

TOP FIVE WAYS TO EXCEED THE DOJ COMPLIANCE PROGRAM GUIDANCE BY USING DATA ANALYTICS



MONITOR ALL TRANSACTIONS CONTINUOUSLY

Do compliance and control personnel have sufficient direct or indirect access to relevant sources of data to allow for timely and effective monitoring and/or testing of policies, controls, and transactions?

Data analytics can provide compliance, audit, investigations and other control functions access to data in real-time and remotely to monitor transactions and the effectiveness of underlying policies and controls continuously. For example, 100% of invoices and expenses can be monitored continuously for fraud and corruption, sanctions compliance and conflicts of interest using data analytics, to transition beyond periodic and sample-based auditing and an over-reliance on hotline reporting.

Does the company engage in risk management of third parties throughout the lifespan of the relationship, or primarily during the onboarding process?

MANAGE THIRD-PARTY RISK LIFESPAN

Due diligence of third parties is necessary but insufficient to manage all third-party risk. Companies can engage in risk management of third parties throughout the lifespan of the relationship (even after onboarding) using data analytics. For example, analytics can flag anomalous transactions or payment attributes in third-party spend data that emerge after diligence and can identify where spend may not align with the due diligence (e.g., a "low risk" third-party later engaged in high-risk spend).

DYNAMIC RISK ASSESSMENT

Is the periodic review limited to a 'snapshot' in time or based upon continuous access to operational data and information across functions?

Data analytics can help companies see risks in real-time through analyses and visualizations of transactional data, scored and organized by country, third party or employee. Objective data that is dynamic can help a company to track new patterns and anomalies as they emerge and conduct risk assessments based on continuous access to data. This means companies no longer have to rely on periodic questionnaire-based risk assessments limited to a "snapshot" in time.

Does the company review and adapt its compliance program based upon lessons learned from its own misconduct?

INCORPORATE LESSONS LEARNED

Ongoing monitoring with data analytics can identify areas of program improvement more rapidly and learnings can be incorporated into the analytics model to prevent future occurrences and improve the overall health of the compliance program.

ACQUISITION DILIGENCE & INTEGRATION

What has been the company's process for implementing compliance policies and procedures, and conducting postacquisition audits, at newly acquired entities?

Data analytics can help companies conduct more rapid and targeted post-acquisition due diligence at acquired entities to identify problematic transactions or third parties. Data analytics and continuous monitoring can provide powerful ongoing controls and transparency into an acquired entity while longer-term enterprise systems and process integration is underway.