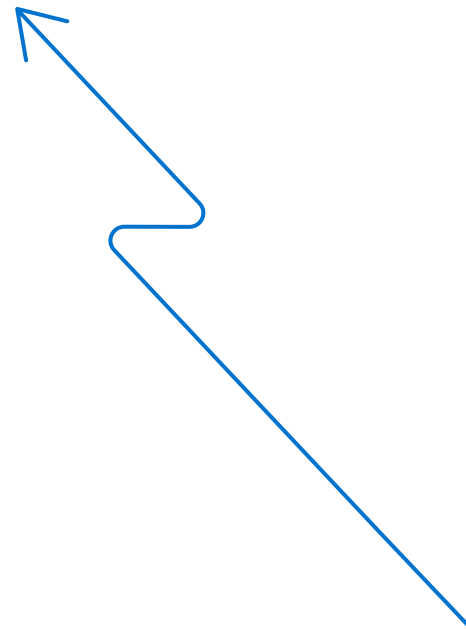
- R&C professionals in finance and insurance (60%) were more likely than those in healthcare and social assistance (42%) and manufacturing (48%) to say Compliance is highly engaged in managing the risk of reputational harm.
- Those whose R&C program was said to be Underdeveloped/Defining (41%) and Adapting (44%) were less likely than those whose program was said to be Managing/Optimizing (58%) to say Compliance is highly engaged in managing risk of reputational harm.
- Those whose organization has between 1,000 and 9,999 employees (80%) were more likely than those with fewer than 1,000 employees (71%) and those with 10,000 or more employees (74%) to say Compliance was highly or moderately engaged with AI risk management.



ENGAGEMENT OF COMPLIANCE FUNCTION AT COMPANY IN DIFFERENT AREAS



ALL QUALIFIED RESPONDENTS (n=1066)  
 How engaged is the compliance function at your company in each of the following areas?



# Program-Specific Elements

# 01 Ethics and Compliance

## Technology use varies in ethics and compliance activities – internal reporting, training and policy management

Utilization of purpose-built technology varies across different program elements under the umbrella of ethics and compliance (50%-76%) – internal reporting, training and policy management. R&C at some organizations may be relying on more labor-intensive, ad-hoc approaches like spreadsheets (not purpose-built technology) while others have access to tools built for a specific programmatic task.

Respondents who are knowledgeable about ethics and compliance were most likely (76%) to say they used purpose-built technology for ethics and compliance training. Following this was hotline and incident management (72%). Respondents were least likely (50%) to say they used purpose-built technology for program analytics and benchmarking, followed by disclosure management (53%), receiving slightly more than in prior years.



### Additional Findings:

#### Hotline and incident management

- Respondents who rated their program as mature – Managing/Optimizing on the ECI spectrum – were more likely (78%) to say their organization used a purpose-built solution for their hotline and incident management program. Those on the opposite side of the maturity scale, Underdeveloped/Defining, said so at a rate of 64%.
- Organizations with over 10,000 employees were likely to use a purpose-built solution for internal reporting (87%). Some industries were highly likely as well – especially healthcare and social assistance (86%) and manufacturing (84%).
- Respondents from organizations in Europe including the U.K. were less likely (66%) to say they used a purpose-built solution for internal reporting, compared to 76% in North America.

Additional Findings (continued):

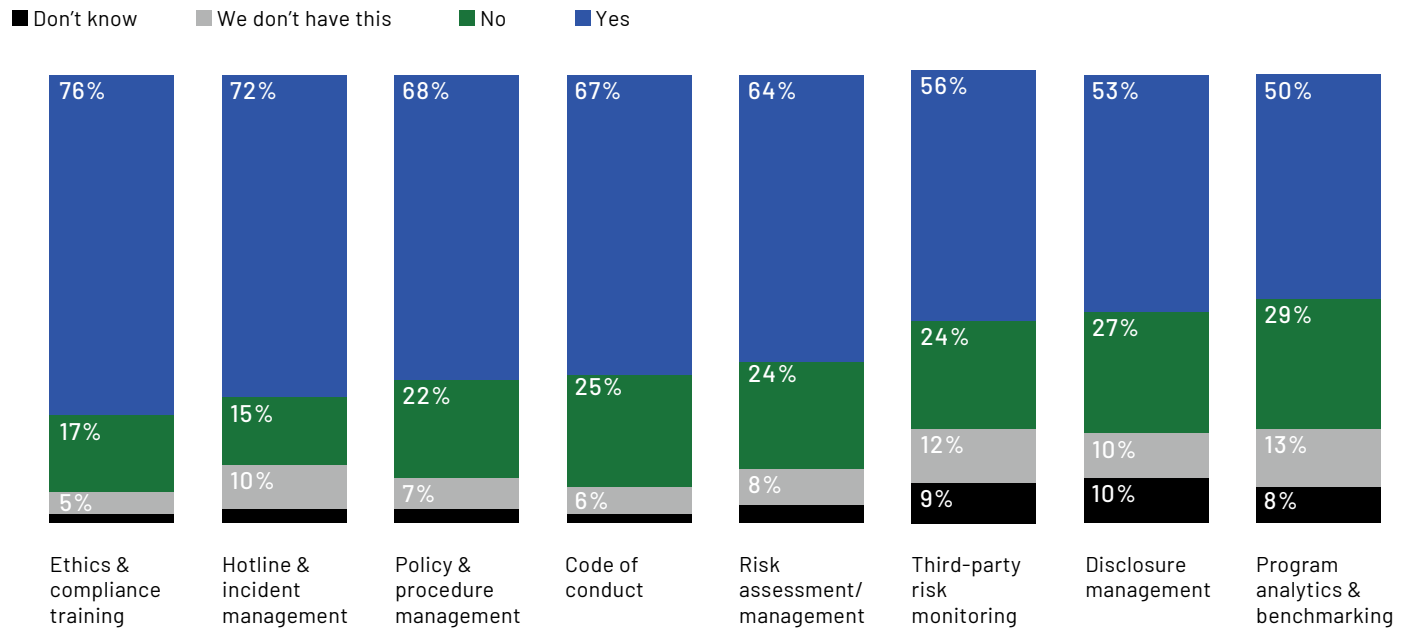
Ethics and compliance training

- Rates of using purpose-built technology for ethics and compliance training were highest for those who identified their R&C programs as Managing/Optimizing (83%), compared to the lowest-maturity Underdeveloped/Defining (62%).
- Respondents from companies headquartered in North America (80%) were more likely than those in Europe including the U.K. (69%) to say they used purpose-built technology for training.

Policy and procedure management

- A larger share of respondents who identified their programs in the latter maturity stages as Managing/Optimizing (78%) said they used purpose-built technology in their policy and procedure management program. Those in the earlier part of the spectrum identifying as Underdeveloped/Defining said the same at a rate of 52%.
- Organizations in healthcare and social assistance (75%) were more likely than the pool of all respondents (68%) to say they used purpose-built technology to administer their policy management program.

UTILIZATION OF PURPOSE-BUILT TECHNOLOGY TO PRIMARILY ADMINISTER ETHICS & COMPLIANCE PROGRAM ELEMENTS



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Does your organization use purpose-built technology to primarily administer the following Ethics and Compliance program elements?

# Hotline and Incident Management

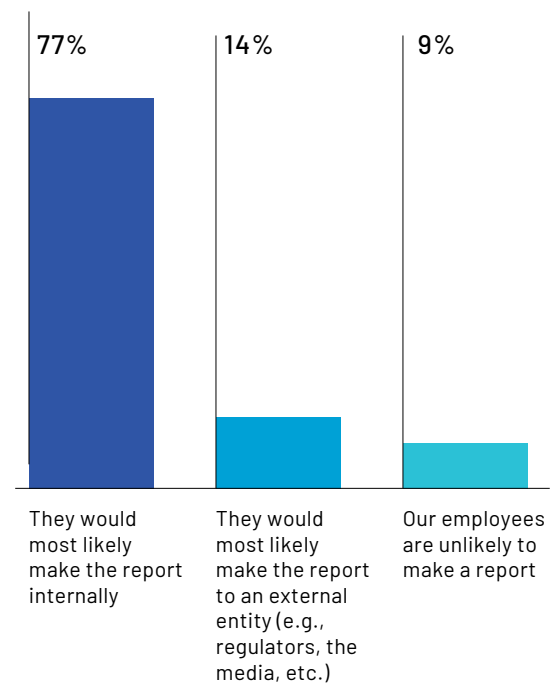
## Less mature R&C programs appear associated with lower likelihood of employee reporting

The majority of respondents – 77% – said their employees would most likely make a report of misconduct internally. Fourteen percent said employees would most likely turn to an external entity such as a regulator or the media to make a report. Only 9% said employees were unlikely to make a report at all.

### Additional Findings:

- Respondents who ranked their R&C program maturity in the two earliest categories of Underdeveloped/Defining were far more likely (19%) than those in the two most mature categories of Managing/Optimizing (5%) to say their employees were unlikely to make a report. Sixty-four percent of those lower-maturity programs were said to have employees that were most likely to make a report internally, versus 80% of the most mature programs.
- France-based R&C professionals (84%) were less likely than their counterparts in Germany (95%), the U.K. (95%) and the U.S. (91%) to say their employees would likely make a report about misconduct either internally or externally. This difference appeared greater when comparing the likelihood of making the report internally, specifically (61% for France, 81% for Germany, 80% for the U.K., 79% for the U.S.).

DESCRIPTION OF EMPLOYEES' LIKELIHOOD IN REPORTING MISCONDUCT



ALL QUALIFIED RESPONDENTS (n=1066)  
Which of the following best describes your employees' likelihood in reporting misconduct?



### Apparent lack of internal reporting programs, non-retaliation policies comes as surprise

As in years past, a concerningly low share (61%) of respondents who are knowledgeable about ethics and compliance said their organization has a hotline or whistleblower internal reporting channel. Only 55% said their organization has a non-retaliation policy.

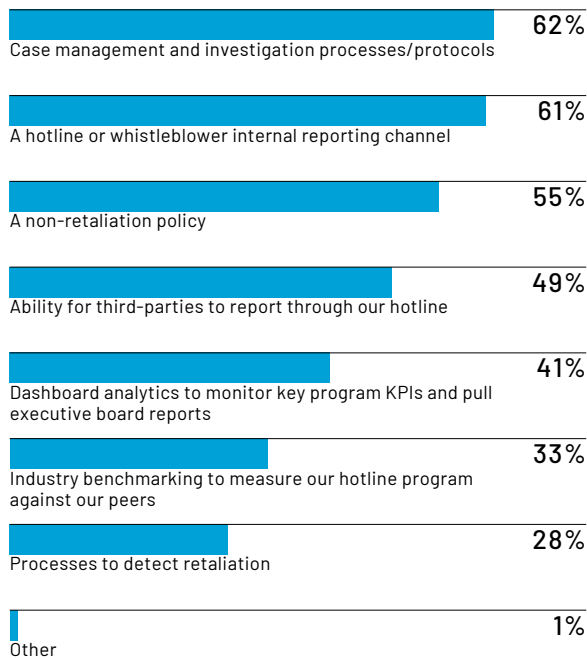
With the caution that direct year-over-year comparisons are imprecise due to changes to survey structure and differing respondent bases, these numbers do represent an improvement over 2023. At that time, only 51% of respondents said they had a hotline or whistleblower internal reporting channel, and 51% said they had a non-retaliation policy.

Internal reporting is a central pillar for any effective compliance program. Those reports can bring misconduct to light that would otherwise be free to damage the organization and its culture. The ability to speak up without fear of reprisal also helps broadcast to employees and others that the organization takes ethics seriously. While it is possible more organizations are implementing internal reporting programs compared to last year, the numbers indicated in this survey are still concerningly low.

**Additional Findings:**

- Respondents in the United States (69%) were more likely to say their organization had an internal reporting channel than those in the United Kingdom (48%). While the value of an internal reporting system goes beyond checking a regulatory box, it is worth noting that the whistleblowing requirements created under the U.S. Sarbanes-Oxley Act in 2002 have had decades to mature. In the European Union, requirements are relatively new, and discussions of updates to requirements in the U.K. are even more recent.
- Respondents data indicated companies with under 1,000 employees were the least likely to have an internal reporting channel (48%). Rates became much higher for those with 1,000 or more employees, between 66% and 71%.
- New this year, NAVEX asked respondents if their organization allowed third parties to report through their hotline. Forty-nine percent said yes. This is an important channel to offer - data from NAVEX's 2024 Whistleblowing & Incident Management Benchmark Report showed a median 9.1% of all reports came from non-employees in 2023.

### PARTS OF INCIDENT MANAGEMENT PROGRAM



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following are part of your organization's incident management program? Please select all that apply.

### Most give hotline and incident management aspects positive marks, but metrics remain a challenge

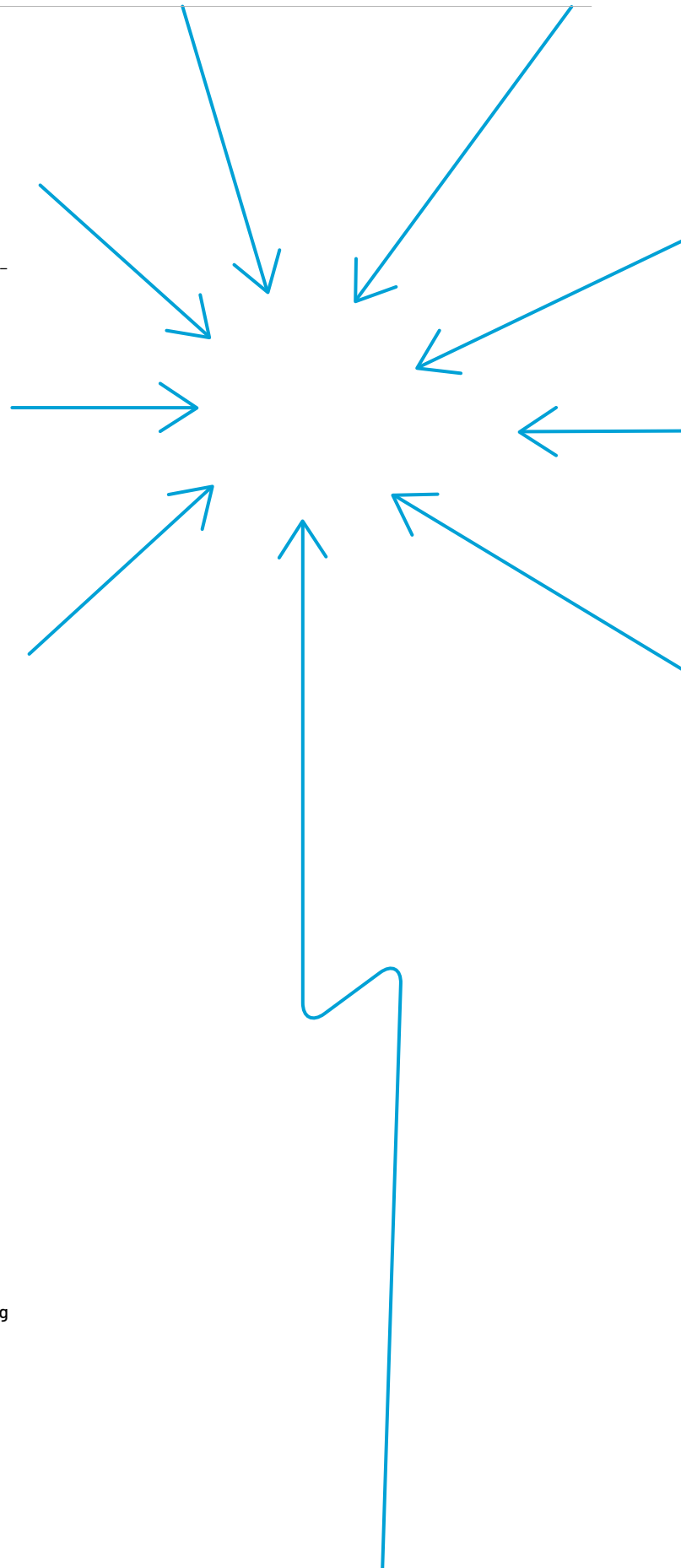
A large share of respondents who are knowledgeable about ethics and compliance (71%-86%) rated their organization as at least “good” in various aspects of their hotline and incident management program. Yet there appear to be signals that, where there are challenges, they often pertain to metrics.

Nearly 3 in 10 (29%) of respondents rated their program as “poor” or “fair” in using metrics to ensure responsiveness. Twenty-seven percent said the same about assessing incident management program effectiveness, and 25% said so for analyzing reports for patterns of misconduct and outcomes.

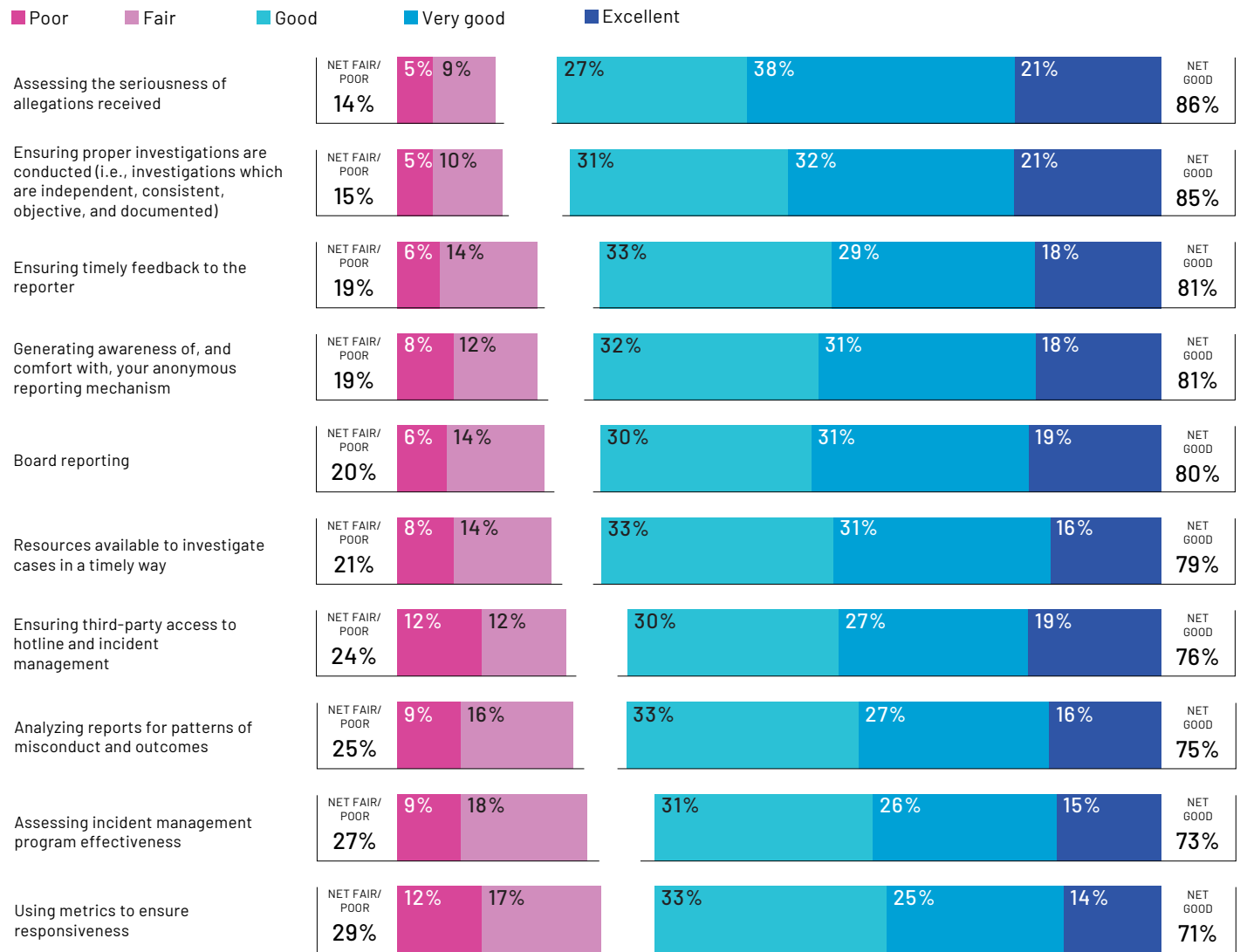
This might make sense given the relatively lower share of respondents who said their organization uses purpose-built technology for program analytics and benchmarking. [NAVEX’s Whistleblowing & Incident Management Benchmark Report](#) provides good guidance on methodology to measure program performance and outcomes - we invite readers to reference that report for more information.

#### Additional Findings:

- As might be expected, respondents who described their program as more mature – Managing/Optimizing (54%-74%) – were more likely to say their hotline and incident management program performance in various areas was either “very good” or “excellent” than those who describe their program as Adapting (23%-48%) or Underdeveloped/Defining (22%-37%).



**RATING COMPLIANCE PROGRAM PERFORMANCE IN TERMS OF HOTLINE AND INCIDENT MANAGEMENT**



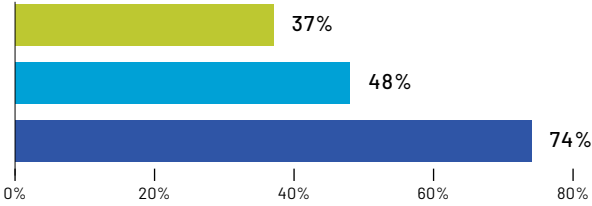
KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

How would you rate your organization's compliance program's performance in the following aspects of hotline and incident management?

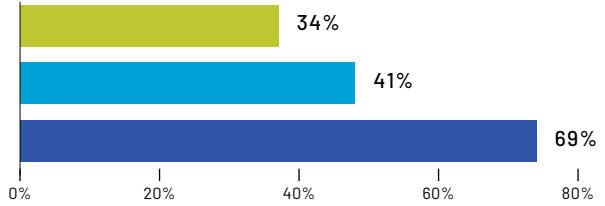
**RATING COMPLIANCE PROGRAM PERFORMANCE (EXCELLENT/VERY GOOD)**

■ Underdeveloped/Defining   ■ Adapting   ■ Managing/Optimizing

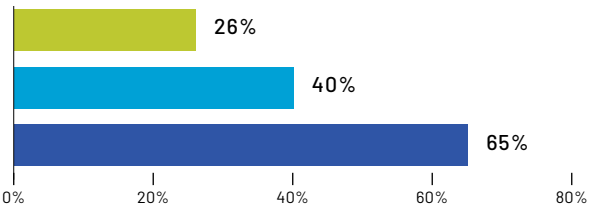
Assessing the seriousness of allegations received



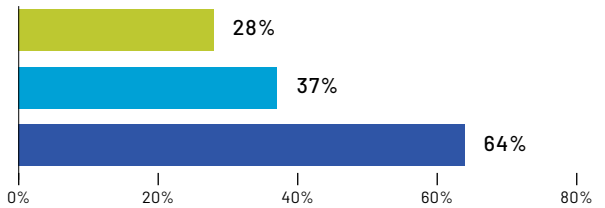
Ensuring proper investigations are conducted (i.e., investigations which are independent, consistent, objective, and documented)



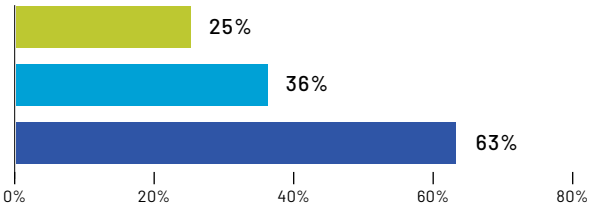
Board reporting



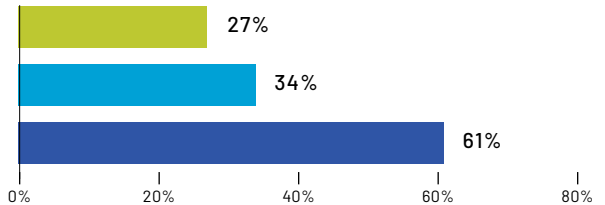
Generating awareness of, and comfort with, your anonymous reporting mechanism



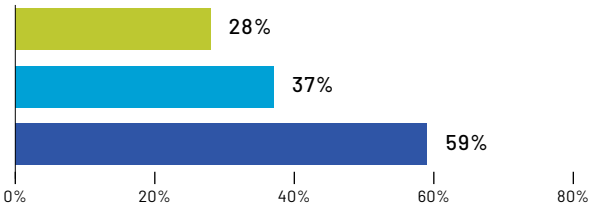
Ensuring timely feedback to the reporter



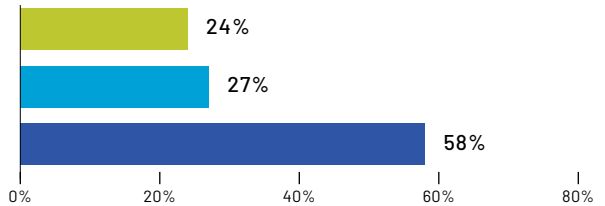
Resources available to investigate cases in a timely way



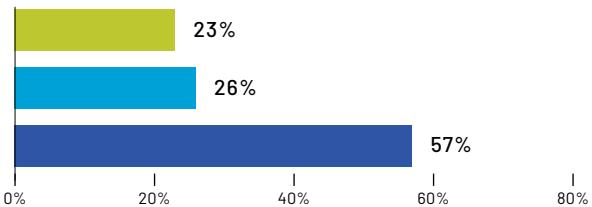
Ensuring third-party access to hotline and incident management



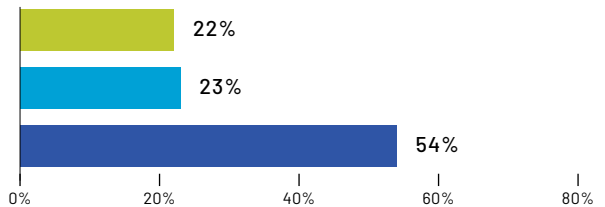
Analyzing reports for patterns of misconduct and outcomes



Assessing incident management program effectiveness



Using metrics to ensure responsiveness



BASE: VARIABLE BASE

How would you rate your organizations compliance program's performance in compliance

### Most say appropriate actions taken before closing a case

Three in five (62%) respondents who are knowledgeable about ethics and compliance said their organization is ensuring all appropriate actions have been taken before closing a case. About half say disciplinary actions and incentives are fairly and consistently applied (52%), with about the same proportion (51%) saying the compliance program monitors investigations and resulting discipline to ensure consistency.

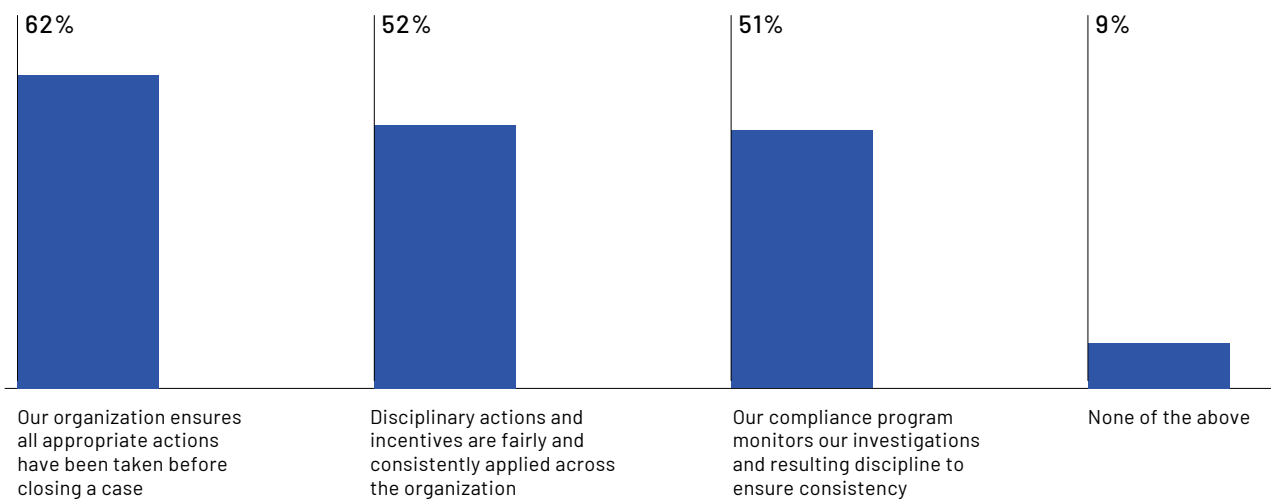
All of these measures are important for any compliance program, but R&C professionals should look deeper at their internal reporting benchmarking data for additional signals indicating where they stand against peer norms.

The NAVEX Whistleblowing & Incident Management Benchmark Report and its world-region-based companion publication, the NAVEX Regional Whistleblowing & Incident Management Benchmark Report, are two resources where readers of this document can find additional insight. Among the areas to consider are case closure time and substantiation rate – whether a shorter case closure time, which may be a positive signal, is coming at the cost of fully investigating a report to determine its validity, which may manifest as a lower substantiation rate.

**Additional Findings:**

- C-level executives (56%) and senior management/directors (56%) were more likely than other management positions (44%) to describe their organization’s disciplinary and case closure process as one where their compliance program monitors their investigations and resulting discipline to ensure consistency.

#### DESCRIPTION OF DISCIPLINARY AND CASE CLOSURE PROCESS



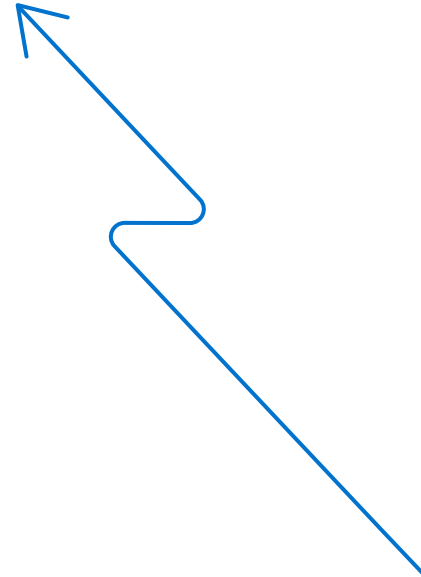
KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
 Which of the following statements accurately describe your organization's disciplinary and case closure process? Please select all that apply.

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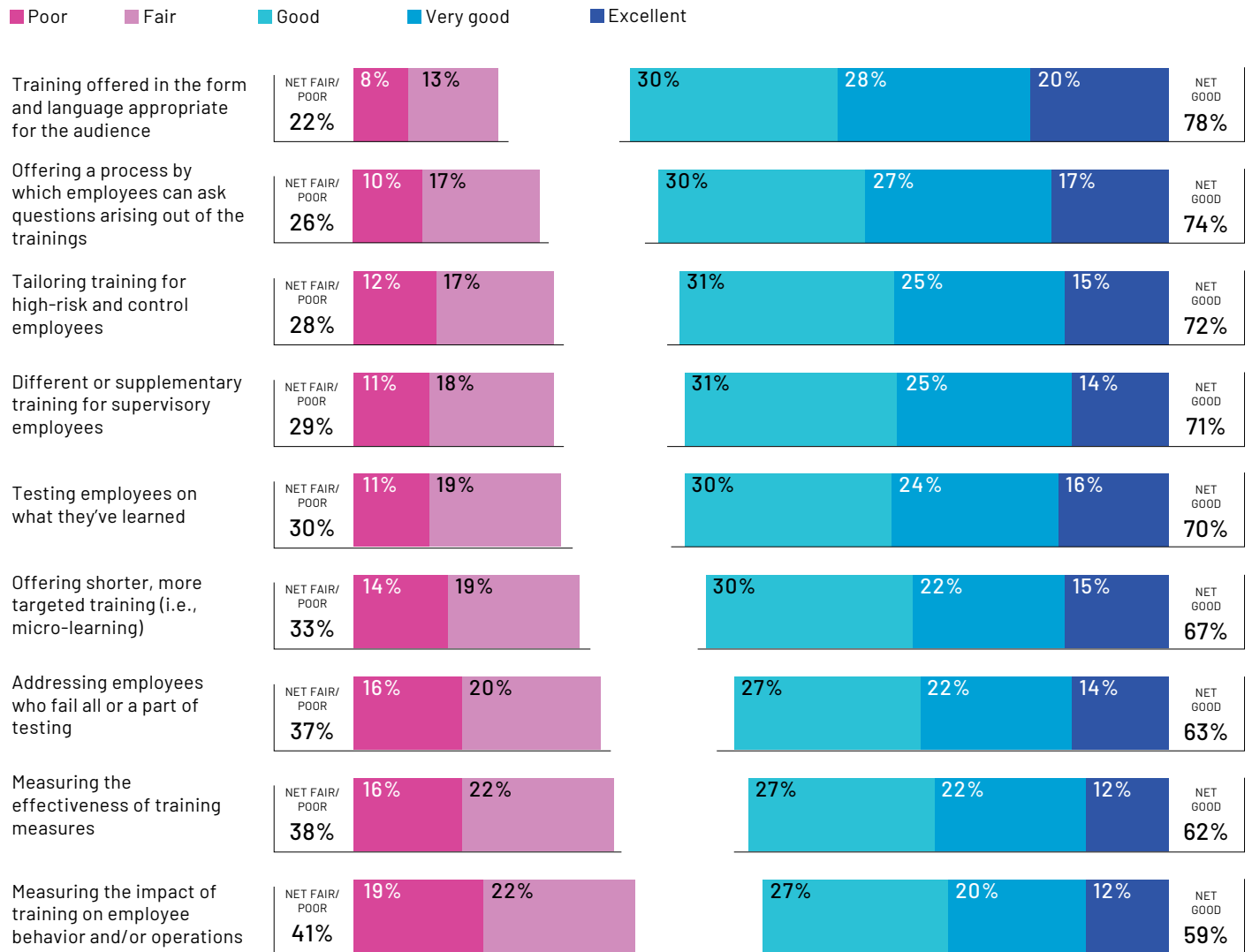
# Ethics and Compliance Training

## As with internal reporting, metrics appear to challenge some in training

As appeared to be the case with hotline and incident management, some respondents gave low marks to their organization's effectiveness in utilizing metrics for their training program. Forty-one percent of those knowledgeable about ethics and compliance assessed their program's effectiveness at measuring the impact of training on employee behavior and/or operations as "poor" or "fair," and 38% said the same for measuring the effectiveness of training measures.



**RATING OF PERFORMANCE IN ASPECTS OF E&C TRAINING**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
 How would you rate your organization's performance in the following aspects of ethics and compliance training?



### Most say their organization has a training plan

Most (69%) respondents who are knowledgeable about ethics and compliance said their organization has a training plan, while 21% said it does not.

**Additional Findings:**

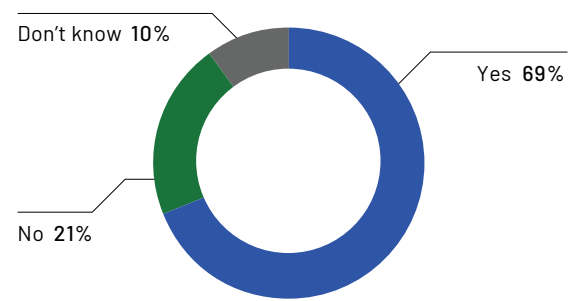
- Those who have **Managing/Optimizing (82%) and Adapting (63%) R&C programs** were more likely than those with an **Underdeveloped/Defining R&C program (48%)** to have said they have a training plan.

### Topics and modes most common consideration in creating training plan

Around half (48%) of respondents who have a R&C training plan said training topics were amid their organization’s top-three considerations when creating a training plan. Forty percent said training mode – live or online – was on that list.

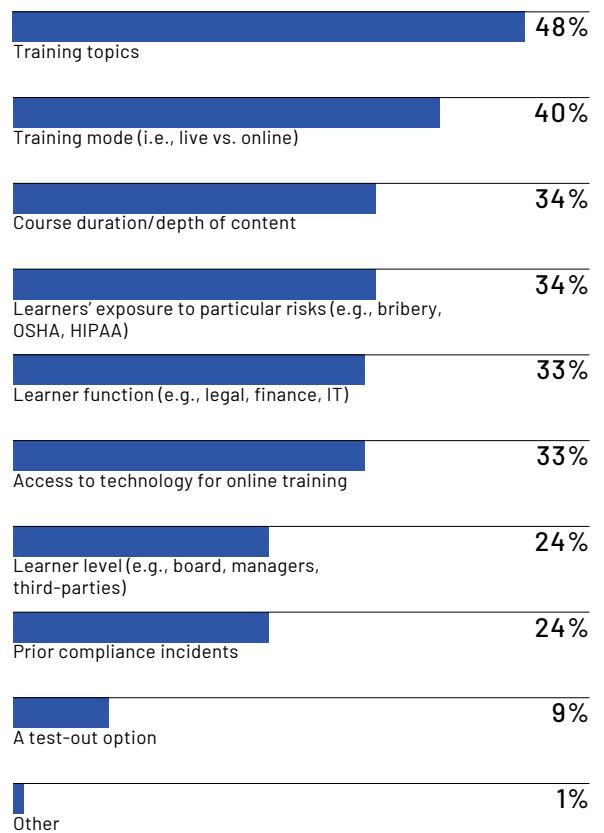
Generally, no resounding consensus appeared to exist for responses to this question. This might suggest the considerations organizations have when developing a training program are not settled, though in some cases, regulations require certain training and effectively make that decision for the planners of a program. What remains, in the eyes of some program managers, may be relatively discretionary. These findings might invite conversation to narrow down “what good looks like” for a given organization’s training program.

### ORGANIZATION HAS R&C TRAINING PLAN



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Does your organization have a Risk & Compliance training plan?

### ASPECTS CONSIDERED IN PROCESS OF CREATING R&C TRAINING PLAN



HAVE A R&C TRAINING PLAN (n=577)  
Which of the following does your organization consider in the process of creating its Risk & Compliance training plan? Please select your top 3 considerations.



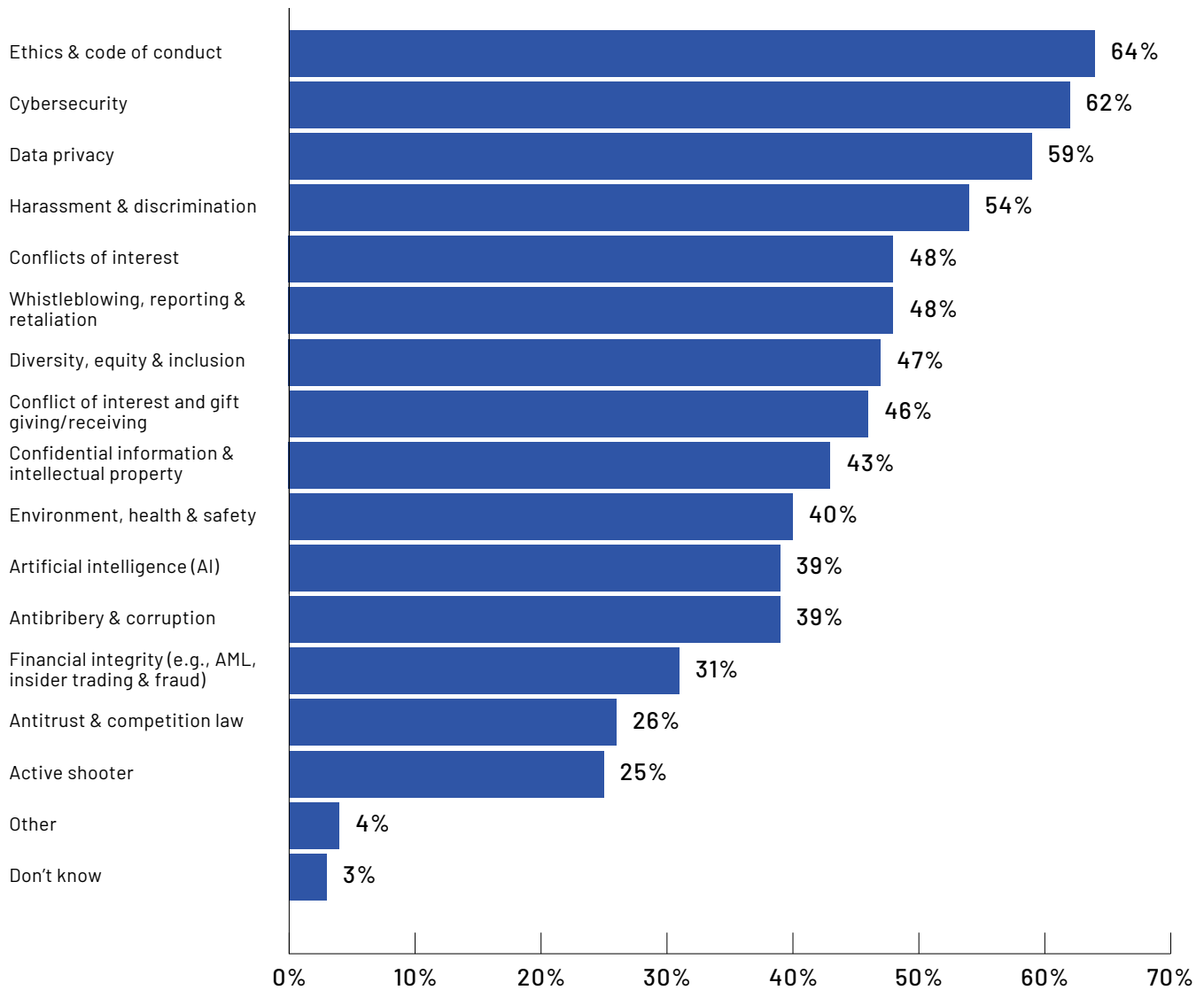
### Mix of planned training shows some gaps

When it comes to training topics planned by respondents, it is notable, and surprising, that only 64% of the respondents said that they planned to train on ethics and code of conduct in the next 2-3 years. This should be a minimum training standard for organizations.

Further, less than half (48%) plan to train on whistleblowing, reporting and retaliation. This is also surprising given the regulatory focus on reporting and whistleblower protections.

Finally, noting that only 54% of organizations are planning training on harassment and discrimination does not seem consistent with regulatory requirements for annual or biannual training on these topics.

### COMPLIANCE TOPICS TO TRAIN ON IN THE NEXT 2-3 YEARS



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

On which of the following compliance topics will your organization provide training in the next 2-3 years? Please select all that apply.

# Policy Management

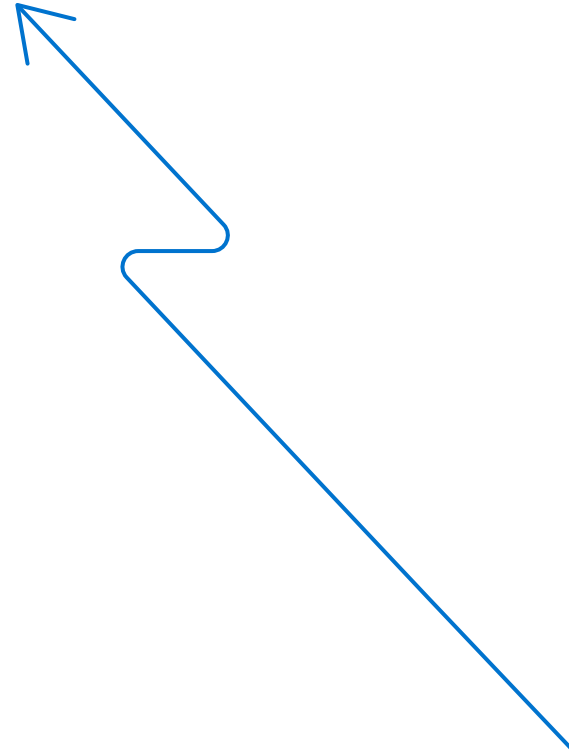
## Developing policies for legal and regulatory risks gets high marks, with search, tracking showing greatest chance to improve

A large majority of respondents who are knowledgeable about ethics and compliance (87%) said their organization was at least “good” at developing policies that reflect and deal with legal and regulatory risks. Further, over half (54%) said their organization was either “very good” or “excellent.” This evokes findings elsewhere in this report in which regulatory compliance ranked highly as a priority for R&C. This program area appeared to be the standout, though communicating policies, providing guidance to key process gatekeepers and consulting with business units on design also ranked highly.

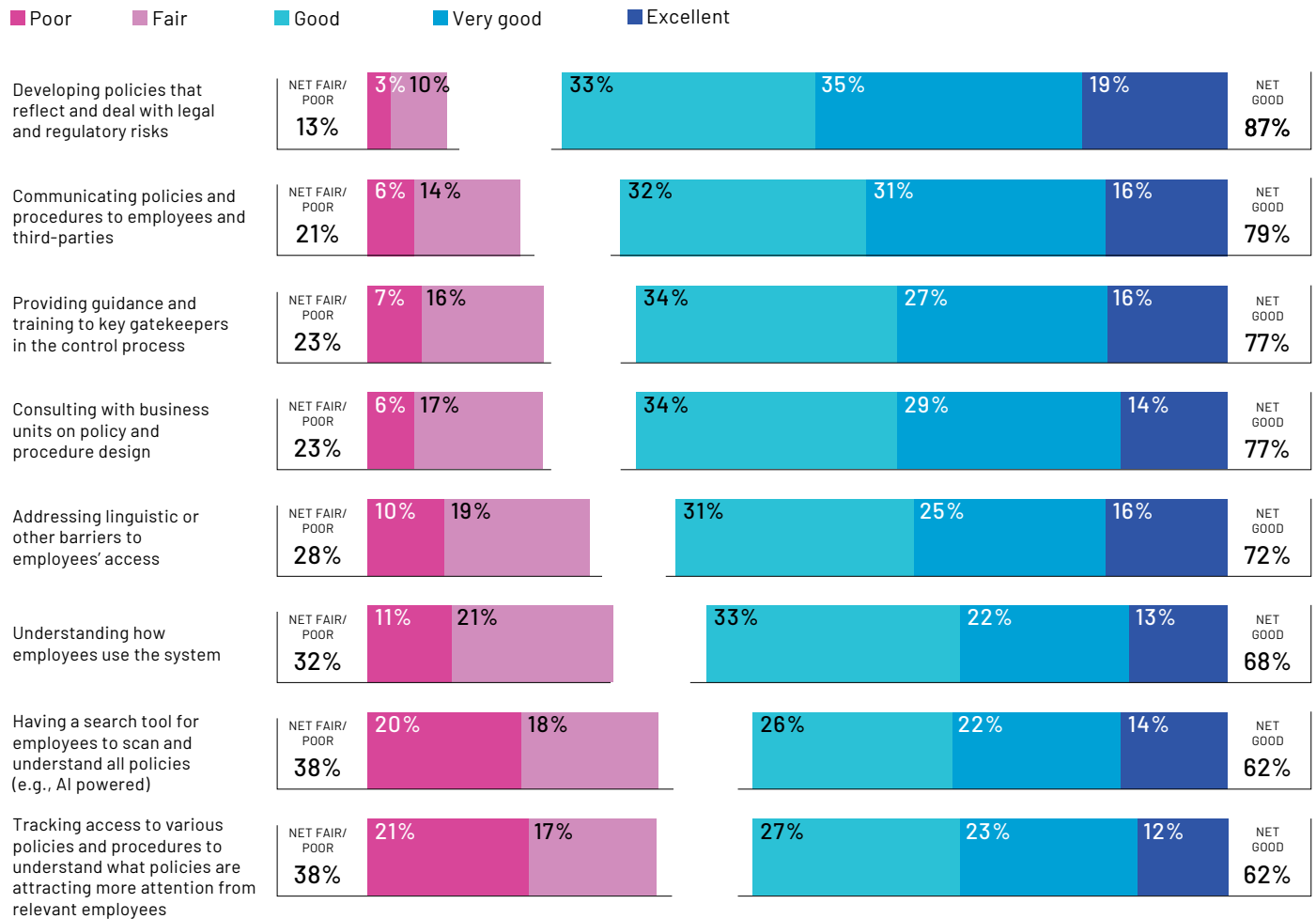
On the other end of the scale, nearly 2 in 5 (38%) of respondents said their organization was either “fair” or “poor” either in having a search tool for employees to scan and understand all policies and tracking access to policies and procedures to understand what policies are attracting more attention from relevant employees.

### Additional Findings:

- Those whose organization has between 10,000 and 49,999 employees (35%) were less likely than those whose organization has between 1,000 and 9,999 employees (53%) to report their program performance in communicating policies and procedures to employees and third-parties was either “very good” or “excellent.”



**RATING OF COMPLIANCE PROGRAM'S PERFORMANCE IN POLICY AND PROCEDURE MANAGEMENT**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

How would you rate your organization's compliance program's performance in the following areas of policy and procedure management?

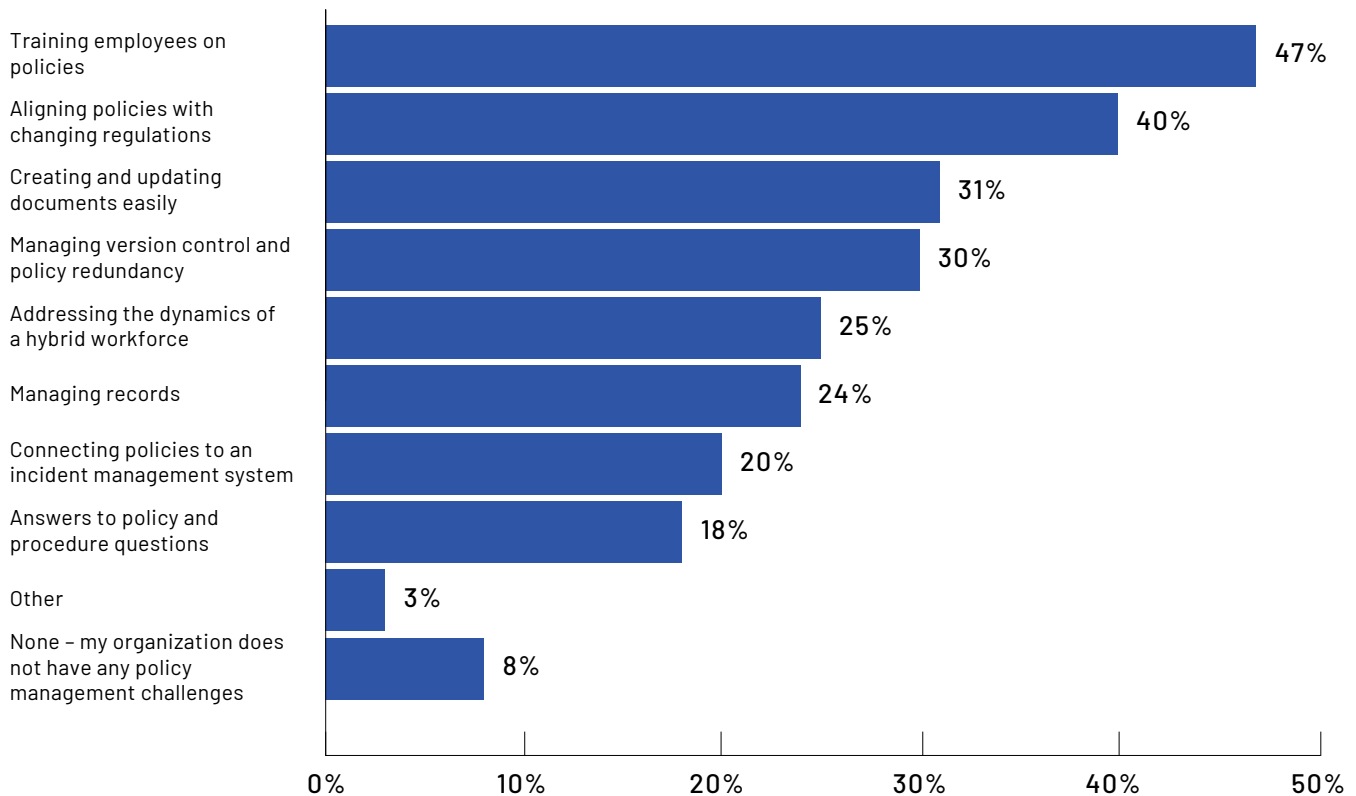
### Training and regulatory alignment top policy management challenges

Interestingly, while majorities of respondents who are knowledgeable about ethics and compliance said their policy and procedure management program was at least “good” in similar areas, respondents were also most likely to say “training employees on policies” (47%) and “aligning policies with changing regulations” (40%) are top policy management challenges.

**Additional Findings:**

- Those whose company has between 1,000 and 9,999 employees (34%) were more likely than those in companies with up to 999 employees (27%) to say “managing version control and policy redundancy” is one of their top policy management challenges.
- Respondents who were C-level executives (39%) and senior management/directors (46%) were less likely than those in other management positions (56%) to say training employees on policies is a top management challenge.

### TOP POLICY MANAGEMENT CHALLENGES



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
 What are your organization's top policy management challenges? Please select your top 3 challenges.

# 02 Risk Management

## Respondents most likely to say purpose-built technology used for IT risk management

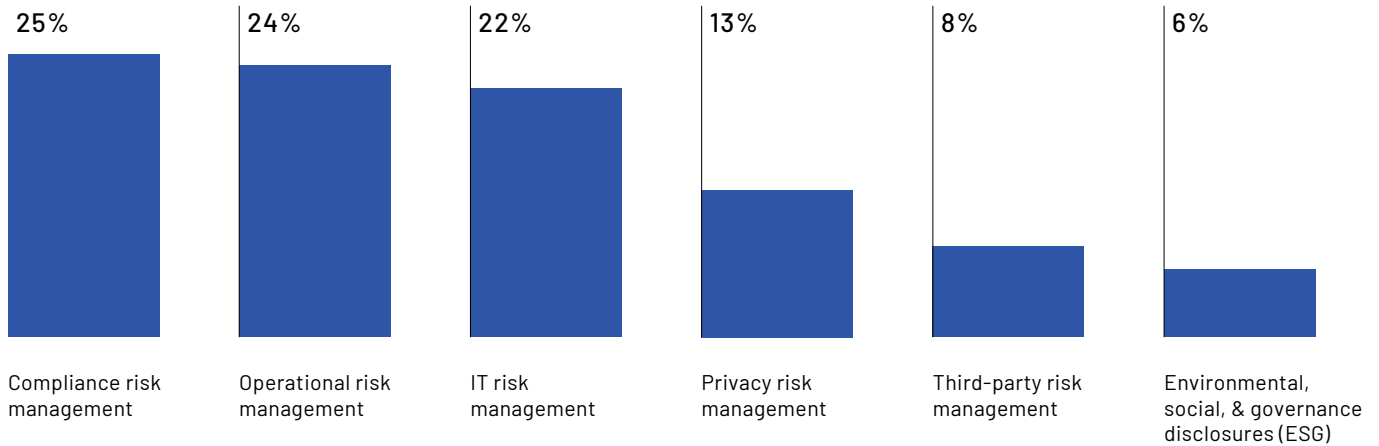
Most respondents who are knowledgeable about risk management (71%) said their organization used purpose-built technology for IT risk management. Fairly large shares of respondents said the same for risk management in compliance (63%), privacy (60%) and operations (59%). These numbers drop off for third-party risk management (53%), which is examined in detail elsewhere in this report, and environmental, social and governance (ESG) disclosures (42%), which is further examined later in this “Program Maturity and Current State” section.

### Additional Findings:

- R&C professionals who reside in the U.K. were more likely than those in the U.S. to say their organization uses purpose-built technology to primarily administer operational risk management (67% vs. 56%, respectively) and ESG disclosures (52% vs. 40% respectively).
- Those whose R&C program was said to be Managing/Optimizing (53%-79%) were more likely than those whose program was said to be Underdeveloped/Defining (29%-58%) and Adapting (31%-63%) to say their organization uses purpose-built technology to primarily administer various Risk Management program elements.



**3 MOST IMPORTANT RISK AREAS TO MANAGE RANKED 1ST**



KNOWLEDGEABLE ABOUT RISK MANAGEMENT (n=801)

Which three of the following risk areas are most important for your organization to manage? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

**Most organizations have some level of risk integration**

Seventy-one percent of respondents who are knowledgeable about risk management said their organization’s risk management capabilities are either fully centralized and integrated and run by senior management (28%) or somewhat integrated (43%). About a quarter (24%) said their risk management was siloed throughout the organization.

**Additional Findings:**

- R&C professionals residing in the U.K. were more likely than those in the U.S. to say they have either somewhat or fully centralized risk management capabilities (83% vs. 70%, respectively).
- Those in companies with up to 999 (29%) and 1,000-9,999 (31%) employees were more likely than those with 10,000-49,999 employees (18%) to say they have a centralized integrated risk management program run by senior management.



# 03 Environmental, Social and Governance

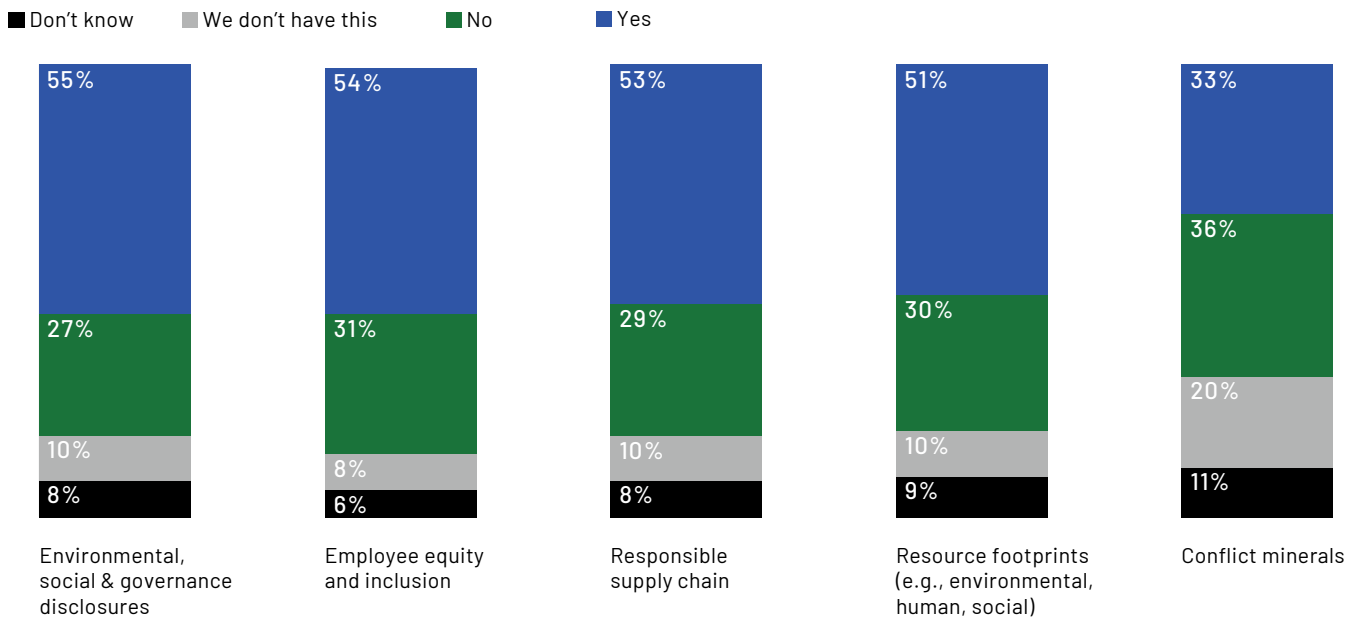
## Roughly half use purpose-built tech for several functions

Roughly half of respondents who are knowledgeable about ESG said their organization uses purpose-built tech to primarily administer ESG disclosures (55%), employee equity and inclusion (54%), responsible supply chain (53%) and resource footprints (51%). One-third (33%) said so regarding conflict minerals.

### Additional Findings:

- R&C professionals representing organizations based in North America (54%) were somewhat less likely than those representing Europe including the U.K. (59%) to report they use purpose-built technology to primarily administer environmental, social, & governance disclosures (ESG).

### UTILIZATION OF PURPOSE-BUILT TECHNOLOGY TO PRIMARILY ADMINISTER ESG PROGRAM ELEMENTS



KNOWLEDGEABLE ABOUT ENVIRONMENTAL, SOCIAL & Governance (n=525)

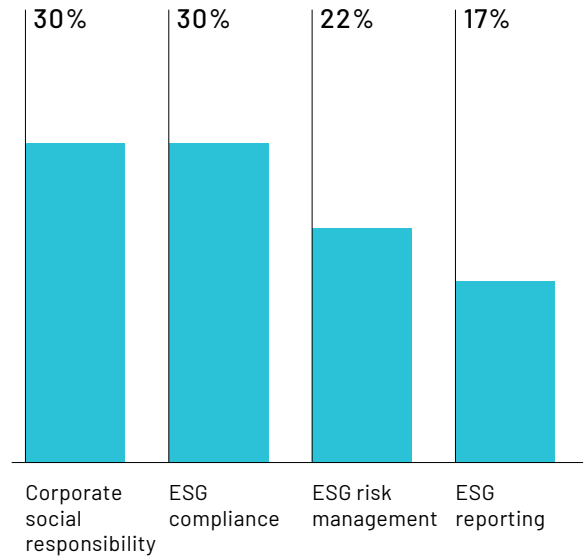
Does your organization use purpose-built technology to primarily administer the following environmental, social, and governance management (ESG) program areas?

### Compliance and corporate social responsibility lead in importance for ESG issues to manage

Respondents who are knowledgeable about ESG were just as likely (30%) to rate either ESG compliance or corporate social responsibility at the top of their three most important ESG issues to manage. ESG reporting was least likely (17%).



### 3 MOST IMPORTANT ESG PROGRAM ELEMENTS ISSUES TO MANAGE RANKED 1ST



KNOWLEDGEABLE ABOUT ENVIRONMENTAL, SOCIAL & Governance (n=525)  
Which three of the following ESG issues are most important for your organization to manage? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

### Most have some method to determine ESG risks to the business

A third (33%) of respondents who are knowledgeable about ESG said their organization conducts a materiality assessment and has ESG risks identified. This was the most commonly cited way of determining ESG risks. Fourteen percent of respondents said their R&C program does not currently consider ESG risks to their business.

**Additional Findings:**

- Respondents whose organization is based in North America (17%) were more likely than those whose organization is based in Europe including the U.K. (10%) to say they do not currently consider ESG risks to their business.

### WAYS TO DETERMINE ESG RISKS TO BUSINESS

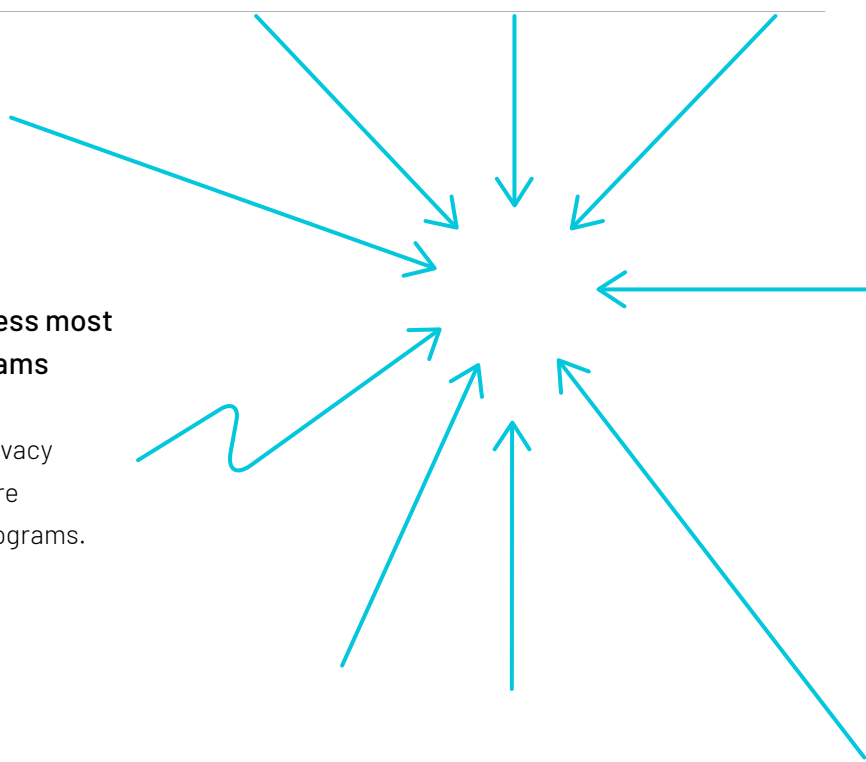


KNOWLEDGEABLE ABOUT ENVIRONMENTAL, SOCIAL & Governance (n=525)  
How does your organization determine ESG risks to its business?

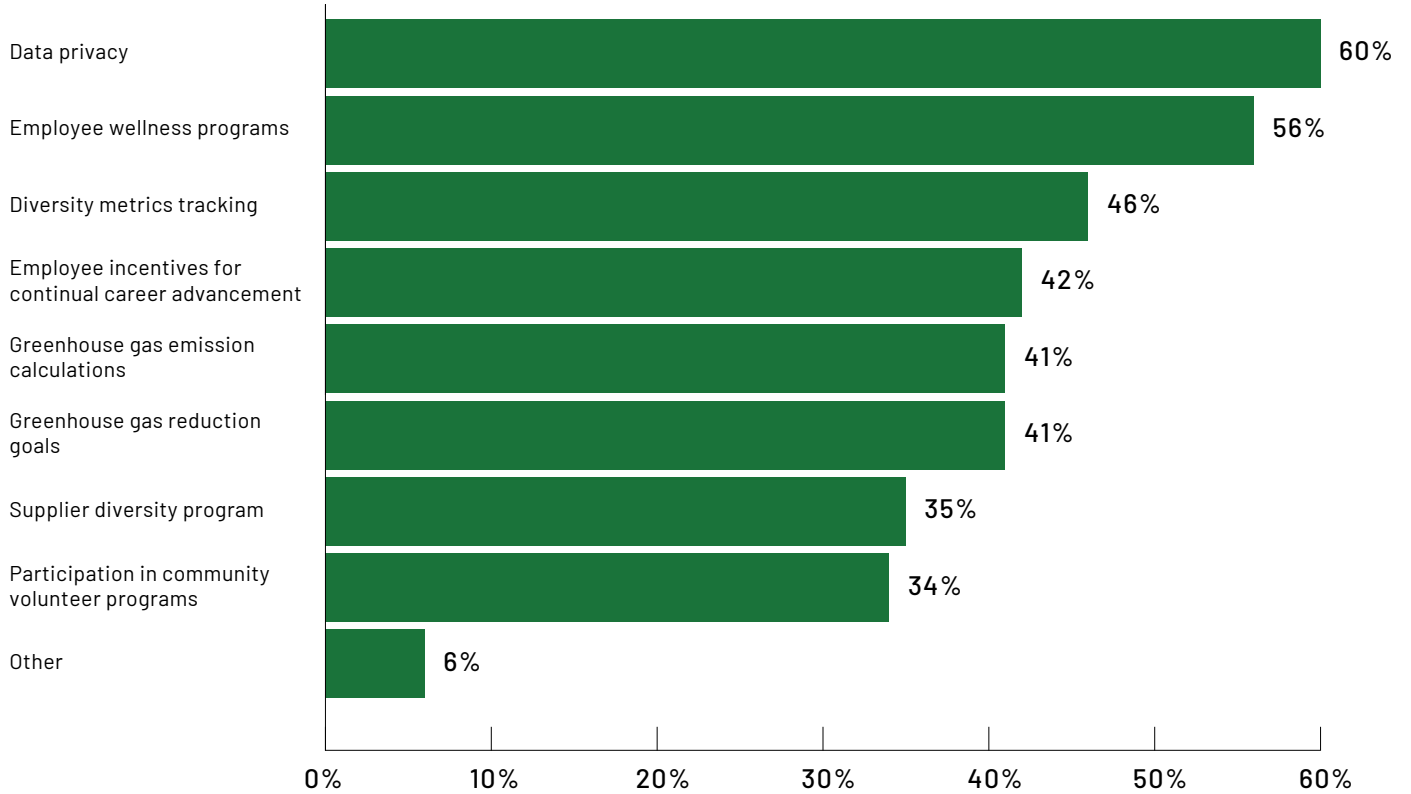


### Data privacy and employee wellness most likely to be included in ESG programs

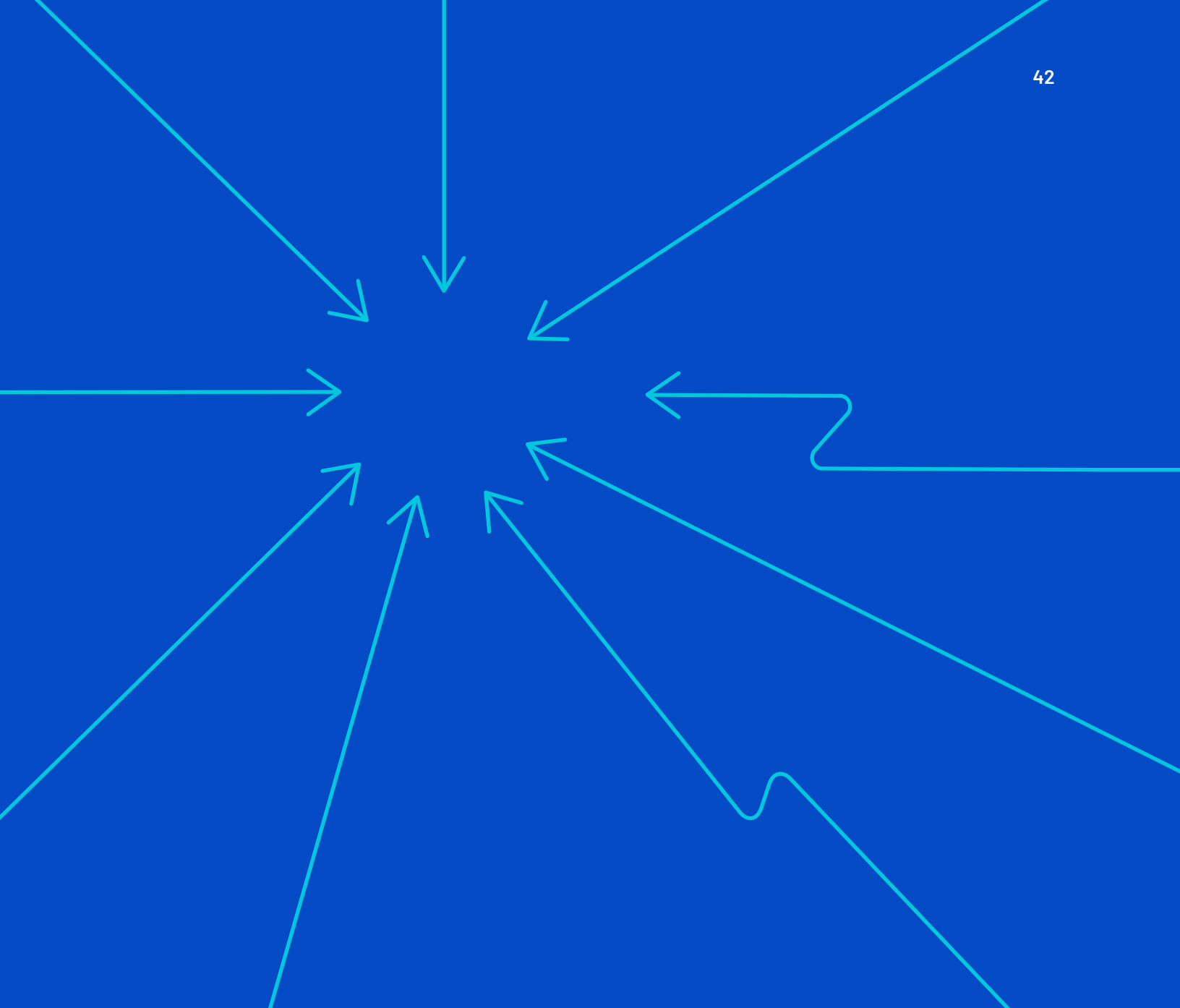
A majority of respondents said data privacy (60%) and employee wellness (56%) were included in their organization's ESG programs. Other responses were more mixed.



### INCLUDED IN ESG PROGRAM



KNOWLEDGEABLE ABOUT ENVIRONMENTAL, SOCIAL & Governance (n=525)  
Which of the following are included in your organization's ESG program? Please select all that apply.



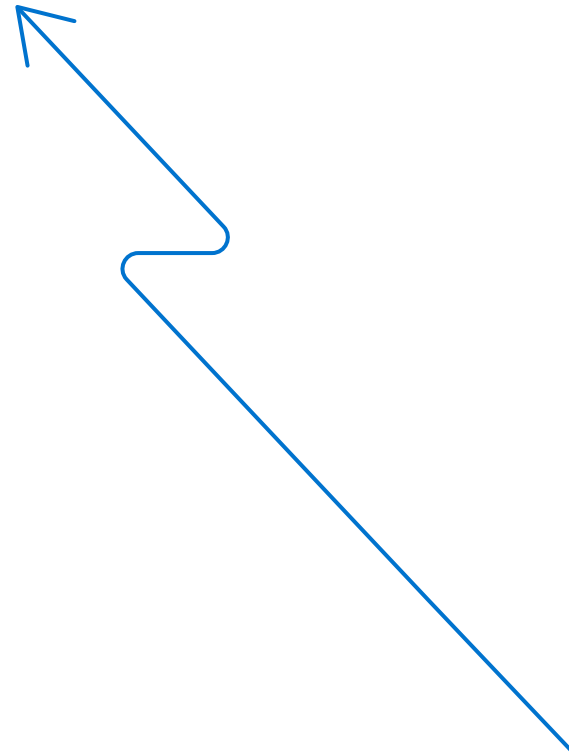
# Notable Observations

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# Notable Observations

In addition to survey questions intended to provide a baseline against which readers can compare the specific operations of their own programs, NAVEX asked a range of questions meant to investigate some notable industry trends around leadership's commitment to compliance, the broader influence of technology and the role of third parties for R&C. These sections should help readers understand the big picture behind activities in their own programs and communicate the significance of those trends to other stakeholders in their organization.

We invite our audience to approach this section as something of a series of stories inspired by the guidance of our 2024 survey respondents.



# 01 Leadership's Commitment to Compliance

Feedback following the release of last year's State of R&C Report clearly showed a keen interest in how respondents characterized their leadership's commitment to compliance. In recognition of that focus, NAVEX dove deeper into this topic for our 2024 report.

It stands to reason that a strong and cohesive commitment to compliance and a culture of ethics spanning from the highest reaches of leadership to front-line operations is a major business asset. Yet some respondents who are knowledgeable about ethics and compliance still noted that organization compliance programs are seen as a "necessary evil" that inhibits business (31%), with leadership sometimes even blocking compliance activities and encouraging unethical behavior to achieve other business objectives. Not surprisingly, data suggests those with more positive leadership engagement were more likely to indicate some better program outcomes. Readers of this section can use these findings as a measure against their organization's own culture and an opportunity to discuss the value of strong leadership engagement.

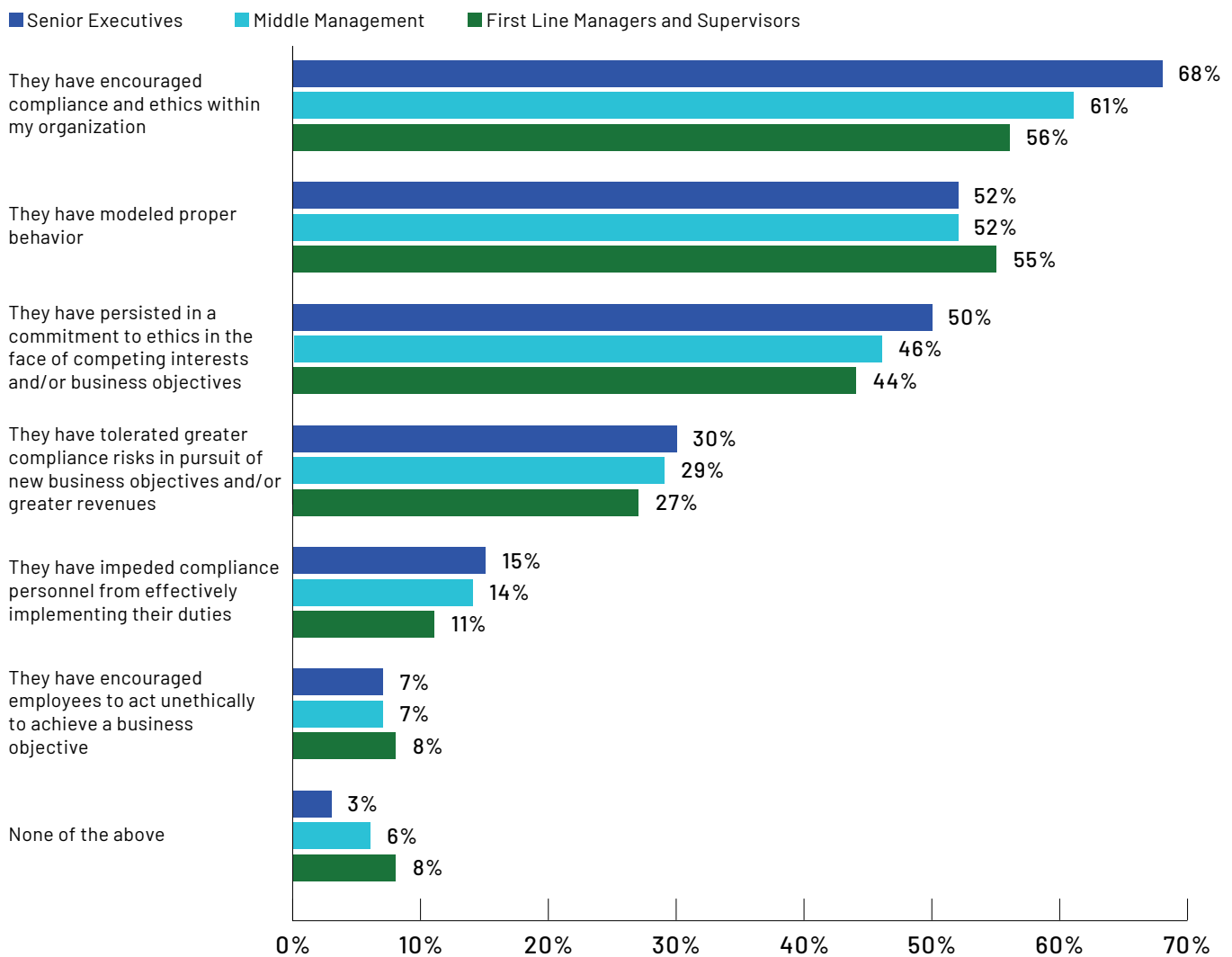
**Leadership encouragement of ethics strongest at the top – yet some troubling behaviors persist**

Generally, the share of respondents that are knowledgeable about ethics and compliance who indicated positive behaviors was greatest when describing senior executives, declining toward frontline management. Over two-thirds of respondents (68%) said senior executives have encouraged compliance and ethics within their organization. Sixty-one percent said the same about middle management, and 56% said so about first-line managers and supervisors. Half (50%) of respondents said senior executives have persisted in a commitment to ethics in the face of competing objectives, a share that declines to 44% for the front line.

The picture is not entirely straightforward – senior executives were said to tolerate greater compliance risks in pursuit of new business objectives and/or greater revenues (30%) slightly more commonly than other levels of leadership (29% of middle management and 27% of first-line managers and supervisors). They were also slightly more commonly said to have impeded compliance personnel from effectively implementing their duties (15% of senior executives, 14% of middle management, and 11% of first-line managers and supervisors). And across all levels, between 7% through 8% of leaders were said to have encouraged employees to act unethically to achieve a business objective.

Where each of these subgroups is indicated to have a divergence between the rate respondents say they encourage compliance versus the rate at which they model proper behavior can be seen as something of a “say-do” gap. That gap appears greatest on average for senior executives, narrowing in middle management and nearly converging for the frontline.

**TRUE STATEMENTS ABOUT MANAGEMENT**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following statements are true about your organization's senior executives? Please select all that apply.

**More mature programs associated with positive leadership behaviors; lower maturity correlated with compliance issues**

For 2024, our analysts sought to explore the extent to which leadership’s stated commitment to compliance correlated with respondents’ indication of program maturity and the occurrence of compliance issues in the prior three years. Not surprisingly, findings suggest that perception of high program maturity is associated with more positive leadership behaviors - and earlier maturity is associated

with more negative leadership behaviors. In addition, negative leadership behaviors were associated with a greater likelihood of experiencing a compliance issue in the past three years. These metrics may provide readers a means to articulate the importance, and positive impact, of a commitment to compliance across an organization’s various levels of leadership.

**LEADERSHIP COMMITMENT TO COMPLIANCE VERSUS PROGRAM MATURITY**

PROGRAM MATURITY	TOLERATED GREATER RISK, IMPEDED COMPLIANCE PERSONNEL, ENCOURAGED EMPLOYEES TO ACT UNETHICALLY (NET)			ENCOURAGE COMPLIANCE/MODELED BEHAVIOR/PERSISTED IN COMMITMENT (NET)		
	Underdeveloped /Defining	Adapting	Managing/ Optimizing	Underdeveloped /Defining	Adapting	Managing/ Optimizing
Senior Executives	51%	36%	37%	75%	85%	92%
Middle Managers	41%	37%	36%	72%	79%	90%
First-Line Managers	43%	31%	36%	67%	77%	87%

**LEADERSHIP COMMITMENT TO COMPLIANCE VERSUS EXPERIENCE OF COMPLIANCE ISSUES**

EXPERIENCED COMPLIANCE ISSUES IN THE PAST 2-3 YEARS	TOLERATED GREATER RISK, IMPEDED COMPLIANCE PERSONNEL, ENCOURAGED EMPLOYEES TO ACT UNETHICALLY (NET)		ENCOURAGE COMPLIANCE/MODELED BEHAVIOR/PERSISTED IN COMMITMENT (NET)	
	Yes	No	Yes	No
Senior Executives	51%	27%	87%	86%
Middle Managers	49%	25%	83%	85%
First-Line Managers	45%	24%	77%	84%

### Board-level commitments also playing a role in maturity

In addition to leadership's compliance commitment, NAVEX also asked respondents to indicate whether their board of directors had certain levels of involvement with the compliance program. While the nature of these questions differs from those regarding leadership's compliance commitment, a common thread exists in which stronger board engagement appears to correlate with positive metrics.

Firstly, two-thirds of respondents who are knowledgeable about ethics and compliance (66%) said their board receives periodic reports on compliance matters. Of concern is that one-third did not say the same – 100% of boards should receive periodic reports on compliance matters.

Fifty-eight percent said the board has oversight of the compliance program. Fewer than half of respondents (30%-42%) affirmed any of the other board compliance activities on the list, and near the bottom, only 30% said the board was highly engaged in the compliance program.

While changes to this year's survey and respondent base complicate a simple year-over-year comparison, the share of respondents who said their board receives periodic reports on compliance matters was slightly greater in 2024 than in 2023 – 66% versus 62%. A somewhat greater share of respondents said the board has oversight of the compliance program – 58% versus 52%. Not all comparisons were positive – for example, the share of respondents who said members of their board have compliance experience and/or expertise was a bit lower, 41% versus 48%. These comparisons may reflect any number of drivers, but may provide readers fodder for internal conversations as to how the relationship between Compliance and their boards of directors is trending.

#### Additional Analysis:

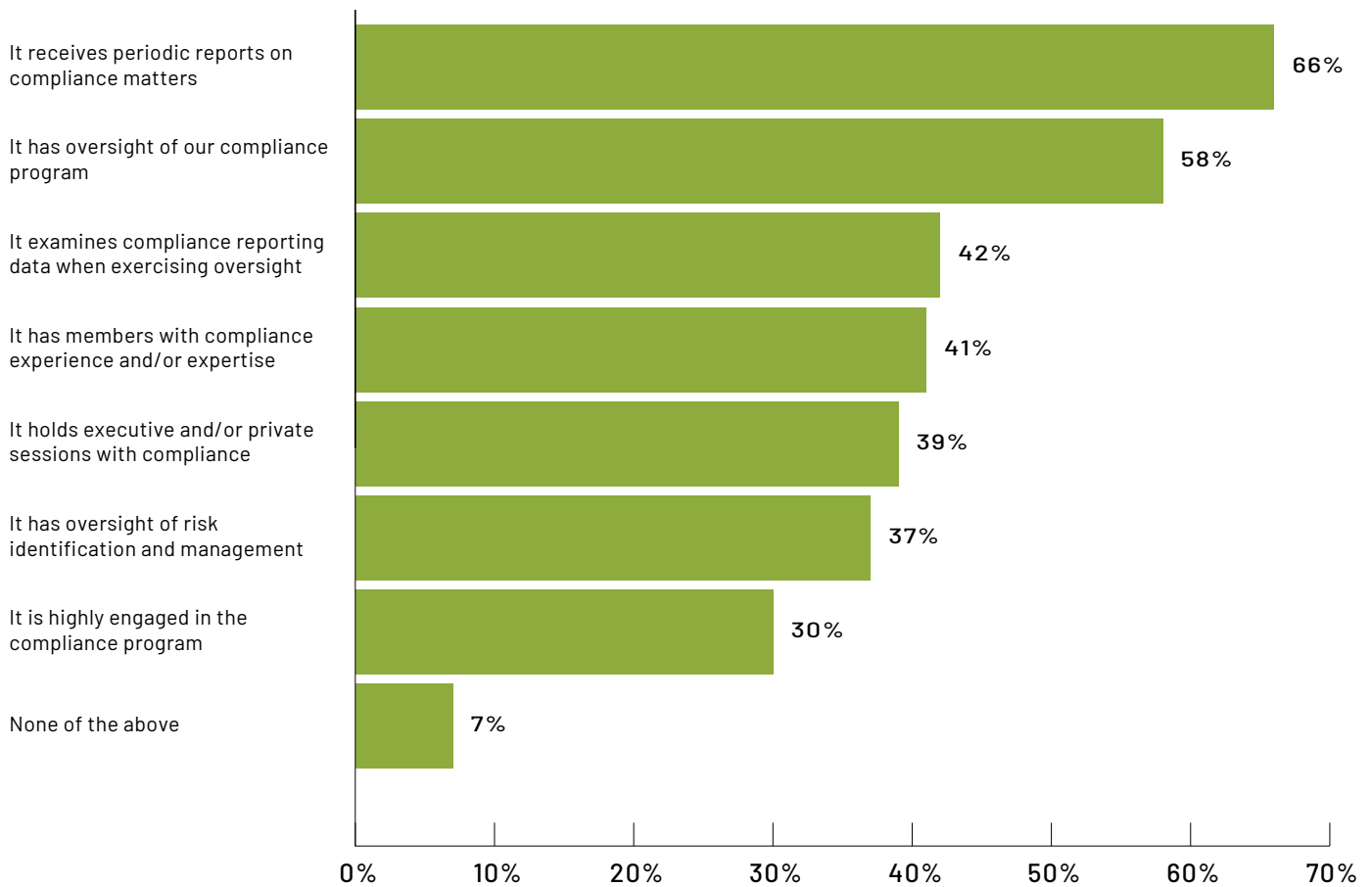
- **Seventy-nine percent of respondents from the healthcare and social assistance industry said their board receives periodic compliance reports. Given the stringent regulatory requirements on this industry, it may be expected boards would be more engaged. Another 71% of respondents from the manufacturing industry said their board receives periodic compliance reports.**
- **Respondents representing organizations based in North America (70%) were more likely than those representing organizations headquartered in Europe including the U.K. (59%) to say their board received periodic updates.**

Additional Analysis (continued):

- Those with more mature programs were more likely to confirm their board had various avenues of engagement with the compliance program. 70% of respondents who identified maturity as Managing/Optimizing said their board received periodic reports, compared to 56% of those at the two lowest maturity levels. Thirty-nine percent of those whose programs were said to be Managing/Optimizing said the board was highly engaged, compared to 18% in the early-maturity categories of Underdeveloped/Defining.



TRUE STATEMENTS ABOUT BOARD OF DIRECTORS



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following are true about your organization's board of directors? Please select all that apply.



### Compliance – strategic advantage or 'necessary evil?'

In the best of circumstances, Compliance operates in its deserved context as a strategic advantage to the business. Respondents who are knowledgeable about ethics and compliance widely agreed this was true about compliance programs (92%), and 57% strongly agreed.

At the same time, 31% agreed – and more than 1 in 10 (11%) strongly agreed – to the statement that compliance programs are a “necessary evil” that inhibit business. It’s no doubt true that Compliance can be seen as an enabler or stumbling block depending on the relationship it holds with other operational areas of the business. As regulatory environments endure in their complexity and scope, the health of R&C’s partnerships across the business are only becoming more valuable.

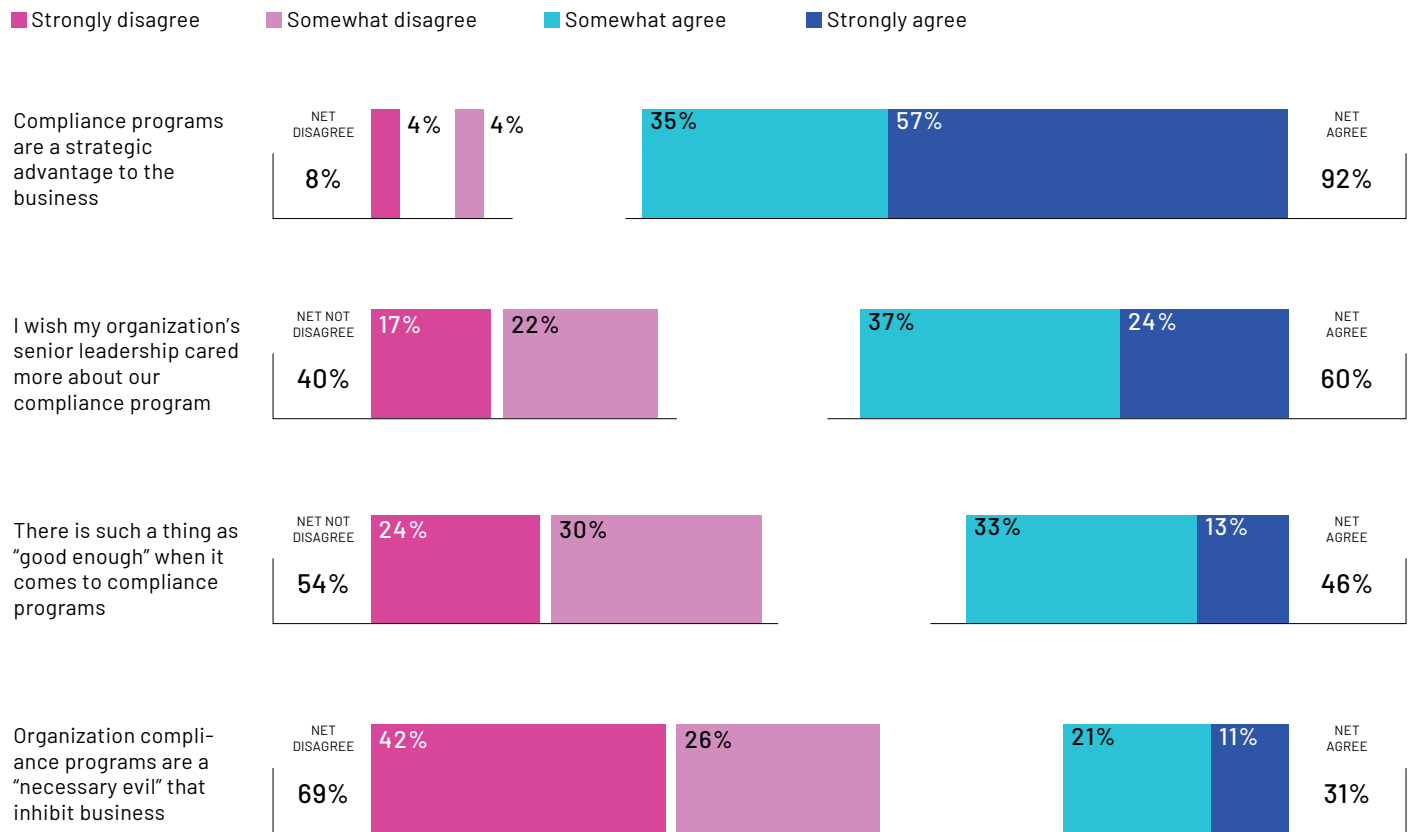
Three out of five respondents (60%) agreed to the statement “I wish my organization’s senior leadership cared more about our compliance program.” Seventeen percent strongly disagreed – the relationship may be “right sized” in those cases, or Compliance may have an opportunity to retool the nature of that relationship and advance in a direction that is more productive.

Nearly half – 46% – agreed that there is such a thing as “good enough” when it comes to a compliance program. While that might strike some as concerning, many programs are forced to do the best they can with limited resources. Assuming that a program aligns its efforts with a well-conceptualized understanding of organizational risk profile, “good enough” might be entirely appropriate. Separately, half (50%) of respondents said senior leadership’s ideal state for the compliance program was “middle of the pack” – it may be notable that leading the industry does invite more attention and scrutiny.

Additional Analysis:

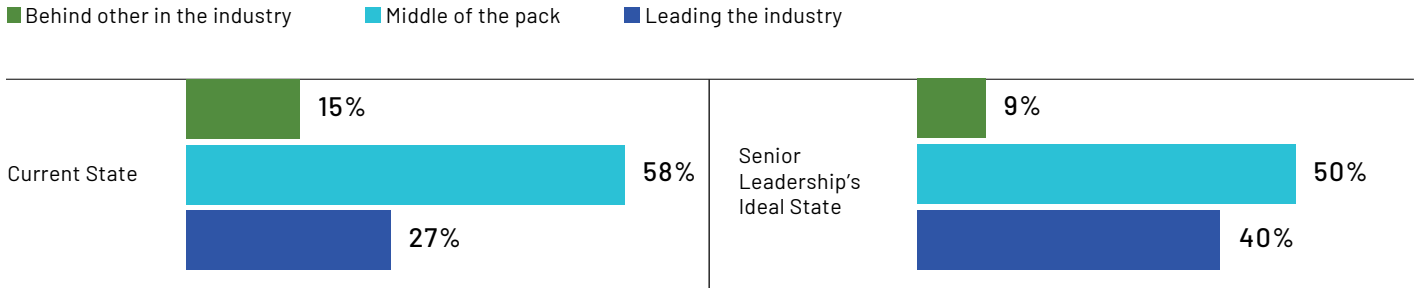
- C-level executives and senior management/directors were more likely than other management positions to agree that there is such a thing as “good enough” when it comes to compliance programs (56%, 48% versus 40%, respectively), and that organization compliance programs are a “necessary evil” that inhibit business (40%, 33% vs. 25%).
- Respondents whose organizations have over 10,000 employees (41%) were less likely than those whose organizations have between 1,000 and 9,999 employees (50%) to agree there is such a thing as “good enough” when it comes to compliance programs.

AGREEMENT STATEMENTS ABOUT COMPLIANCE PROGRAMS



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
How much do you agree or disagree with each of the following statements?

**BEST DESCRIPTION OF CURRENT STATE OF COMPLIANCE PROGRAM AND SENIOR LEADERSHIP’S IDEAL STATE FOR COMPLIANCE PROGRAM**



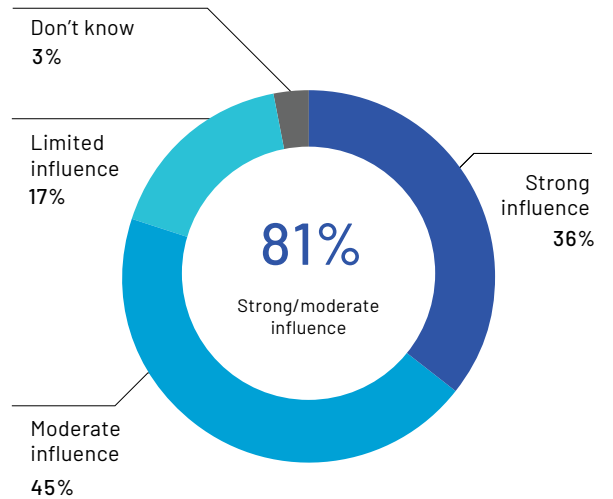
KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following best describes how the current state of your organization's compliance program and senior leadership's ideal state for the compliance program?

**Majority say Compliance influences business decisions**

More than 4 out of 5 respondents who are knowledgeable about ethics and compliance (81%) said their organization's compliance program has either "strong" or "moderate" influence on business decisions. Only 17% said the program has limited influence.

This is a good sign. As stated elsewhere in this report, organizations in which Compliance is highly engaged across silos and early in the business decision-making process enjoy a host of benefits. It's possible this has never been more true, given the regulatory exposure inherent to the increasingly global and interconnected nature of operations for even the smallest of organizations.

**INFLUENCE COMPLIANCE PROGRAM HAS ON BUSINESS DECISIONS**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
What influence does your compliance program have on your organization's business decisions?

# 02 The Role of Technology in Risk and Compliance

There is no substitute for a culture of ethics and compliance and effective cross-collaboration among leadership. Often, technology is what enables that mindset to extend from the top of the organization to its front-line workers, third-party vendors and customers.

Perhaps the only force in R&C that moves at the same rapid pace as the evolving regulatory landscape is technological innovation. It may soon be difficult to find a business process that does not lean on artificial intelligence, for example. Readers can use this section to assess where they stand against peers in their prioritization and implementation of technology for their organization and programs.

Additional information about the use of technology is available in earlier sections of this report focused on specific programmatic areas.

## Technology sharing strongest with Compliance, Risk and Data Privacy

Respondents were most likely to affirm their job function shares technology systems and data with counterparts in Compliance (81%), Risk (76%) and Data Privacy (73%) and were least likely with Sustainability (53%), Finance (64%) and HR (68%).

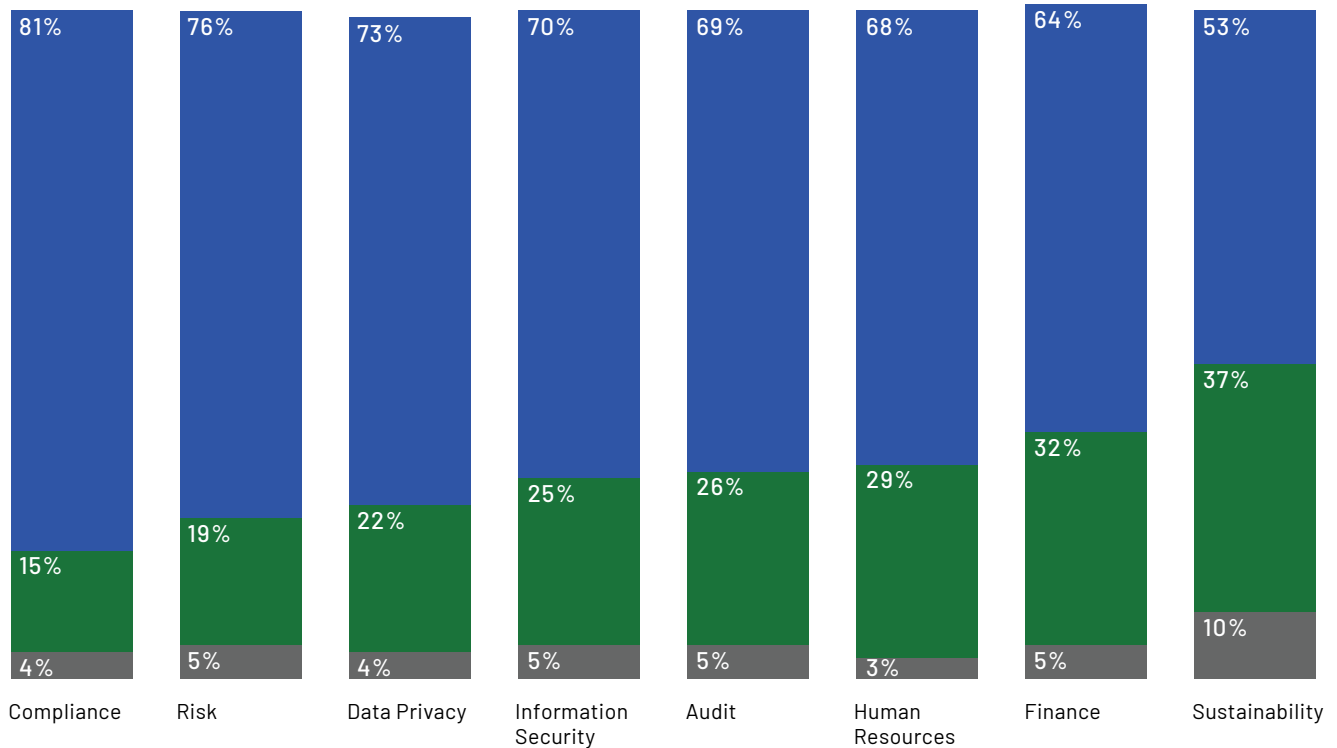


Additional Analysis:

- Those who described their R&C program as Managing /Optimizing (59%-85%) on the more mature end of the five-level ECI spectrum - were more likely than those in the earlier maturity tiers, underdeveloped/ defining (44%-73%), to say they shared technology systems and data with several functional areas. This suggests more mature programs are operating cross-functionally while viewing risk under "the same pane of glass," a unified approach that likely makes strategic decisions around ethics and risk more expedient and impactful.

DESCRIPTION OF WHETHER JOB FUNCTION SHARES TECHNOLOGY SYSTEMS AND DATA WITH EACH FUNCTIONAL AREA

■ Don't know ■ No ■ Yes



BASE: VARIABLE BASE  
Does your job function share technology systems and data with each of the following functional areas?

### 'Reducing risks' is top reason to adopt new R&C technology – other drivers more mixed

More than 2 in 5 (41%) respondents included "to reduce risks" in the top-three reasons their organization would adopt new R&C automation and technology solutions. Next most commonly cited was "to meet regulatory requirements" (32%).

These responses paint a complex picture. Elsewhere in this report, regulatory compliance often ranks highly as a driver for R&C program decision making. Yet risk-based decision making does not. It's possible some respondents feel technology can help make risks "go away," when often, a more plausible goal is to understand and navigate them.

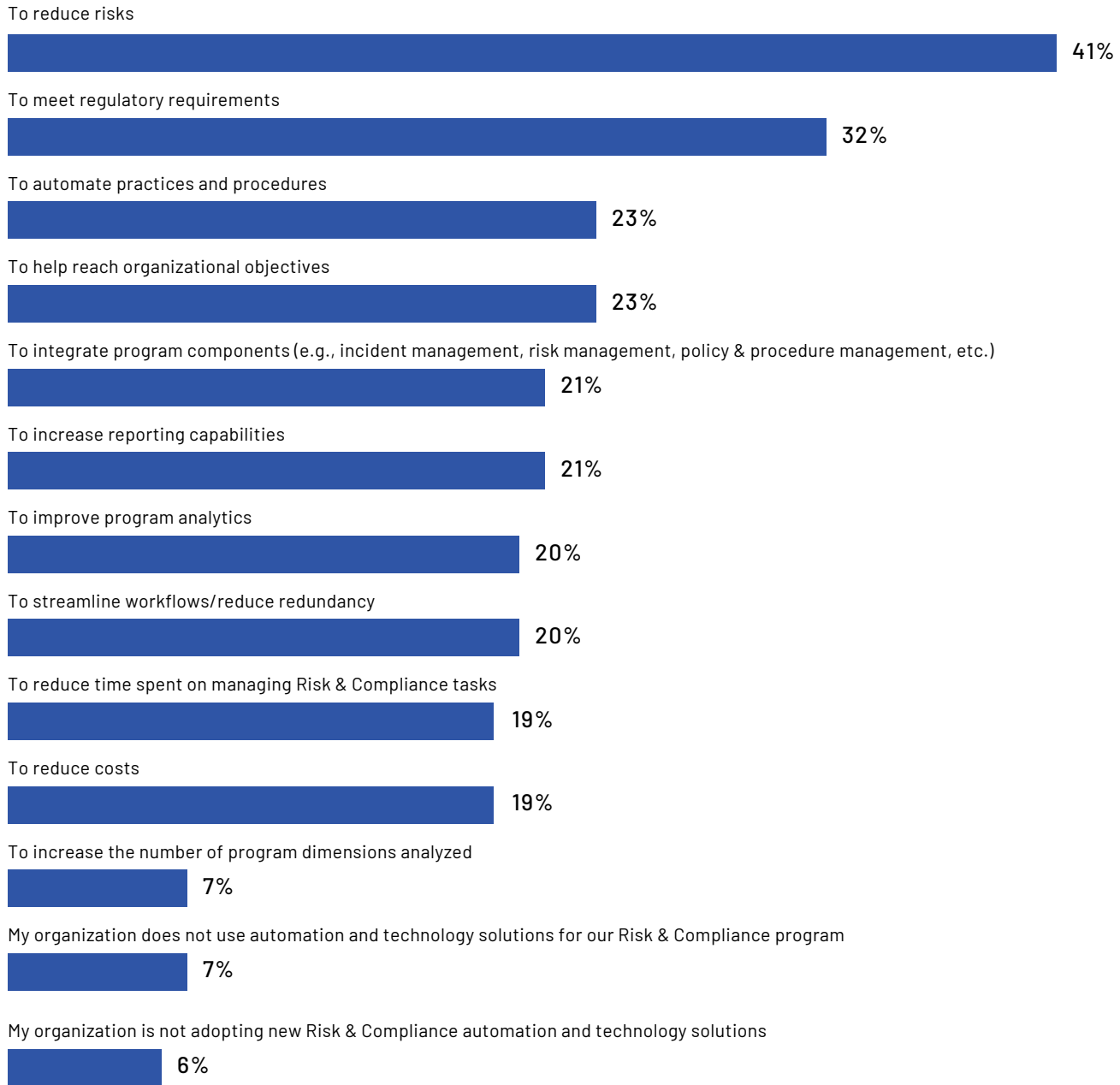
Respondents were roughly balanced, broadly 1 out of 5, in the likelihood of choosing response options that reflect perhaps more forward-looking reasons to adopt R&C solutions. They include automation of practices and procedures (23%), reaching organizational objectives (23%), integration of program elements (21%) and improving program analytics (20%). A small fraction of respondents (7%) said they do not use automation and technology solutions in their R&C program, and 6% say they are not adopting new solutions. Only 19% selected "to reduce costs" for their list.

#### Additional Analysis:

- Respondents who said their programs were more mature – Managing/Optimizing – were more likely to say program integration (26% vs. 17% of underdeveloped/defining and 16% of adapting) and improved analytics (24% vs. 14% of underdeveloped/defining and 18% of adapting) were a reason to adopt new R&C technology solutions.



TOP REASONS FOR ADOPTING NEW R&C AUTOMATION AND TECHNOLOGY SOLUTIONS



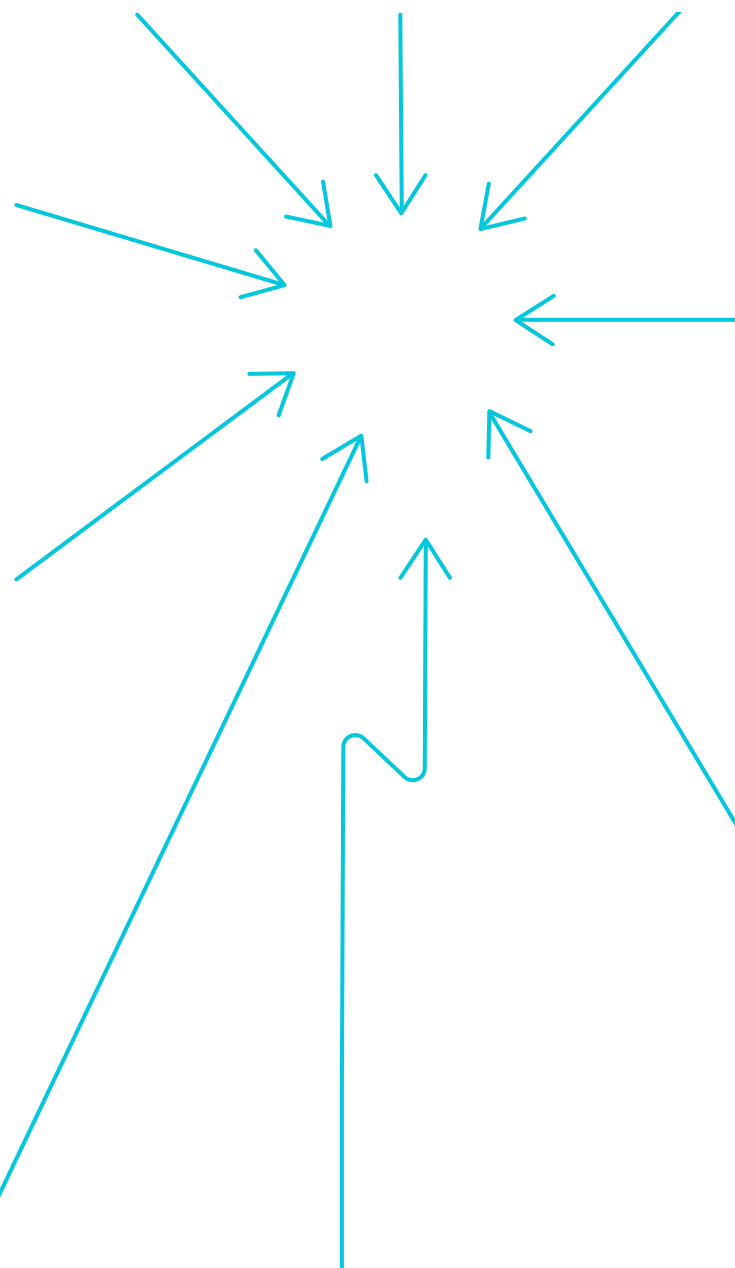
ALL QUALIFIED RESPONDENTS (n=1066)  
 What are your organization's top reasons for adopting new Risk & Compliance automation and technology solutions? Please select up to three options.

### Training on artificial intelligence planned for 2 out of 5 organizations in the next 2-3 years

The recent proliferation of artificial intelligence technologies have rapidly transformed the world of work, forcing many organizations to rapidly set policies for the way employees or others can and should use those potentially transformative systems. At the time this survey closed in March 2024, only 39% of respondents who are knowledgeable about ethics and compliance said their organization planned training on AI in the next two-to-three years. This is a number to watch.

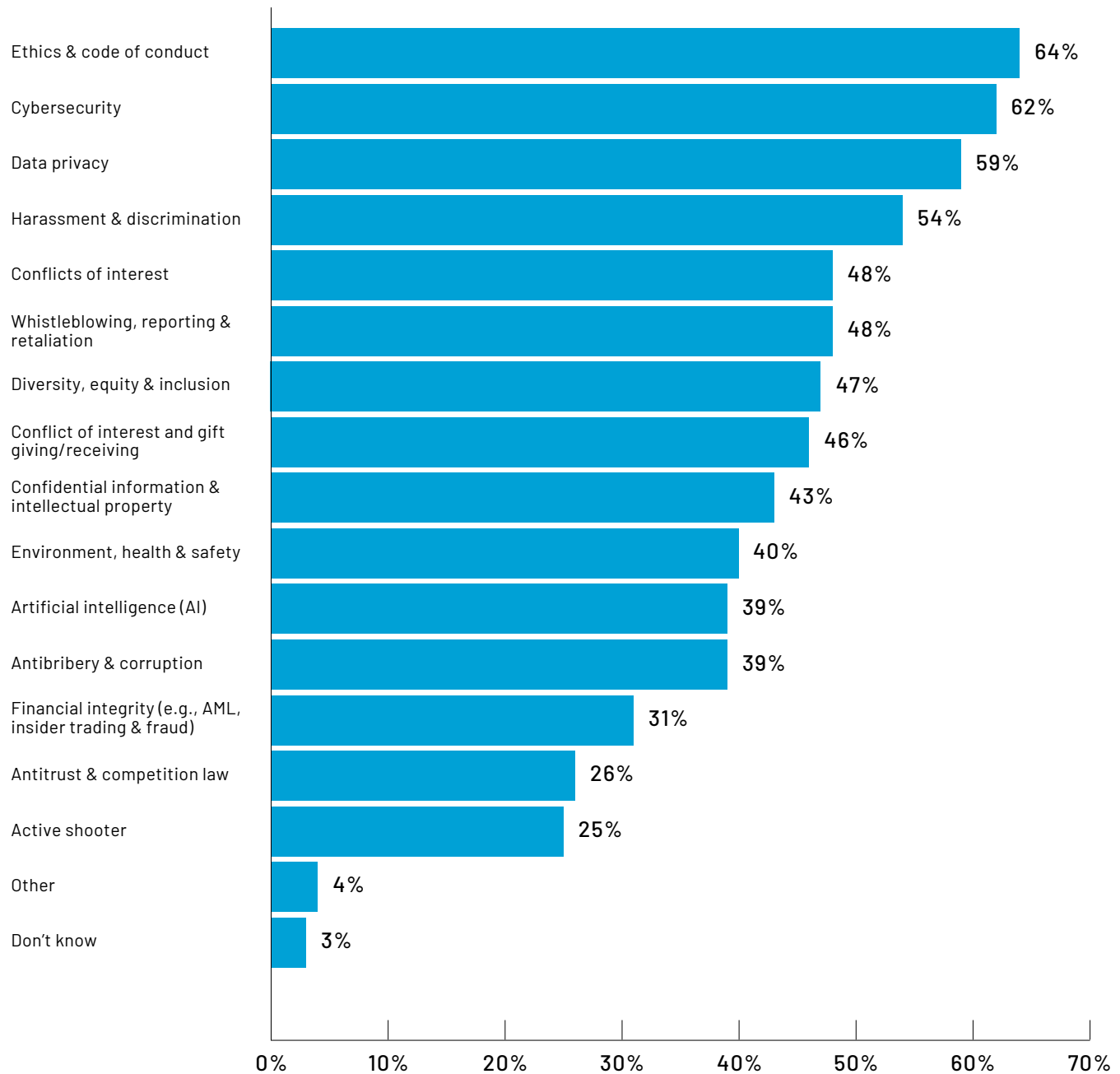
**Additional Analysis:**

- Respondents from programs that were said to be more mature, Managing/Optimizing, (46%) were more likely than those who were less mature, Underdeveloped/Defining (28%), to say AI training was planned in the next two-to-three years.
- Not surprisingly, respondents who said Compliance was highly engaged with AI risk management were more likely (51%) to say training was planned in this area versus moderately engaged (38%) or not-at-all engaged (19%). Those from organizations with headquarters in EMEA were somewhat more likely (44%) to say training was planned, followed by the Americas (37%).





COMPLIANCE TOPICS TO TRAIN ON IN THE NEXT 2-3 YEARS



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

On which of the following compliance topics will your organization provide training in the next 2-3 years? Please select all that apply.

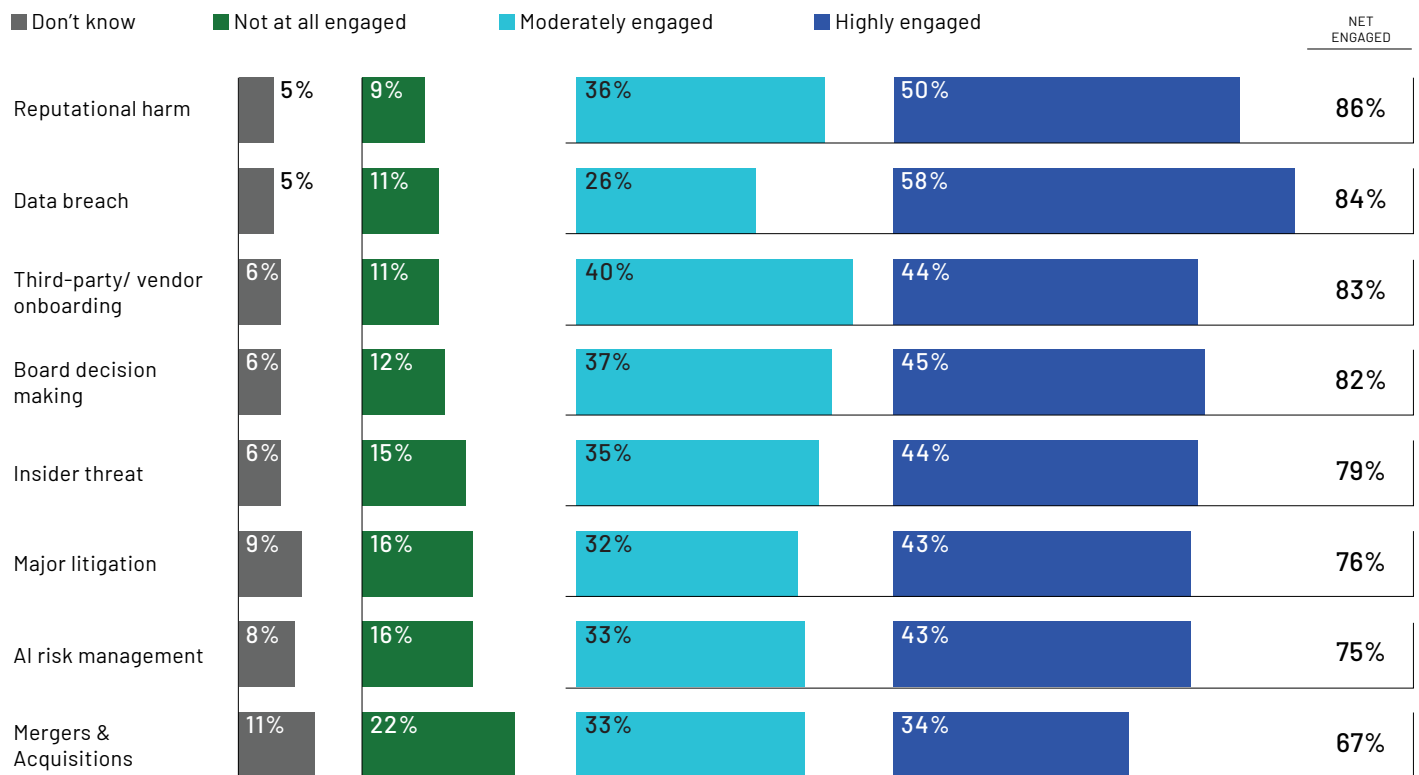
### Most say Compliance is engaged in AI risk management

Three quarters (75%) of respondents said Compliance is either “highly engaged” or “moderately engaged” in AI risk management. Regulatory frameworks pertaining to rapidly evolving AI technologies are themselves evolving, and it is critical Compliance has a seat at the table as organizations develop their own approaches.

**Additional Analysis:**

- At the time of this writing, it is the European Union that seems to be furthest along in establishing high-level rules for the usage of AI. Yet respondents from organizations based in Europe including the U.K. (75%) and North America (77%) were all roughly parallel in indicating Compliance was highly or moderately engaged.
- Eighty-three percent of respondents with mature programs (Managing/Optimizing) said the same, compared to only 58% of relatively immature programs (Underdeveloped/Defining).

### ENGAGEMENT OF COMPLIANCE FUNCTION AT COMPANY IN DIFFERENT AREAS



ALL QUALIFIED RESPONDENTS (n=1066)  
How engaged is the compliance function at your company in each of the following areas?

# 03 Compliance and the Role of Third Parties

The role of third parties – software providers, physical supply chain vendors and others – continues to grow in prominence. Even the smallest of organizations are likely to rely on third parties for services such as payroll, online retail and other traditionally in-house functions. For the very largest of organizations, the span of a supply chain – multinational, multicultural and intertwined with complex regulatory environments – is vast. In recognition of this important trend, NAVEX refined several elements of our 2024 survey to explore how organizations are approaching the critical task of ensuring ethics and compliance across their supply chain.

**High performance appears more difficult past initial onboarding and vetting of third parties**

It appears respondents who are knowledgeable about ethics and compliance believed there is generally room for improvement for their organization’s third-party due diligence. Generally, organizations were most likely to receive positive marks for activities that occur before, or at the start of, the relationship – ensuring proper contract terms, establishing appropriate business rationales, performing enhanced due diligence based on the organization’s definitions of high, medium, and low risk, and tracking and addressing identified red flags.

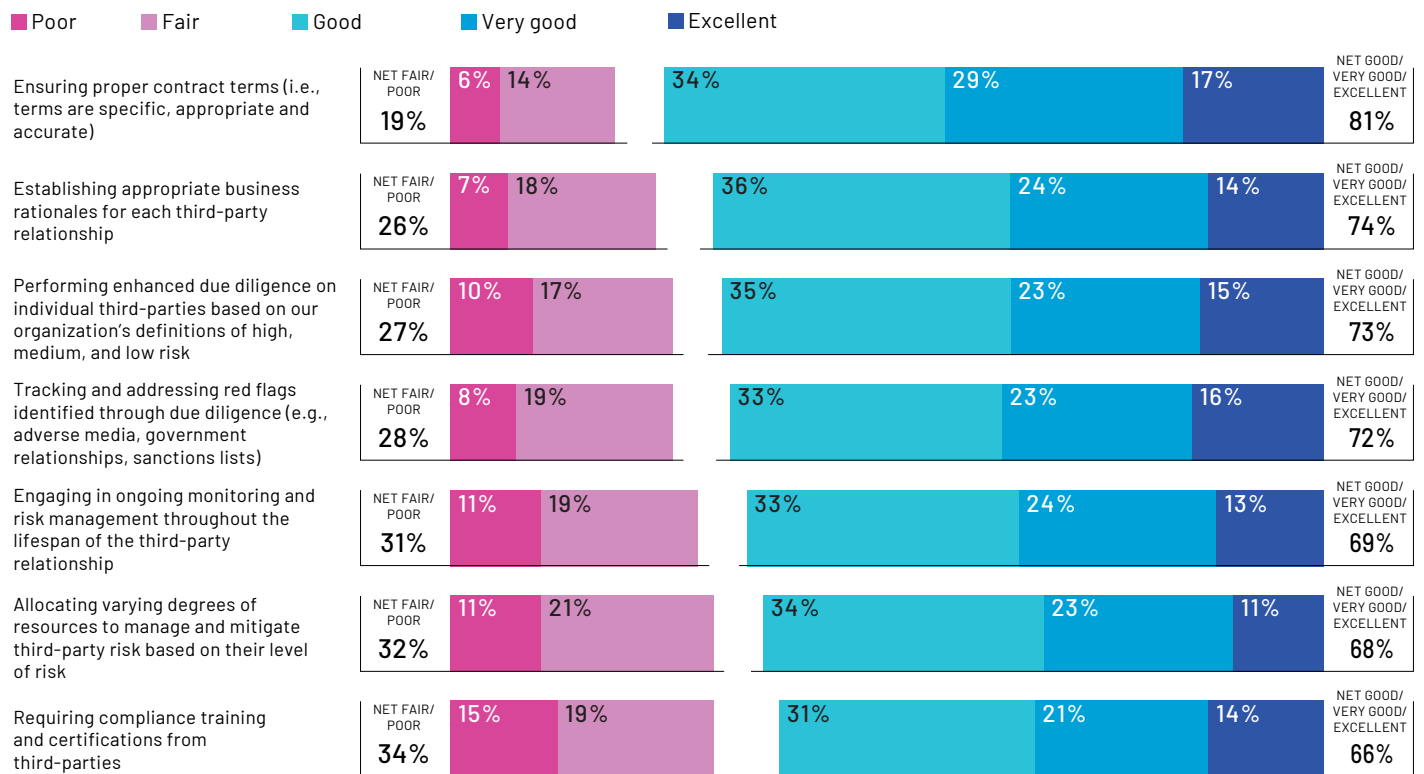
Less common were high marks for some of the ongoing program elements such as continuous monitoring and risk management throughout the lifespan of the third-party relationship and allocating varying degrees of resources in response to risk assessments. Requiring compliance training and certifications from third-parties also less commonly received high marks. While a majority of respondents rated their organization as at least “good” in all areas (66%-81%), the scale might highlight the difficulty of a high level of execution for ongoing third-party due diligence. More than a third of respondents (34%) rated their organization as “poor” or “fair” in requiring compliance training and certifications from third parties.



**Additional Analysis:**

- Respondents from organizations based in EMEA (74%) were more likely than those from organizations based in the Americas (67%) to say their program was at least “good” in engaging in ongoing monitoring and risk management throughout the lifespan of the third-party relationship.

**RATING COMPLIANCE PROGRAM PERFORMANCE IN TERMS OF THIRD-PARTY DUE DILIGENCE**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

How would you rate your organization's compliance program's performance in the following aspects of third-party due diligence?

**Most have some strategy for third-party due diligence, though some use the same approach in every case**

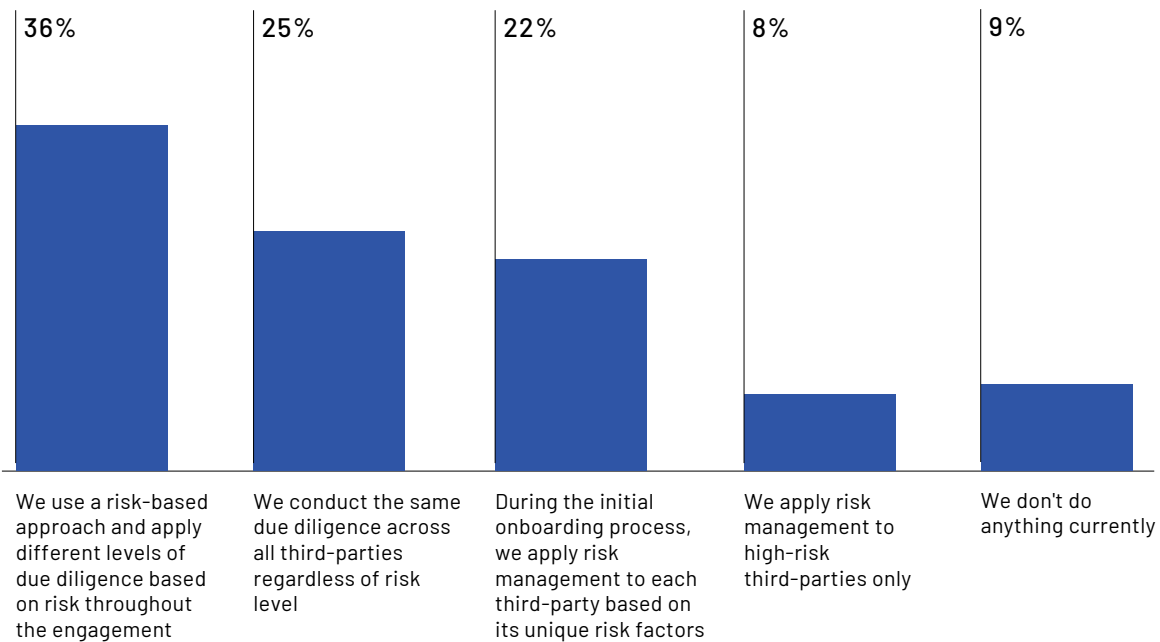
A large majority of respondents who are knowledgeable about ethics and compliance – 91% – said their organization has some kind of strategy for third-party due diligence. Most common (36%) was to use a risk-based approach to apply different levels of due diligence based on risk throughout the engagement.

Concerningly, a quarter of respondents (25%) said their organization conducts the same due diligence across all third parties regardless of risk level. This is certainly less effective than a risk-based approach – for example, it may place undue burden on third parties with a low risk level.

**Additional Analysis:**

- Respondents who reside in the U.K. (37%) were more likely than those in the U.S. (26%) to say their program uses this one-size-fits-all approach.

**DESCRIPTION OF APPROACH TO THIRD PARTIES**

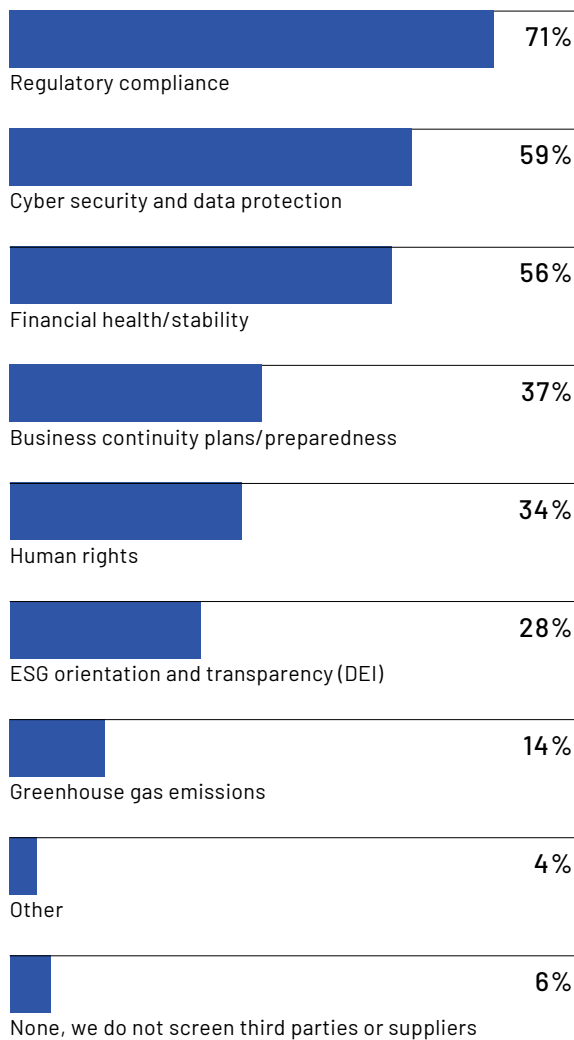


KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following best describes your organization's approach to third-parties? Please select one.

### Compliance is king in third-party screening, but other factors play a role

Most (71%) respondents who are knowledgeable about ethics and compliance said they consider regulatory compliance when screening third parties or suppliers. This evokes other areas of this report that highlight the prominent role compliance plays in organizational decision making.

#### ASPECTS REVIEWED WHEN SCREENING THIRD PARTIES



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following aspects does your organization review when screening third-parties or suppliers? Please select all that apply.

As stated elsewhere, while this is no doubt a critical concern for R&C, it's important to ensure it is not simply a check-the-box exercise.

Around 3 in 5 respondents (59%) said their program considers cybersecurity and data protection in their screening. Given cybersecurity's rise as a major business concern, one might expect that percentage to be greater. A similar share (56%) said the same about financial health/stability – this measure is widely understood and can approximate other areas of risk, including cybersecurity.

Only 37% of respondents said business continuity plans/preparedness were an element in third-party vetting. This is another measure some readers might expect to be higher given the lessons from the disruptions of the COVID-19 pandemic.

Thirty-four percent said their organization included human rights in their screening. This is a topic where regulators across the globe are shifting more attention – as are consumers.

#### Additional Analysis:

- Respondents for organizations based in Europe including the U.K. (43%) was more likely to say they screened for human rights than North America (26%).

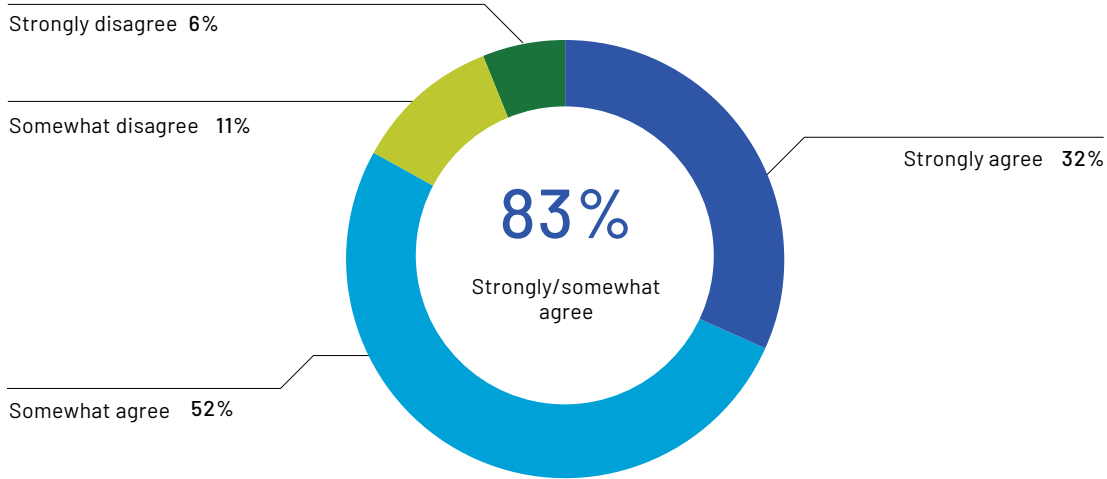
### Most, but not all, believe third-party due-diligence program reduces risk

Most (83%) of respondents who are knowledgeable about ethics and compliance said they either “strongly” or “somewhat” agree that their third-party due diligence program significantly reduces their organization’s legal, financial and reputational risks. This, of course, means that 17% either “somewhat” or “strongly” disagree with that statement.

#### Additional Analysis:

- R&C professionals who are C-level executives (36%) and senior management (36%) were more likely than those in other management positions (23%) to strongly agree that their third-party due diligence program significantly reduces their legal, financial and reputational risks.
- Those who said they have a Managing/Optimizing R&C program (44%) were more likely than those with an Underdeveloped/Defining (20%) and Adapting (18%) R&C program to strongly agree that their third-party due diligence program significantly reduces their legal, financial and reputational risks.

### “OUR THIRD-PARTY DUE DILIGENCE PROGRAM SIGNIFICANTLY REDUCES OUR LEGAL, FINANCIAL AND REPUTATIONAL RISKS.”



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

Rate your agreement with the following statement: Our third-party due diligence program significantly reduces our legal, financial and reputational risks.



# Conclusion

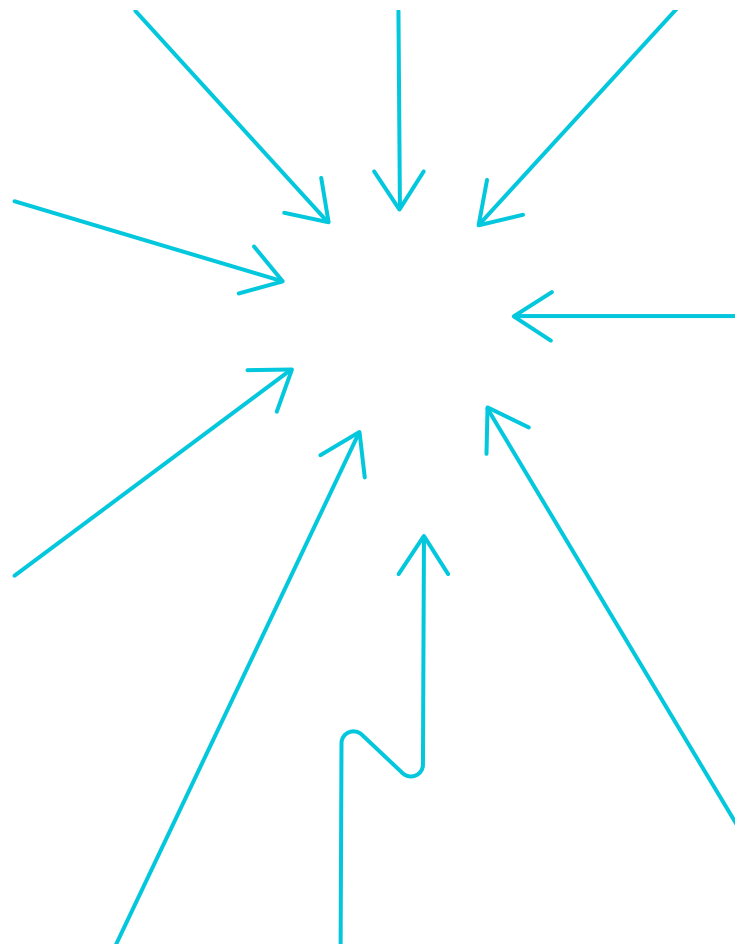


# 01 Conclusion

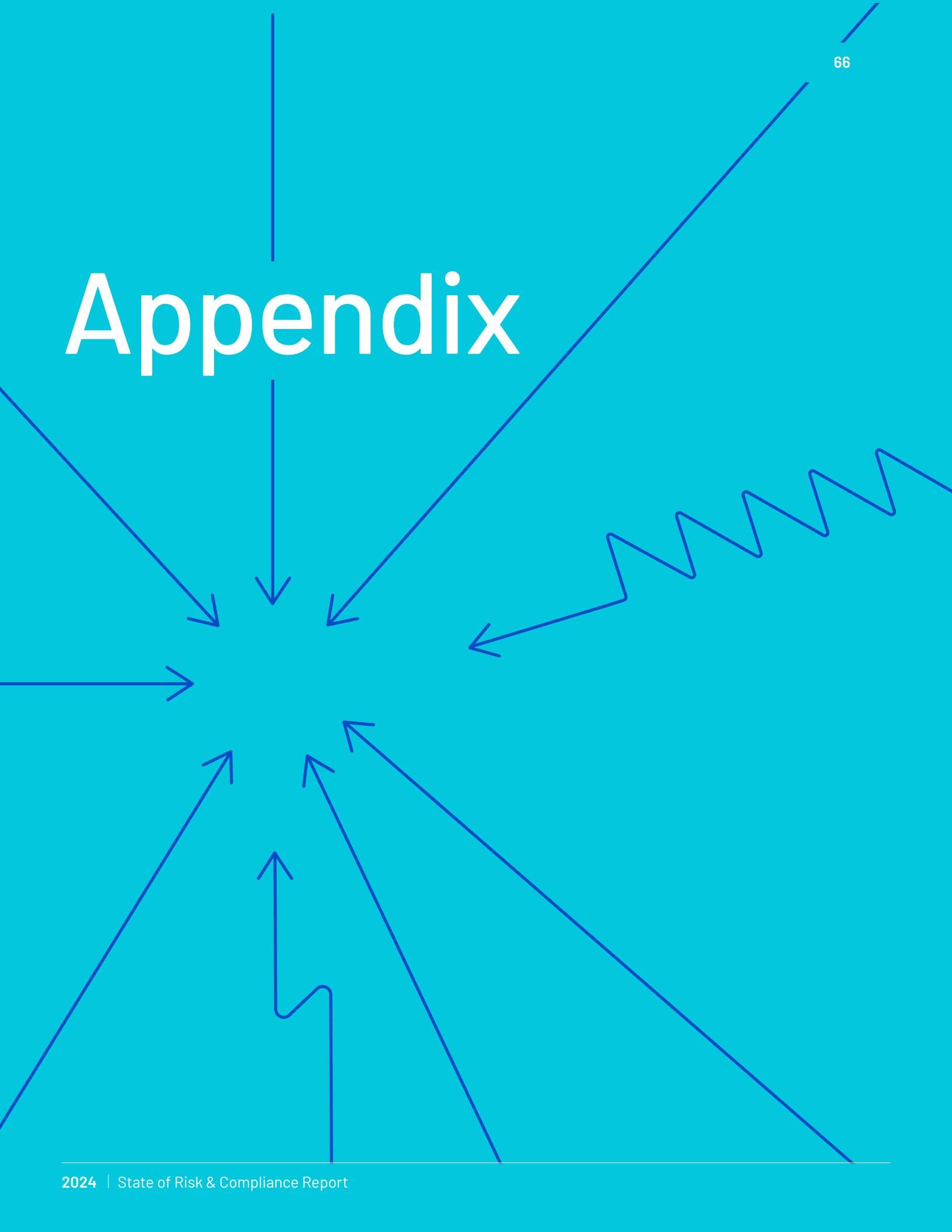
Readers of this report are likely to walk away feeling hopeful for the reach and influence of risk and compliance. Many respondents indicated their program has a strong level of maturity. Compliance is widely engaged – though at varying levels – across organizations. Leaders are generally embracing ethical behaviors and a commitment to compliance. Compliance, Data Privacy and Risk enjoy strong partnerships throughout the organization, and vanishingly few respondents said any function serves as an obstacle for their own function’s goals.

Yet there are always areas to improve. One resounding signal is the apparent lack of respondents who indicated their organization has an internal reporting program or non-retaliation policy. Another is the lower level of Code of Conduct training. These are some of the foundational elements of a strong R&C program, providing signals about risk while demonstrating to employees and others that the organization takes ethics seriously. And for some organizations, Compliance may still lack a seat at the table for mergers and acquisitions – something the U.S. Department of Justice is watching closely.

It’s meaningful how often “maturity” correlated to some measure of collaboration across roles in our responses. The findings in this report provide an opportunity for readers to open that conversation – to “tell a story” that might resonate with another functional area or level of leadership. In the end, the benefit is likely to be reduced risks, better business results, more efficient processes and, ultimately, a stronger, more ethical organizational culture.

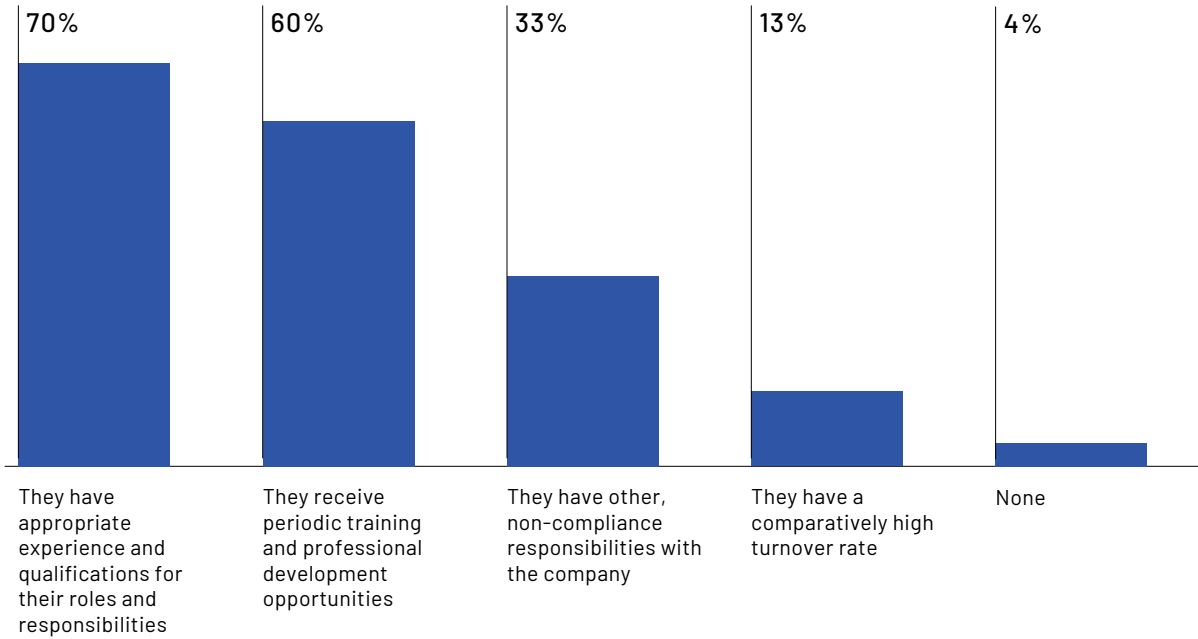


# Appendix



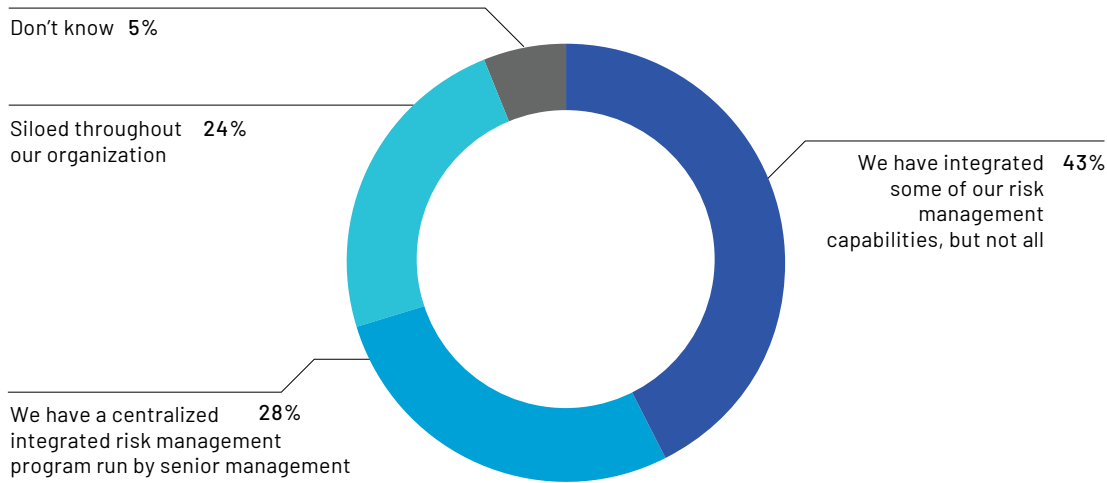
## Appendix

### ORGANIZATION'S COMPLIANCE PERSONNEL



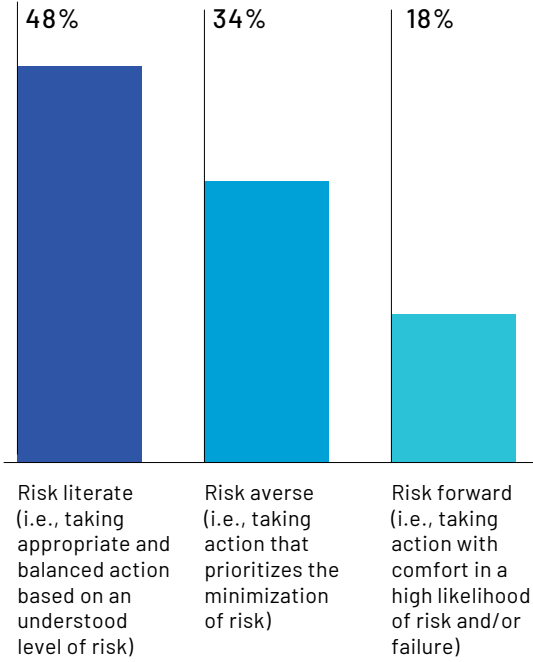
BASE: KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
Which of the following statements apply to your organization's compliance personnel? Please select all that apply.

### LEVEL OF INTEGRATION FOR RISK INTEGRATION MANAGEMENT CAPABILITIES



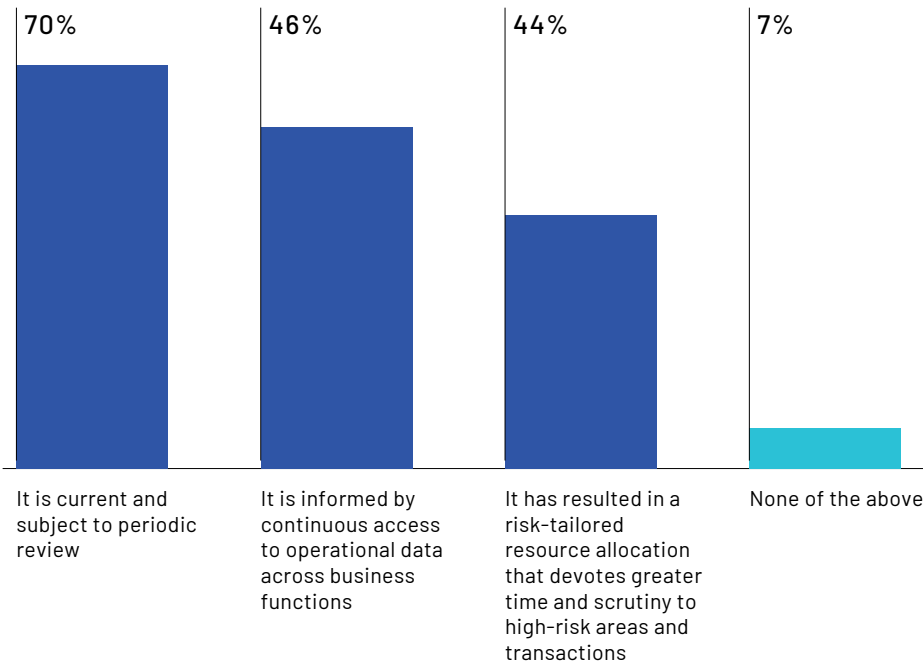
BASE: KNOWLEDGEABLE ABOUT RISK MANAGEMENT (n=801)  
How integrated are your organization's risk management capabilities?

### DESCRIPTION OF CULTURE REGARDING RISK



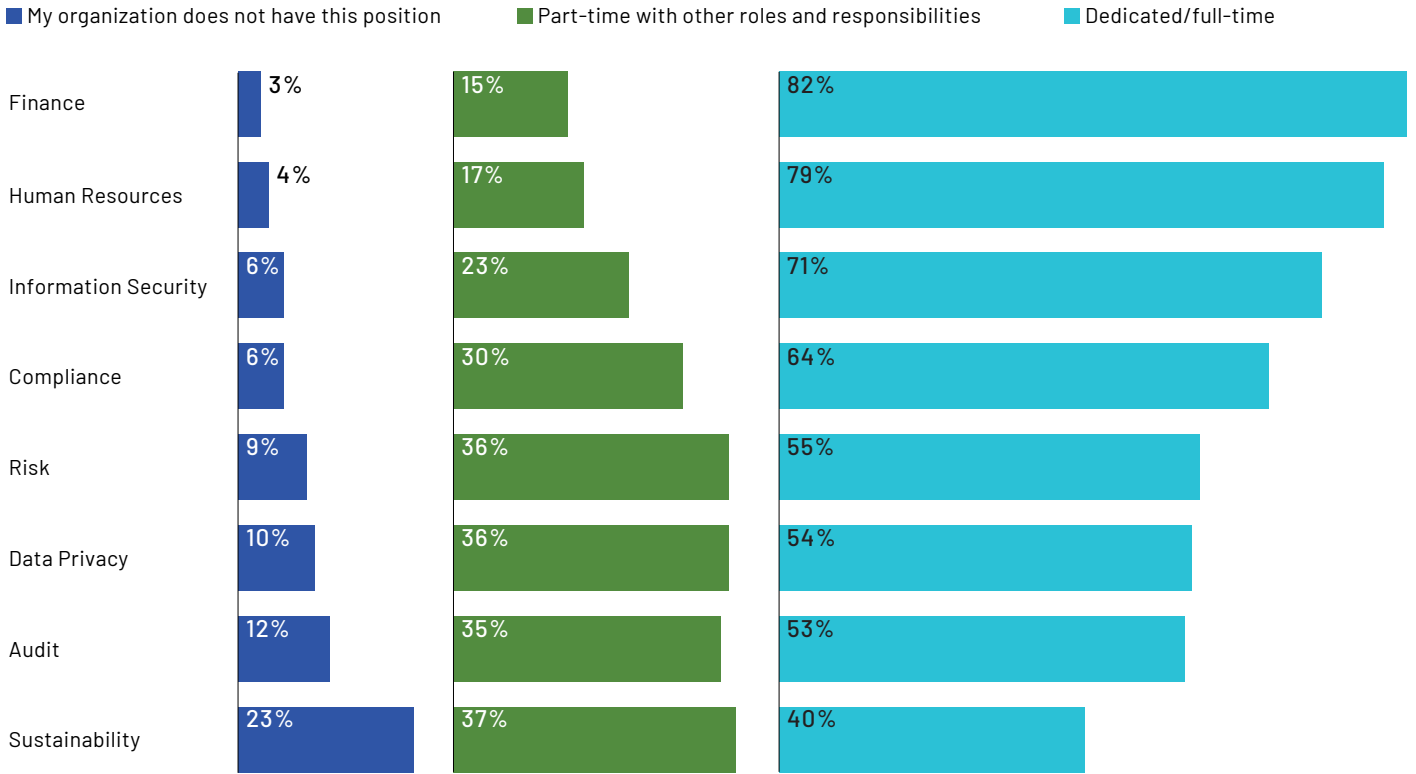
BASE: ALL QUALIFIED RESPONDENTS (n=1066)  
Which of the following best describes your organization's culture regarding risk?

### TRUE OF ORGANIZATION'S RISK ASSESSMENT



ORGANIZATION USES RISK ASSESSMENT RESULTS (n=535)  
Which of the following are true about your organization's risk assessment? Please select all that apply.

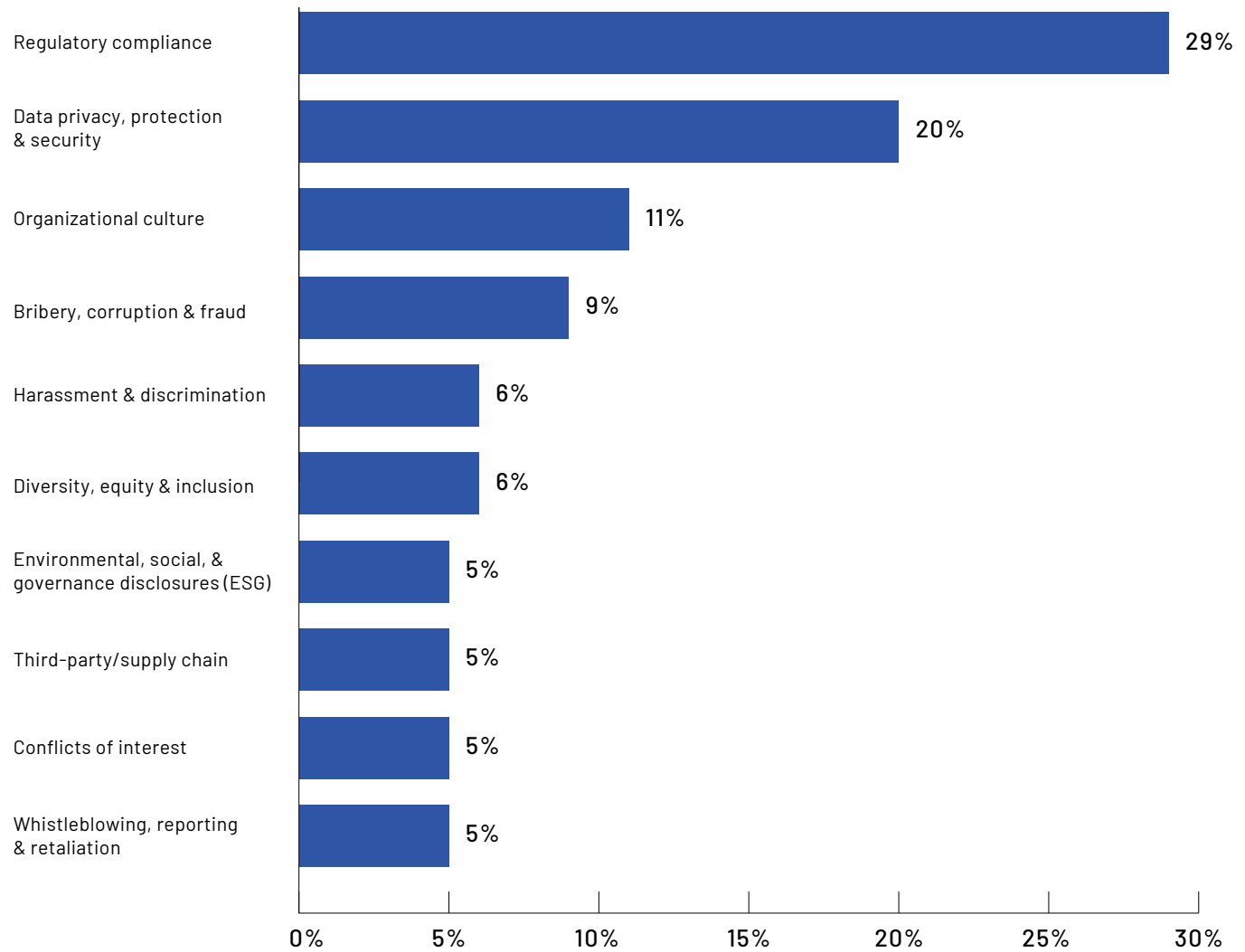
TYPE OF EXECUTIVE-LEVEL POSITION IN DIFFERENT FUNCTIONAL AREAS



ALL QUALIFIED RESPONDENTS (n=1066)

For executive-level (c-level or similar) positions in each of the following functional areas, please indicate if it's a dedicated/full-time position, part-time position with other roles and responsibilities, or if your organization does not have this position.

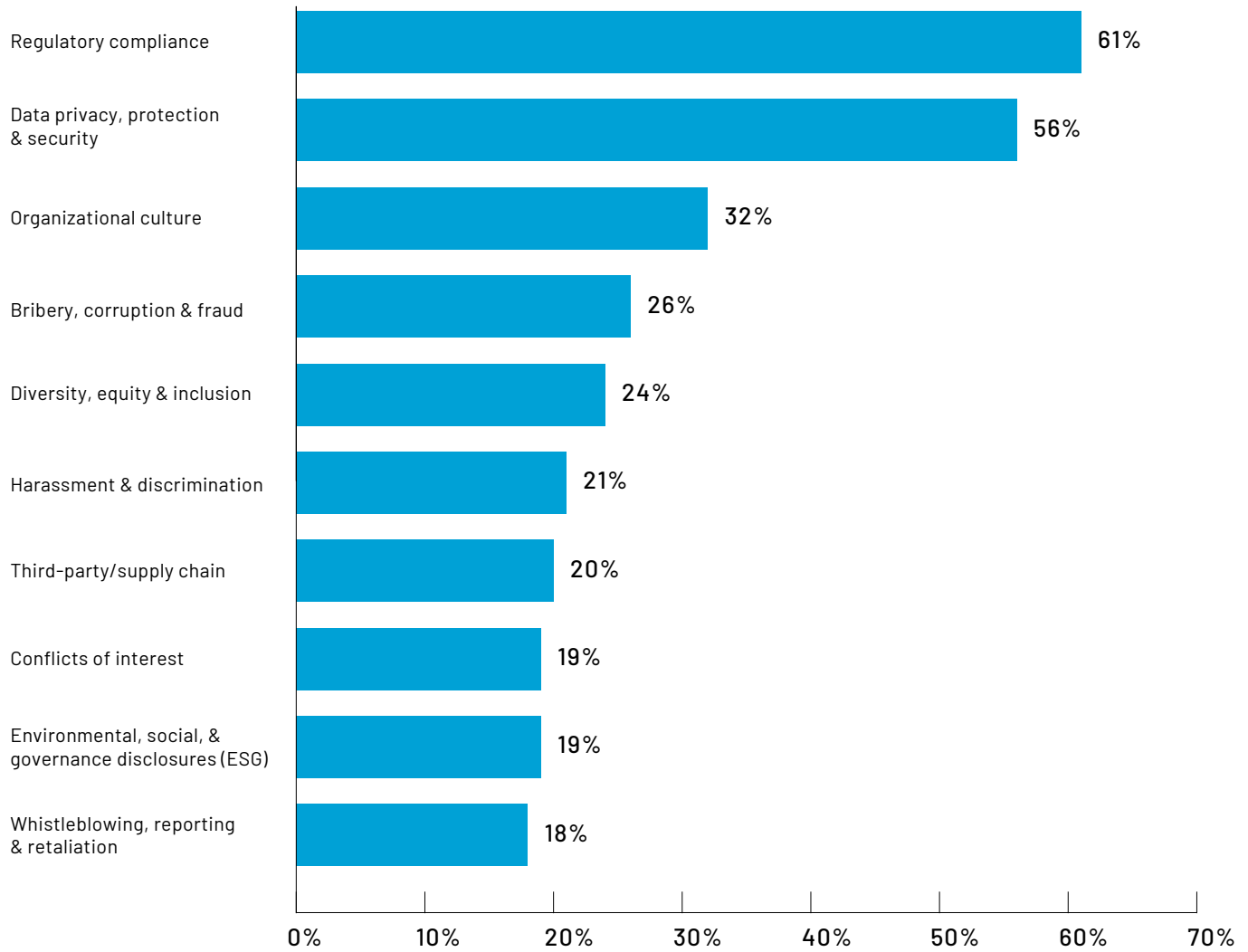
**3 MOST IMPORTANT COMPLIANCE ISSUES RANKED 1ST**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

Which three of the following compliance issues are most important to your organization? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

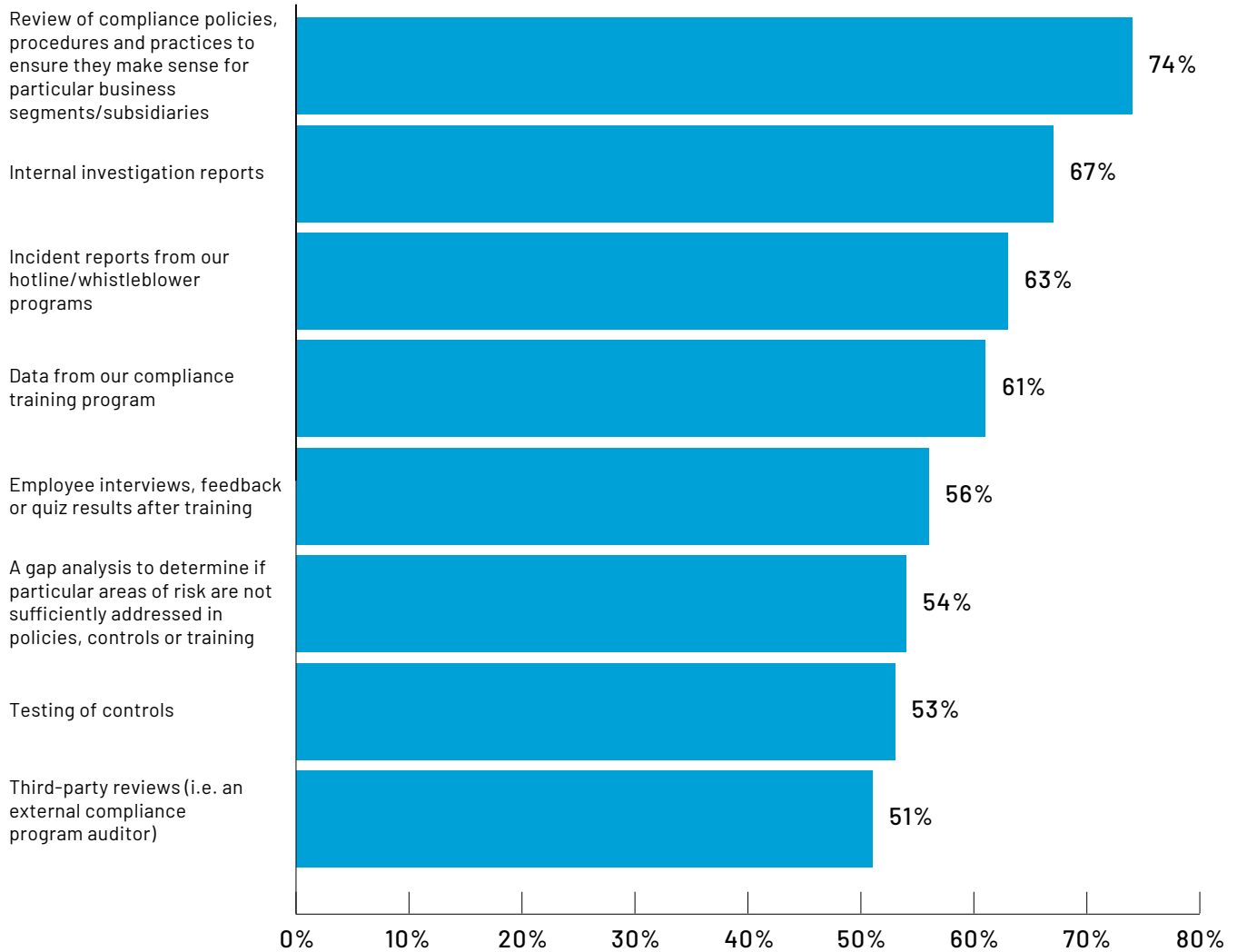
**3 MOST IMPORTANT COMPLIANCE ISSUES RANKED 1ST-3RD**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

Which three of the following compliance issues are most important to your organization? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

### ASPECTS OF R&C PROGRAM AUDITS

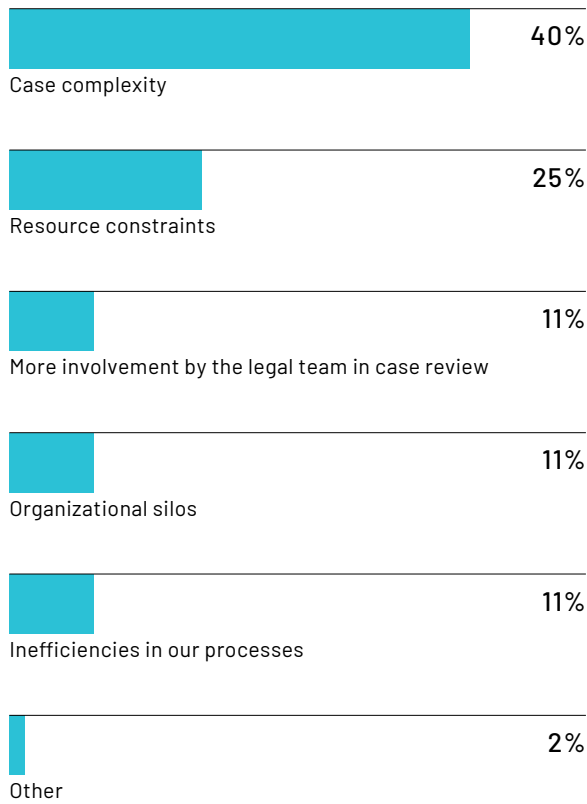


ORGANIZATION USES COMPLIANCE PROGRAM AUDITS (n=489)

Which of the following are part of your organization's risk & compliance program audits? Please select all that apply.



### BIGGEST IMPACT ON TIME TO INVESTIGATE AND CLOSE REPORTS



**KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)**  
 What has the biggest impact on the time it takes to investigate and close a report in your organization? Please select one.

### 3 MOST IMPORTANT CONSIDERATIONS WHEN MAKING DECISIONS RANKED 1ST



**ALL QUALIFIED RESPONDENTS (n=1066)**  
 Which three of the following considerations are most important to your organization when making decisions? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

**3 MOST IMPORTANT CONSIDERATIONS WHEN MAKING DECISIONS RANKED 1ST-3RD**



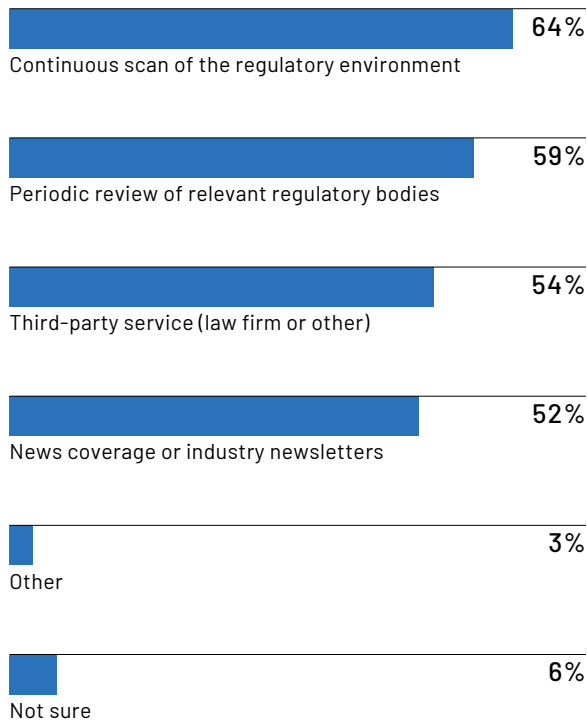
**ALL QUALIFIED RESPONDENTS (n=1066)**  
 Which three of the following considerations are most important to your organization when making decisions? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

**3 MOST IMPORTANT CONSIDERATIONS WHEN MAKING DECISIONS NOT RANKED 1ST-3RD**



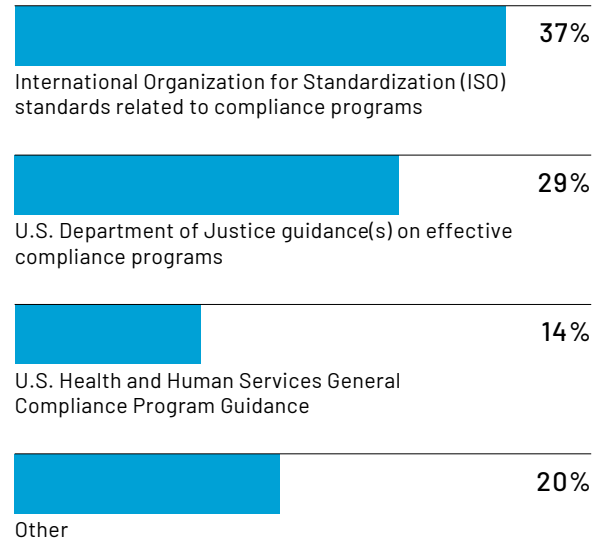
**ALL QUALIFIED RESPONDENTS (n=1066)**  
 Which three of the following considerations are most important to your organization when making decisions? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

**WAYS TO OBTAIN INFORMATION ON REGULATORY CHANGES THAT AFFECT BUSINESS**



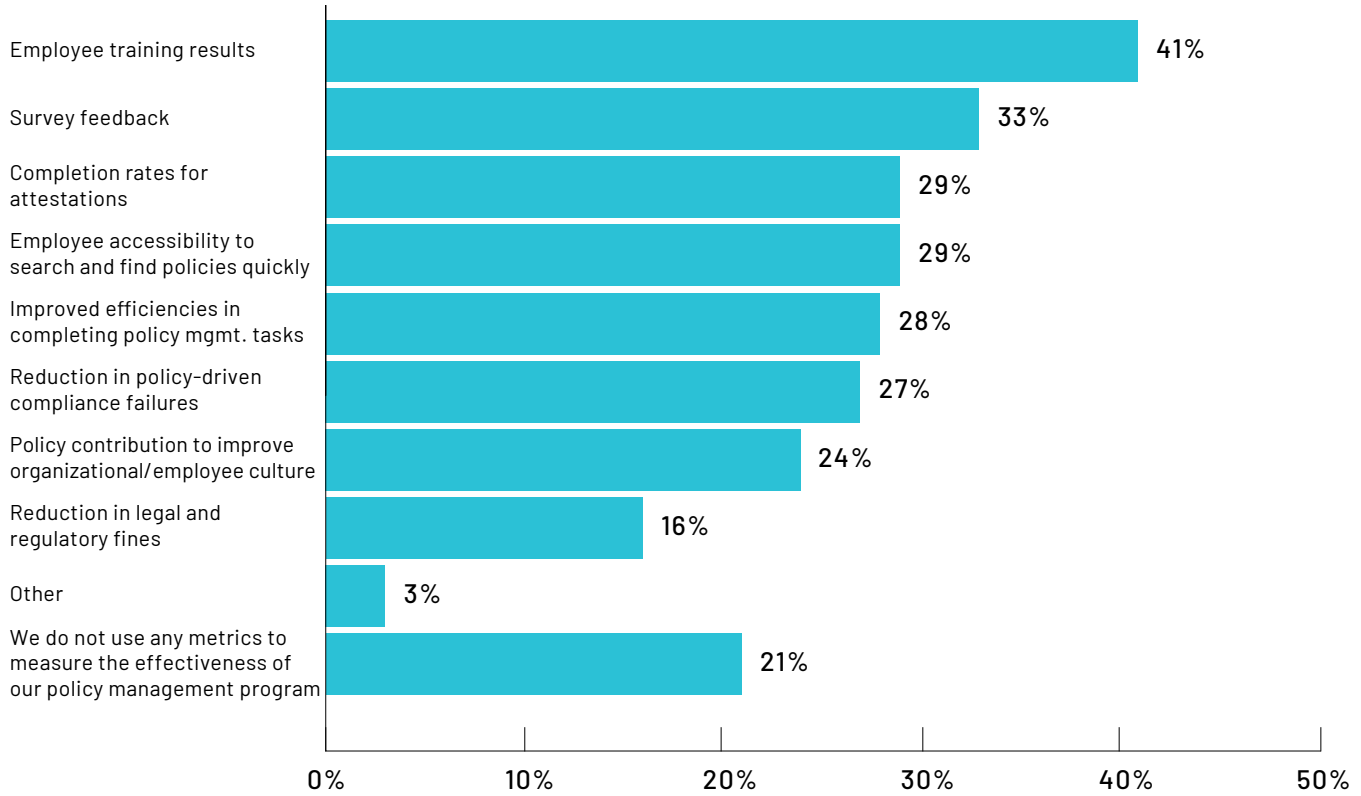
ALL QUALIFIED RESPONDENTS (n=1066)  
 In which of the following ways does your organization obtain information on regulatory changes that affect your business? Please select all that apply.

**PRIMARY FRAMEWORK USED TO INFORM THE COMPLIANCE PROGRAM**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)  
 What is the primary framework that your organization uses to inform the compliance program? Please select one.

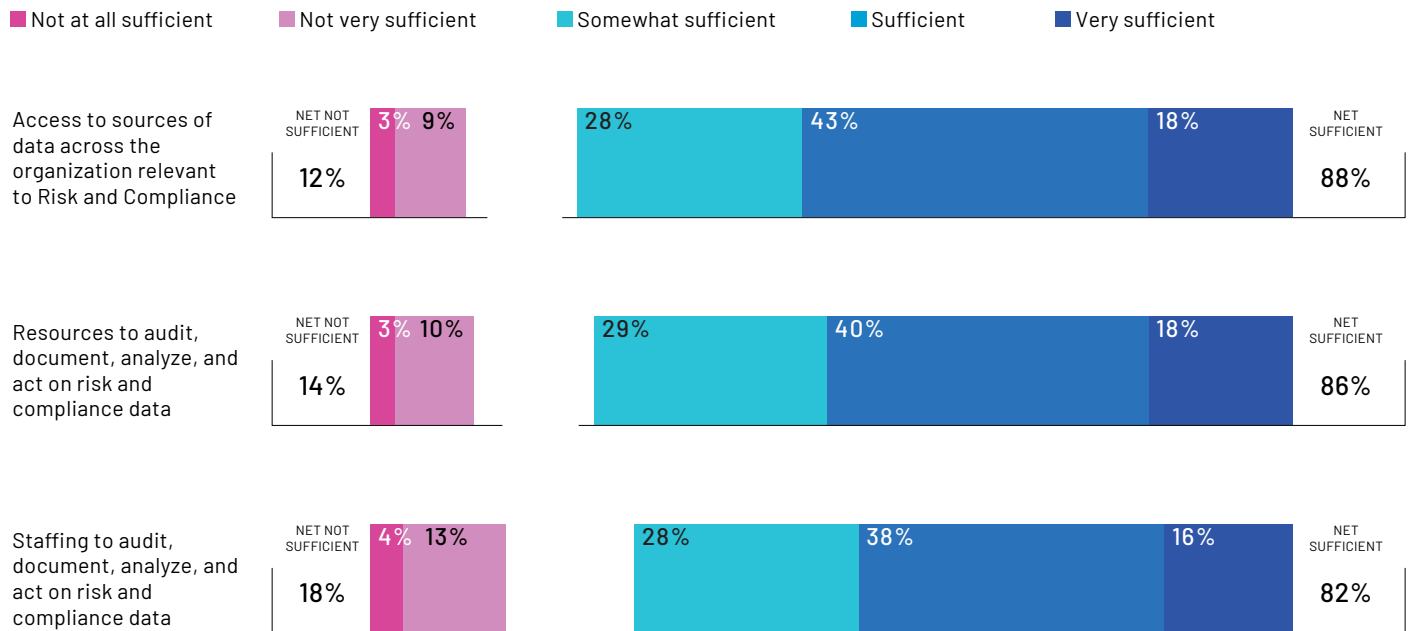
**METRICS USED TO MEASURE EFFECTIVENESS OF POLICY MANAGEMENT PROGRAM**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

Which metrics does your organization use to measure the effectiveness of its policy management program? Please select all that apply

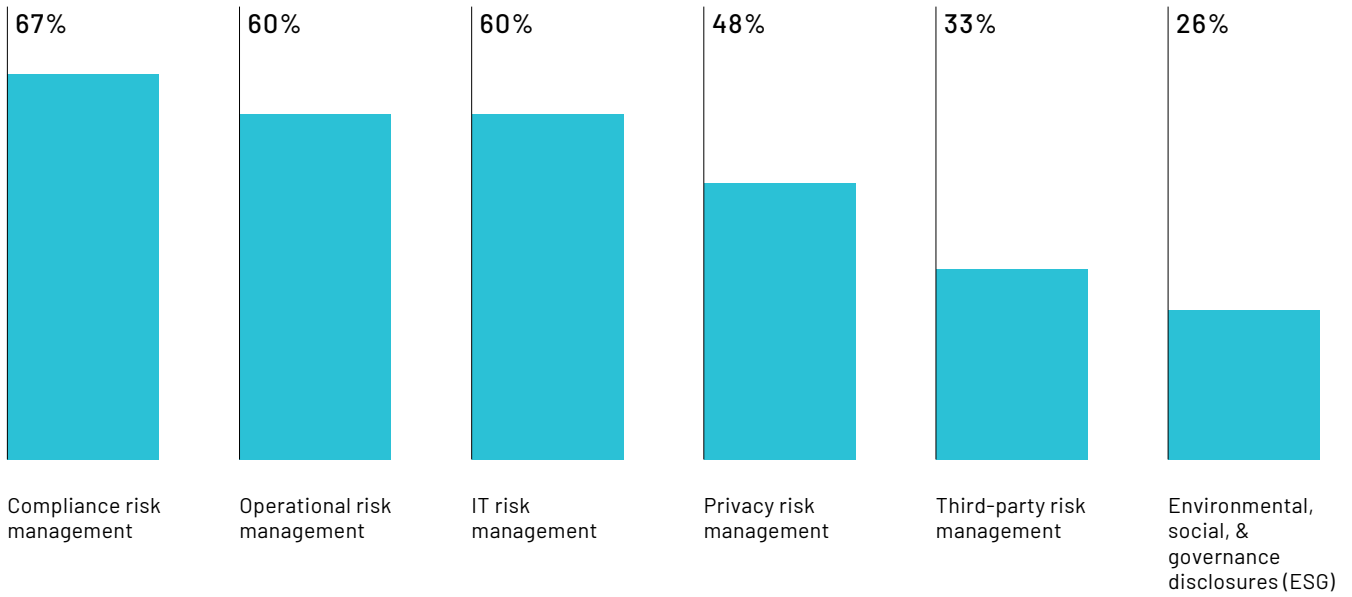
**RATING OF PROGRAM ACCESS TO STAFFING, RESOURCES, AND ACCESS TO SOURCES OF DATA**



ALL QUALIFIED RESPONDENTS (n=1066)

How would you rate your organization's program access to each of the following?

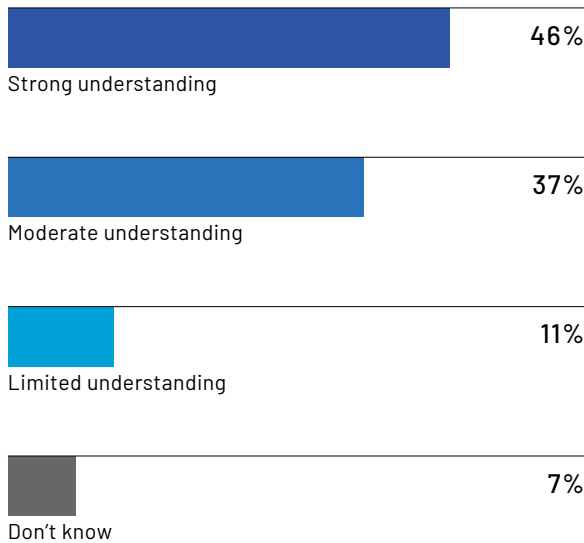
**3 MOST IMPORTANT RISK AREAS TO MANAGE RANKED 1ST-3RD**



KNOWLEDGEABLE ABOUT RISK MANAGEMENT (n=801)

Which three of the following risk areas are most important for your organization to manage? Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

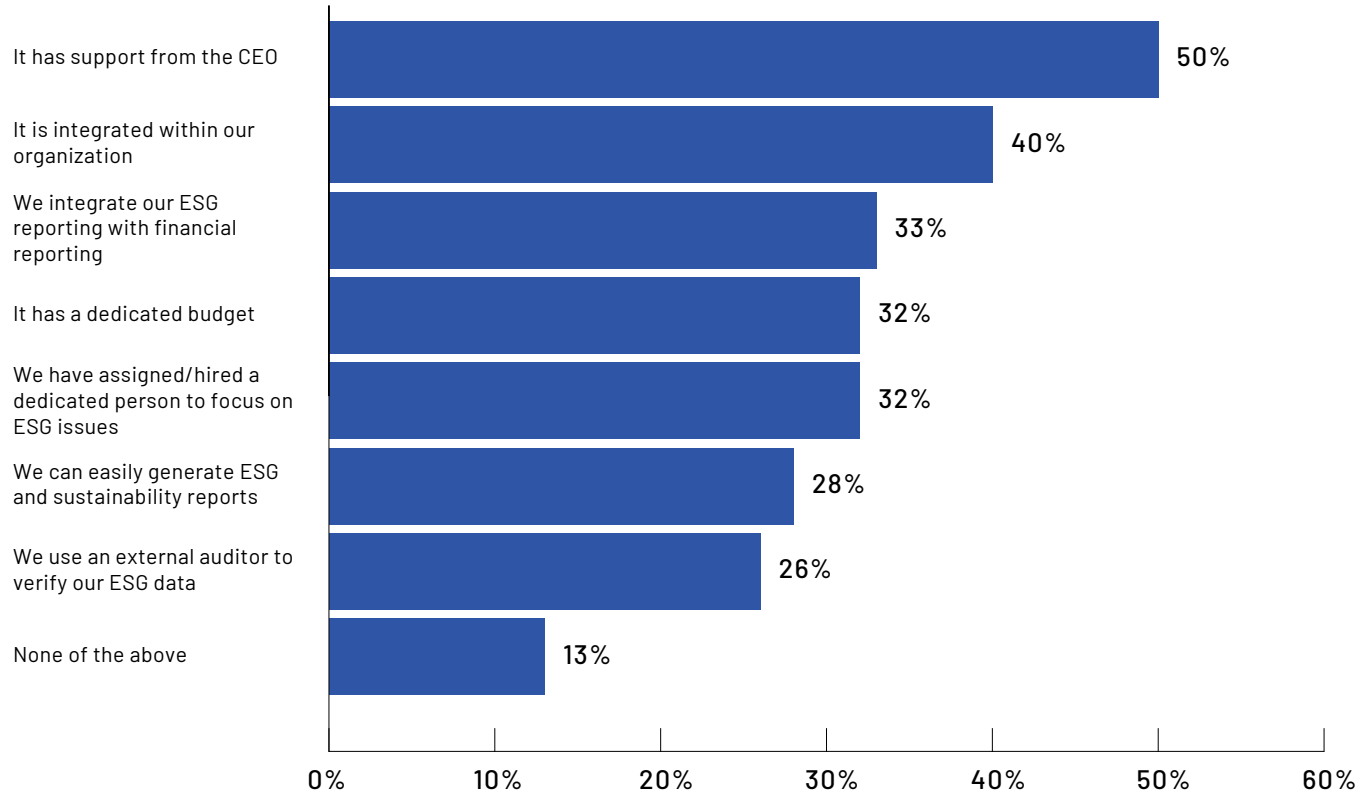
**DESCRIPTION OF THE LEVEL OF UNDERSTANDING THE BOARD OF DIRECTORS HAS OF COMPLIANCE PROGRAM**



KNOWLEDGEABLE ABOUT ETHICS & COMPLIANCE (n=836)

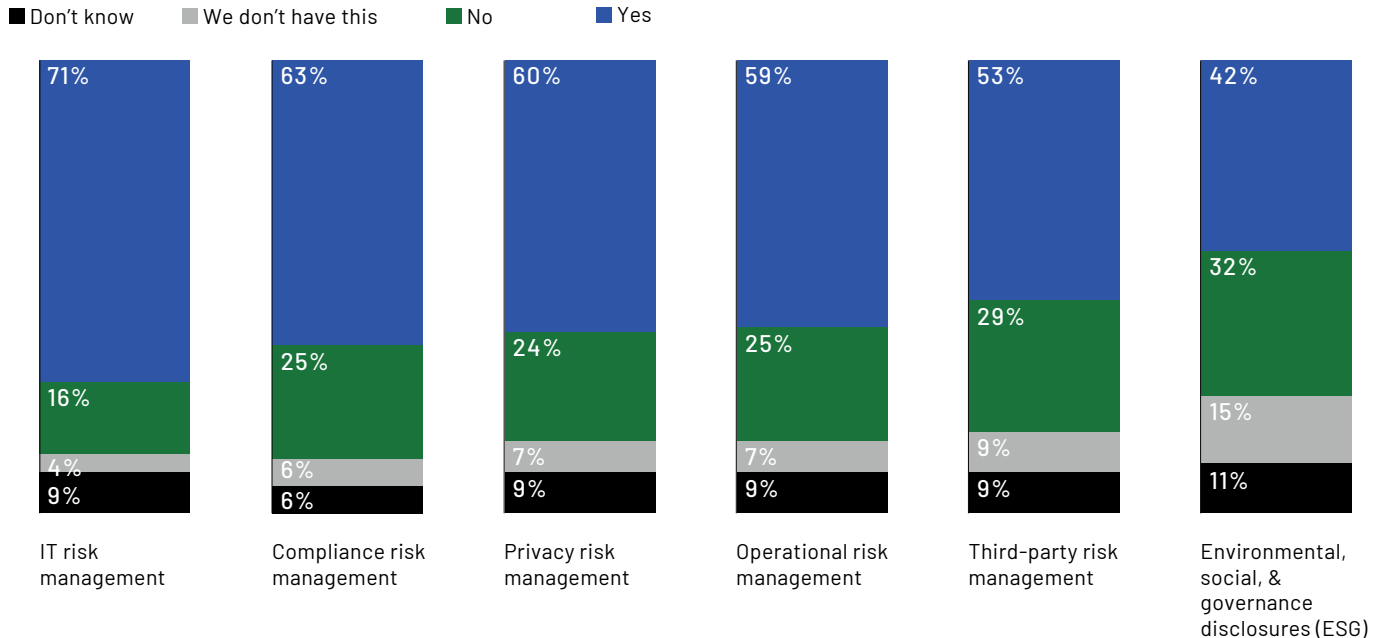
Which of the following describes the level of understanding your organization's board of directors has of your organization's compliance program?

### TRUE OF ORGANIZATION'S ESG PROGRAM



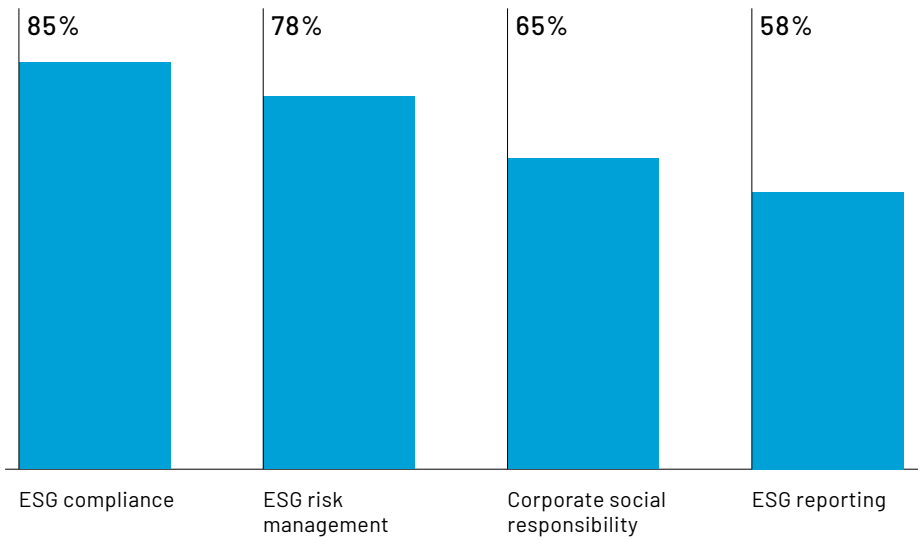
KNOWLEDGEABLE ABOUT ENVIRONMENTAL, SOCIAL & Governance (n=525)  
Which of the following are true for your organization's ESG program? Please select all that apply.

### UTILIZATION OF PURPOSE-BUILT TECHNOLOGY TO PRIMARILY ADMINISTER RISK MANAGEMENT PROGRAM ELEMENTS



KNOWLEDGEABLE ABOUT RISK MANAGEMENT (n=801)  
Does your organization use purpose-built technology to primarily administer the following Risk Management program elements?

**3 MOST IMPORTANT ESG PROGRAM ELEMENTS ISSUES TO MANAGE RANKED 1ST - 3RD**



KNOWLEDGEABLE ABOUT ENVIRONMENTAL, SOCIAL & Governance (n=525)  
Which three of the following environmental, social, and governance (ESG) issues are most important for your organization to manage?  
Please click and drag each item into a rank position or click each item in the order you would like to rank it, from first to third.

# About the authors

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## Eric Gneckow

*Content Marketing Manager, NAVEX*

As content marketing manager for NAVEX, Eric supports the creation of various thought leadership publications on behalf of the organization's subject-matter experts. A one-time reporter, he previously led the content team behind a national portfolio of cybersecurity conferences.

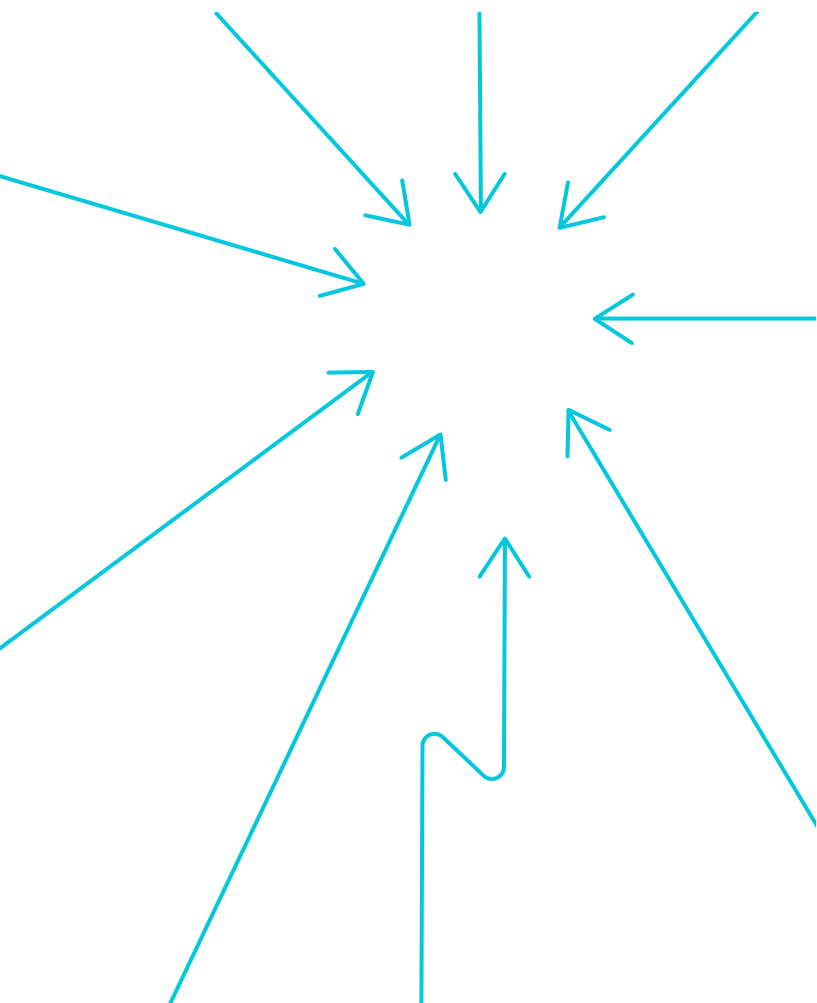
## Carrie Penman

*Chief Risk and Compliance Officer, NAVEX*

As one of the earliest ethics officers in the industry, Carrie Penman has been with NAVEX since 2003 after serving four years as deputy director of the Ethics and Compliance Officer Association (ECO), now ECI. A scientist by training, she developed and directed the first corporate-wide global ethics program at Westinghouse Electric Corporation from 1994-1999.

As chief risk and compliance officer for NAVEX, Carrie leads the company's formal risk management processes. She also oversees its internal ethics and compliance activities employing many of the best practices that NAVEX recommends to its customers. Carrie has extensive client-facing risk and compliance consulting experience, including more than 15 years as an advisor to boards and executive teams; most recently as NAVEX's SVP of Advisory Services. She has also served as a corporate monitor and independent consultant for companies with government settlement agreements.

Carrie was awarded the inaugural Lifetime Achievement Award for Excellence in Compliance 2020 by Compliance Week magazine. In 2017, Carrie received the ECI's Carol R. Marshall Award for Innovation in Corporate Ethics for an extensive career contributing to the advancement of the ethics and compliance field worldwide.





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**Aaron Aab**

*Associate Vice President, Customer Support, NAVEX*

Aaron joined NAVEX in 2017, and now serves as the Associate Vice President of the customer support and data analytics team. With a Bachelor of Science degree in business administration from Warner Pacific University, Aaron is driven by his passion for data and its transformative effects on organizations. He brings his leadership skills to bear in streamlining reporting processes, implementing best practices and ensuring an exceptional customer experience.

**Andy Harmsen**

*Senior Manager, Data Science, NAVEX*

Andy became a data analyst at NAVEX in 2021. Drawing on his expertise in analytics and web development, he has been instrumental in facilitating improvements to data integration and upstream enhancements to data integrity.

**Isabella Oakes**

*Data Scientist Specialist, NAVEX*

Isabella started working at NAVEX in 2021 as a data analyst. She obtained her M.S. in applied data science from University of San Diego, and has a background in psychology, sales and customer service analytics. She uses her skills and focus on data ethics to improve business practices and customer experiences. She has been published on the USD MS-ADS blog in an article discussing the importance of women in data science.

**Anders Olson**

*Senior Data Scientist, NAVEX*

Anders transitioned from a career in banking to join NAVEX in 2020 as the company's inaugural data scientist. Since then, he has been instrumental in enhancing the data ecosystem, leveraging his expertise in applied economics to analyze and improve compliance-related human behavior data.



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