State of Compliance 2020
Survey Results

by Nimonik
Compliance is a moving target. No organization is ever fully in compliance with all of its obligations.

“Obligations are any mandatory or voluntary requirement that your company needs to comply with. You can separate obligations into two broad categories - Internal and External. Internal obligations come from corporate documents, while external obligations come from government regulators and industry bodies.”

In addition to changing obligations, organizations are constantly changing - mergers, acquisitions and management change are a constant struggle for any organization.

This survey of 85 industry professionals paints a portrait of compliance in 2020. We hope you will find some insights worth sharing with your colleagues.
In June 2020, Nimonik surveyed 85 compliance and risk professionals from medium and large organizations to better understand how they are managing Internal Obligations.
Executive Summary

Organizations are struggling to manage compliance.

Systems and software a key part to the solution.

Bring your team together to ensure a successful compliance management program.
Survey results
Count of Do you have a compliance system at your organization?

- Yes: 88.1%
- Maybe: 1.2%
- No: 8.3%
- Unsure: 2.4%
Count of How do you manage your compliance system?

- Dedicated Software: 13.1%
- Pen & Paper: 13.1%
- EHS Software: 11.9%
- Excel, Word, Email: 46.4%
- Consultant: 1.2%
- Unsure: 7.1%

Nimonik
How satisfied are you with your solution?

Unsatisfied  Satisfied
Count of Is compliance viewed as a cost or an investment for your organization?

- Investment: 57.1%
- Cost: 20.2%
- Unsure: 19.0%
- Both: 1.2%
Count of How has COVID affected your perception of Compliance?

- More Important: 44.0%
- Equal: 51.2%
- Less Important: 4.8%
Comments from compliance and risk professionals
Participants mentioned how difficult it is to manage compliance

“Difficult to manage different regions”

“Use a multi-disciplinary team to get the most value”

“Compliance is not seen the same way by the many levels or departments in the organization. Makes it difficult to stay on top and to ensure everyone is complying at all times. “

“Lots of regulations out there in different areas i.e H&S, Fire Code, Building Code, CSA standards etc. Not easy to compile all that applies to us especially if you have operations in different provinces in Canada it becomes even more challenging. “

“All companies should have a system in place”
Various comments spoke about need to link compliance to business objectives.

“Compliance is a competitive subject for companies.”

“it is a crucial part of any operation, as important as the manufacturing process, only that it does not generate income.

“If you can’t or don’t protect your workers, the good ones will leave and the ones who stay make Compliance that much harder to ensure.”

“Compliance is core value for sustainable business growth”
“It's important to maintain compliance requirements up to date, otherwise it's difficult to know where you stand legally. The Nimonik regulatory compliance management software solution replaces a team of legal assistants by filling that niche at a fraction of the cost.”
A framework and solutions for management of Internal Obligations
Successful Compliance Programs

Successful compliance programs require three key elements:

- Centrally managed compliance
- Software solution
- Integrated Compliance approach
These three elements will allow an organization to progress on the Compliance Maturity scale.
Minimal Management
Supervisor led
Systems are in place and training is mandated. Most of the issues are pushed by supervisors and reports identify problematic areas. General staff do not feel a strong responsibility for compliance.

Integrated
Team based compliance
All members of the organization believe that compliance to standards and regulations is good business. Strong comprehension by all of policies and procedures. Easy access to data and software that empowers teams.

Forward Thinking
Meet with stakeholders and regulators. Conduct continuous improvement of compliance program.

Reactive
Focus on putting out fires
Organization reacts to EHS, Quality and Compliance issues as they arise. People and teams respond only when there is an immediate problem.

Inconsistent
Piecemeal approach
Some process and systems are in place. Most facilities or business units are independent and do not share best practices or systems.

Mineral Management

Proactive
Most organisations do not know all of their obligations, leading to “surprises”...

A typical Facility has 3,000 Compliance Obligations and 200 new ones per year.
**Product Testing**

Repurchase materials and support
Even higher cost to purchase new materials and make changes to equipment and systems.

**Production**

Disruption to production
Interrupt regular production, replace staff, equipment or systems, potentially halt production or slow it down.

**Deadline**

Ouch!
Rework projects, materials and people. Major cost overruns and lost revenues.

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**Project Planning**

Solve early!
Adjust plans well before you invest money and time!

**Implementation**

Re-Engineering
Higher costs to re-train and redesign system
Successful Compliance Programs

A key factor for success is a ‘Integrated Compliance’ approach

- Centrally managed Compliance
- Software solution
- Integrated Compliance approach
Modern organisations eliminate surprises with Integrated Compliance Program
An integrated Compliance program captures all of your **Obligations** across your **areas of compliance**: Quality, environmental, safety, hr, ohs, product,...

and **Sources**

Regulatory, standards, contracts, permits, stakeholders, customers,...

and enables timely management of **Actions** and **Audits**.
Path to Resilience

01
Integrated Obligations
- 360° Coverage
- Mandatory and Voluntary
- Obligations Mapping

02
Integrated Assurance
- Always Audit Ready
- Integrated Audit and Inspection
- Performance Assessments

03
Business Outcomes
- Increased Trust
- Reduced Risk
- Less Surprises
Traditional Compliance Approaches

**In-house**
- Inconsistency
- Loss of institutional knowledge
- Time consuming

**Consultants**
- Compliance gaps
- Variability in work
- Expensive

**Software + content + consultants**
- Integration is complex
- Expensive to build & maintain
Nimonik Solution Architecture

**Obligations**

- **Document Level Compliance Obligations**
  - 400,000 Laws, Regulations, and Standards
  - Your internal documents

- **Clause Level Compliance Obligations**
  - 150,000 specific Obligations
  - Extracted obligations from your documents

**Actions**

- **Actions Dashboard**
  - Actions when obligations change
  - Actions you create
  - Actions from your documents

**Audits**

- **Web & Mobile Audits**
  - Inspect & collect evidence
  - Actions taken?
  - Actions effective?
Continuous Integrated Compliance - Nimonik Implementation

Plan

Identify Obligations with Questionnaire & Workshop

Do

Select obligations & personalize the system

Map responsible people

Continuous Improvement

Monitor for changes

Establish your process

Check

Audit compliance on a regular basis

Act

Follow-up on Non-Compliance and OFI

Continuous Integrated Compliance - Nimonik Implementation
Four Key Benefits of Compliance with Nimonik

Create essential compliance records to prove Due Care Process

Centralize your internal & external compliance obligations and personalize the system

Rapidly report to management and colleagues

Facilitate collaboration across the business
Nimonik can help you achieve ‘Integrated Compliance Management' for Internal and External obligations.

To learn more, book a free consultation

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