SMB compliance The state of play

When it comes to SMBs approach to compliance, a complicated picture emerges. Our 2024 benchmark survey with Harris Poll, which elicited the responses of SMB respondents who are knowledgeable about risk and compliance, showed a broad awareness of the importance of compliance when it comes to managing risk and making decisions. Yet it remains an area that doesn't appear to be given the necessary resources or focus internally.



Only a third of respondents from SMBs consider their organization to be risk averse

35%-

declared their organization to be risk

Source: NAVEX 2024 Benchmark Survey, Harris Poll

averse (taking action that prioritizes

minimization of risk)

47% said risk literate (taking appropriate/

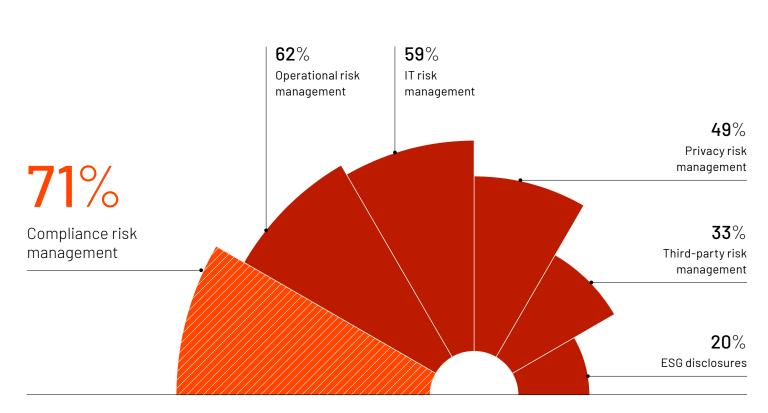
balanced action based on an understood level of risk)

18%said risk forward (taking action with

comfort in a high likelihood of risk and/or failure)



When it comes to managing risk, compliance is seen as a critical area to manage Two thirds of respondents ranked it in their top three priorities



Source: NAVEX 2024 Benchmark Survey, Harris Poll



consideration when it comes to making decisions Respondents who ranked different risk considerations in their top three factors

And keeping compliant with regulations is the dominant risk

77%

said keeping compliant with all relevant laws, policies and regulations

65% said identifying, monitoring, mitigating and controlling risks to the organization

53%

said ensuring their company builds and maintains an ethical culture of compliance

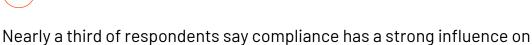
40% ensuring those within the organization are committed to doing what's right

36%

understanding risk profile so we know how much more risk they can take on

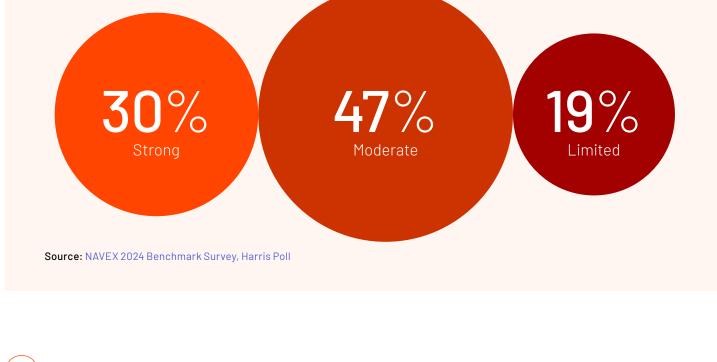
22% said maintaining social and environment accountability

Source: NAVEX 2024 Benchmark Survey, Harris Poll



The influence compliance has on the organization's business decisions

the organization's overall business decisions





42% **39**%

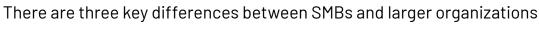
And risk and compliance is often not a full-time focus

of risk and compliance professionals at SMBs have other non-compliance responsibilities across their organizations Source: NAVEX 2024 Benchmark Survey, Harris Poll

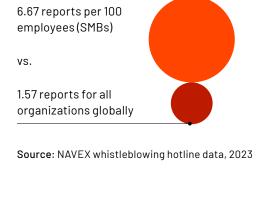
of those in SMBs say the role of compliance for executive-level position (C-suite level or similar) is part-time with other roles and responsibilities

of respondents said responsibility for the compliance function is split across multiple departments

29%



There are more incident But HR-related cases of a concern at SMBs reports filed at SMBs are generally not



Business integrity is more 26.9% of cases in 2023

were around business integrity for SMBs vs. 19.7% of all organizations globally

VS. 54.5% of all organizations globally

41.3% of cases in 2023

were related to HR for

SMBs

Learn more about how NAVEX can support compliance in your small business here