



Bangor Business School – Executive Education

Chartered Banker MBA

*Supporting the Delivery of Financial Services in Challenging Times-
A New Normal*

Focus: The Compliance Function

Fareda Sands

CBMBA, MCBI, FICA, CAMS, CFCS, CIRM

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Chartered Banker

THE COMPLIANCE FUNCTION

What does this function entail?

THE COMPLIANCE FUNCTION

- Core roles of this function:
 - Preventative
 - Advisory
 - Supervisory

THE COMPLIANCE FUNCTION

- Preventative Measures

“ It takes less time to the right things than to explain why you did it wrong” – Henry Wadsworth Longfellow

➤ Definition: To prevent the proceeds of financial crimes from entering into the financial eco-system especially that of a specific financial services institution.

e.g. proceeds of money laundering, human trafficking, bribery and corruption

THE COMPLIANCE FUNCTION

- Pre Covid Preventative Measures:
 - Tried to have a seat at the table not always possible
 - Tried to get staff members to understand the value of compliance and the consequences of non-compliance
 - Ensured policies and procedures were up to date and were being adhered to by staff members
 - Ensured the use of technology was sufficient to appease the Regulators

THE COMPLIANCE FUNCTION

- Post Covid Preventative Measures:
 - Increased importance now placed on the role, because of the increase in financial crimes during the pandemic
 - Increased resources given to the function, because of the amount of fines and penalties being issued by Regulators globally
 - Increased use of technology and Artificial Intelligence to bring about greater efficiencies, because of the two stated points above

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- Advisory Measures
 - Definition: To provide advice to the business pre and post implementation of Products, Services, and Technology including the use of Artificial Intelligence

THE COMPLIANCE FUNCTION

- Pre Covid Advisory Measures:
 - Advice given was not always adhered to because of how the function was viewed by Senior Management, even though it crossed every spectrum of the business
 - Advice given was sometimes rejected due to cost constraints and limited budgets assigned to Compliance
 - Advice given was sometimes ignored because the advice was seen as “business killers”

THE COMPLIANCE FUNCTION

- Post Covid Advisory Measures:
 - Advice more readily accepted because the view of Management has changed, as a result of the increase in penalties and fines being issued by Regulators globally
 - Cost constraints and limited budgets are still present, however, the cost of non-compliance is also equally as important and is factored into the equation
 - Increased use of technology to become more client focused is a priority, given the reliance on technology during the pandemic

THE COMPLIANCE FUNCTION

- Supervisory Measures
 - Definition: To provide supervisory services to staff, particularly as it relates to training and awareness of policies and procedures.

THE COMPLIANCE FUNCTION

- Pre Covid Supervisory Measures:
 - Policies & Procedures were for the entire staff complement, but it did not always appear to have complete support from Sr. Management which trickled down to influence staff behaviour
 - Although training is a Regulatory requirement, the benefits of it was not always seen and/or appreciated
 - Keeping up to date with training, policies, and procedures were not always prioritised by Sr. Management and staff members

THE COMPLIANCE FUNCTION

- Post Covid Supervisory Measures:
 - Sr. Management fully supports the function, which forces the staff members to embrace the Compliance function in its entirety
 - The importance of training is essential, as institutions try to:
 - ensure that they do not breach guidelines and;
 - protect their reputation by remaining compliant with their Regulatory obligations
 - Compliance now has a stronger voice around the table!

THE COMPLIANCE FUNCTION

- Priorities of the Compliance Function:
 - There are competing priorities for the Compliance Function, such as:
 - Regulatory Expectations vs. Client Expectations
 - External Stakeholders vs. Internal Stakeholders
 - Human Resources vs. Technology and Artificial Intelligence

Despite the competing priorities **GOOD LEADERSHIP** is **ESSENTIAL!**

THE COMPLIANCE FUNCTION

- LEADERSHIP
 - Consistent, effective leadership is a **MUST** , if The Compliance function is going to support the delivery of Financial Services in this “new normal”.

THE COMPLIANCE FUNCTION

CONCLUSION

- We are living in a post covid era and the way we conducted business pre covid, is now a thing of the past!
- The “new normal” is here!
- We have to be able to:
 - Adapt quickly;
 - Work efficiently and;
 - Strategize effectively



Thank you

Any Questions?