



Managing Individual Regulatory Compliance in a Global Organisation

Executive summary

Delivering an integrated solution for all compliance and conduct related information around the individual

Individual Regulatory Compliance is often managed from a regional perspective, as its requirements are shaped by local regulatory rules. However, where does this leave multinational and international organisations, whose individuals are working and communicating with individuals under different regulated entities?

Although there are geographical nuances to regulation, organisations should adopt a holistic view to their individual compliance approach across jurisdictions. The pillars for compliance largely remain the same, or at least motivated by the same objectives, around the world: competence, conduct, and culture.

A non-integrated approach – one which considers individuals within an entity in isolation - increases the chance that ingrained risk, poor conduct and negative cultures to permeate. Applying different individual compliance frameworks for different populations or teams, or different solutions for accountability versus people management, simply opens the door to inconsistencies and missed steps.

These risks are accentuated by the fact that most existing tools lack a focus on the individual. GRC and HR tools may be able to monitor the activity of an entity, but they cannot manage the multifaceted and cross-regional requirements any given individual may be held to. They certainly cannot manage it under one, unified and holistic umbrella.

Taking a holistic approach in contrast allows organisations to create a transparent and consistent approach to compliance across their populations, across entities. It breaks down disparities in processes which can often lead to dangerous silos in reporting, communication and systems.

A system that can support this global picture of individual compliance will inherently increase visibility and reduce the likelihood of ingrained risk. By implementing the same pillars for individual compliance to each individual, and empowering them with the same tools, organisations can better track actions, measure outcomes, understand trends, and identify and remediate risks.

They can easily manoeuvre from an individual to a departmental to a population-wide view. From an independent view, to an integrated one.

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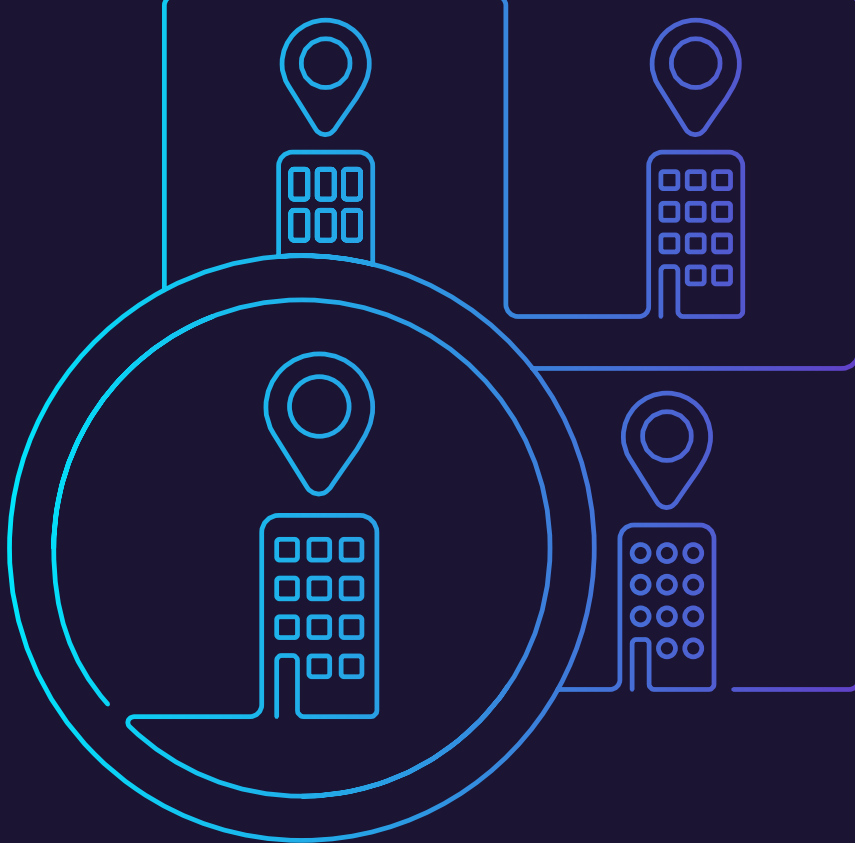
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Compliance challenges for international organisations

Managing individual regulatory compliance data becomes more intricate when dealing with multiple organisations in multiple locations, all being measured against different regional nuances. Multinational organisations will therefore have additional challenges when managing their individuals and navigating between integrated and entity-specific viewpoints.

01

Dissecting themes, metrics and individuals



Regulators view different regulated entities separately, whether or not they are part of a connected organisation, and accordingly want to view compliance through this individual lens.

In contrast, businesses aren't always equipped infrastructurally or systematically to accommodate this narrowed view of activity.

Tracking individual compliance themes and how employees are meeting various conduct requirements, for example, are common practices which become increasingly multifaceted in multinational or global organisations.

Dissecting the specific data you need within one entity, such as breaches or conduct data for the individuals in the workforce, isn't something many solutions do well. It requires you to filter by regulated entity, department, team, and so on.

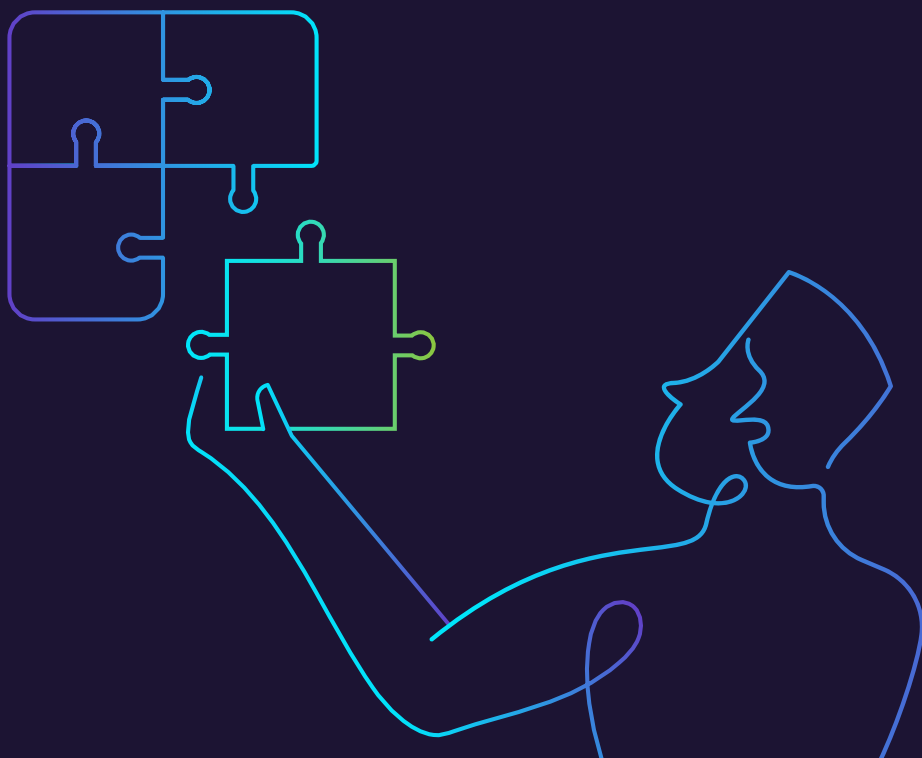
Equally, the information that's required between entities and the metrics they're being measured by can vary quite drastically based on the board or regulator they sit under.

Alternatively, an organisation may want to zoom out and look at individual compliance trends across their jurisdictions in order to understand widespread systematic risks, behaviours, or the impact of processes.

To do this effectively (and not entirely manually), organisations need a solution which not only tracks all individual compliance activity but can flexibly navigate through it to uncover the individual picture, not just the global one.

02

Data capture and recording



Despite the fundamental themes of individual compliance remaining consistent across the globe, the way entities record this data may vary.

A common roadblock multinational or international organisations may run into is that, historically, their technology system has been designed to capture data according to jurisdictional nuances. When looking across entities, this may result in mislabelling, unsuitable data inputs, different thresholds, and other misalignments in how the data should be captured.

For example, senior managers in Singapore may not be regulated on a particular metric that others in Australia are, and so won't have recorded this data at all. Or processes and functions that exist across all regions may simply have a different name. The result is the same: the data isn't compatible.

This creates challenges when trying to achieve a global view of individual regulatory compliance or when trying to integrate reports to understand shared problems or causation.

Equally, individual data needs to be captured effectively at the individual level. Tools that don't capture the details of individual compliance activity, tasks and requirements leave organisations with too broad a view. For example, managing a specific breach in a specific team in a single location won't benefit from a global view of behaviours. It requires targeted data.

For both individual and the holistic viewpoints, evidencing individual compliance is only as effective as an organisation's data capture capabilities. Without a comprehensive data source to draw from, it's not possible to create a legal regulated view of individual compliance. This means organisations must create data feeds covering the right compliance subjects as well as that encompass the full suite of individuals and activities that need to be regulated.

Considerations for aligning individual compliance processes

Aligning compliance processes, data capture and reporting capabilities is important for organisations to gain a global perspective of activity.

Here are a few factors any multinational or international organisation looking to implement individual regulatory frameworks would need to consider:



Regional adaptability

An individual compliance solution needs to accommodate two regulatory hierarchies – the regional standards and guidelines, as well as global processes and frameworks. While organisations need to understand the high-level global frameworks to gain important context, they will need to implement specific processes to achieve their regional individual accountability and compliance. While organisations need to understand the high-level global frameworks to gain important context, they will need to implement specific processes to achieve their regional individual accountability and compliance. For example, different bribery limits or definitions for senior roles.

This means it is essential that a solution can be adaptable or even bespoke by region.



Data system

Often, people use different systems from region to region. While some nuance is necessary to comply with different regional definitions, requirements, and labelling, it could cause issues with data gaps or misaligned data formats for consolidated reporting.

An individual's performance report in the US may end up being very different when compared with a UK individual, simply because of how and what data is captured.

It's important to have a system which can monitor individual data against regional requirements while also enabling comprehensive data capture to support global trend analysis.



Global visibility

As discussed, getting visibility at a global level is not easy. Aggregating data, especially all the right data, in order to produce adequate reports is often where organisations fall down. This is partly because many tools aren't equipped to collect individual data effectively.

The key is to record and ingest as much data as possible from feeds – taking a QIQO (quality in quality out) mindset. Think of this as accommodating the lowest common denominator, so you have all the relevant individual performance, accountability, and conduct data when it comes to moving from a regional to a global perspective.



Organisational visibility

Different teams within the entity itself will also want to view data through different perspectives, so having an integrated and flexible solution that breaks down data silos is key. This creates a seamless workflow for sharing relevant information across teams and hierarchies in the business. This then allows organisations to create different views of all relevant individual data, such as conduct or breaches, to support everything from legal requirements to overarching organisational governance.



Cost, security and privacy

If organisations are using different systems to track individual compliance within their various regions, this quickly adds up in terms of costs, GDPR considerations and data sharing.

Having a more unified solution would minimise all of these potential issues – ensuring individuals can track and record their compliance data in a centralised system. This will also significantly reduce your technological infrastructure.



Delivery vs operational locations

Individuals may have to consider regulation based on their location and the location of their service delivery. For example, if they're based in the EU but dealing with organisations in the UK.

Sometimes, these regional requirements can conflict. The best support in these situations is awareness: understanding what the requirements on both sides are. Not knowing is when problems are most likely to arise. Data capture will also be a good tool that supports awareness and prevents any silos from creating high risk situations.

Once again, a consolidated tool that can present both regional requirements to the individual in question, and support them to monitor their activity against them, will be invaluable.

A shared vision: Culture ties everything together



Values and approaches to individual compliance across regions can look very different. Some regulators are highly prescriptive, while others are more principles-based. It can then seem that cross-border organisations have the additional task of balancing a variety of cultures.

However, the fundamental trends organisations should be adhering to transcend these borders. Regulators ultimately want the same thing.

The goals that every jurisdiction is aiming for are good compliance cultures, good consumer outcomes, and positive financial processes in the market.

The nuances of these goals simply have different names, but the heart remains the same.

Equally, despite the nuances in that exist in regional implementation, how organisations approach them is also universal. They must be prepared, considered and set on a solid foundation to be successful.

Led by this umbrella of good compliance practices, organisations can then start to configure their regional, jurisdictional and role-based requirements for individual compliance. The important thing is that these hierarchies of individual regulation work together, holistically under one shared culture.

Trailight IRC

Integrating individual regulatory compliance

IRC is the centralised system for all regional regulation.

Trailight's integrated platform minimises risk and builds awareness of individual regulatory compliance by breaking down the silos between regions.

Users can meet global registration requirements, across individuals, sites, and regions. Organisations with multinational sites benefit from a unified, one stop solution for enhanced tracking, managing and reporting on registration populations within any region.

Individuals can see the cross-border regulations they have to adhere to and easily capture this data into one single system. Then, by bringing the data together, Trailight allows you to report specifically on what you need to see. From organisational trends to specific standards in a department, you can intuitively navigate the sea of data.

This not only enables more useful reporting, but it increases visibility across global regulatory demands.



Get in touch with us at:
enquiries@trailight.co.uk
01904 206066