

Five Key Risks For Firms In 2020

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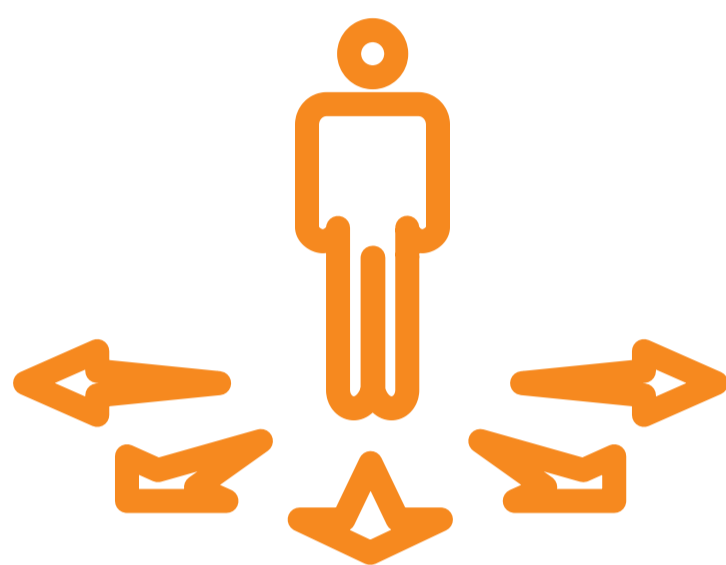
Personal accountability regimes

Regulatory regimes are shifting to make it simpler for supervisors to hold senior individuals to account for their (in)actions. To protect themselves senior managers should:

- be well-informed of regulatory changes across all relevant jurisdictions
- know exactly what they are responsible for and how it is compliant
- invest in comprehensive record keeping



2



Continuing uncertainty

Firms need to acknowledge that uncertainty exists and that their ability to foresee or mitigate events may be limited. Well developed policies and procedures to enable the firm to be agile in its response to the unexpected should be a priority.

3

Skill-sets

Firms need to ensure there are regular skills audits across the business and board, allocating resources to remediate any gaps found. Technological skills are likely to be a key area. This is equally true for regulators and supervisory bodies.



4



Cyber resilience

Firms and senior individuals need to ensure cyber risks are included in their risk appetite and risk radar. In particular the board must be prepared to discuss the actions taken to ensure all reasonable steps have been taken to embed cyber resilience throughout the firm.

5

Possible budget constraints

Participants in a recent Thomson Reuters Regulatory Intelligence Cost of Compliance webinar highlighted budget constraints as an emerging challenge. Without appropriate levels of investment, firms will find their compliance function will struggle to meet the likely multiple challenges in the year ahead.



Source: Based on an article published by Thomson Reuters Regulatory Intelligence on 16 January 2020

