

U.S. REGULATORY ENVIRONMENT DRIVING CCO HIRING

An increasingly complex regulatory environment, record billion-dollar fines and tough compliance settlement terms are combining to create new urgency for companies to seek top-notch chief compliance officers (CCOs). Exactly what skills are in demand and what these experts will do once hired depend upon the business being regulated.

CCOs Swelling in Numbers

According to recent labor statistics, 227,500 compliance officers are employed at U.S. companies. Last week, one of America's leading job-placement digests listed 16,700 openings in this field. What sort of business is looking to hire compliance personnel? It is not just the financial services, pharmaceutical and multi-national sector; according to the job listings, the demand is also coming from such far-flung organizations as not-for-profits, universities, assisted-living facilities and every other enterprise concerned about risk and compliance.

Ethics and Corporate Culture

Risk assessment and crafting risk frameworks and risk statements are only part of the job description. According to the job listings, some companies combine the role of CCO with that of an ethicist in order to "design, implement and maintain compliance strategy and to serve as the point of contact for the organization's ethics activities." Others seek a candidate who will "foster a culture of high integrity, ensure that the company is recognized as an ethical and trustworthy business partner, and be able to manage compliance and reputational risks."

Education and Skill Set

Although a law degree or MBA and financial services experience still top the list of job requirements for a CCO, a leading financial news organization recently filled the position with an IT and financial security expert while an equity fund manager chose the candidate with an accounting, marketing and internal audit background.

Screening and SME

Determining the right person to fill the CCO position requires interviewing scores of qualified candidates to find the precise combination of education, experience and subject matter expertise to ensure regulatory compliance in the employer's sector. In the financial services industry, the ability to navigate the demands of FINRA, SEC, Dodd-Frank and Sarbanes-Oxley can make the difference between a smooth audit and one resulting in hefty fines.

Niche for Outside Service Providers

A trend that companies are finding to be cost effective is engaging outside experts to assist the CCO in preparing for regulatory audits. Such service providers advise the audit staff as to what areas will likely come under scrutiny based on the client's particular industry. Moreover, service providers have on hand SMEs to research—and respond to—the auditor's probing, something the internal staff may not be able to accomplish in a timely fashion. Contact GreenPoint Legal to find out how our compliance experts can complement your growing CCO staff.