Regulatory Change Management

Every year tens of thousands of regulatory actions, enforcement cases, interpretive rulings and guidance documents are issued around the world. Keeping up with regulatory change information, let alone understanding how it impacts your organization, is simply not possible without the right processes and technology. In this illustration, we show the value of defining your regulatory change management (RCM) profile and employing a system that monitors and maps every potential change to affected areas of your risk and compliance programs.
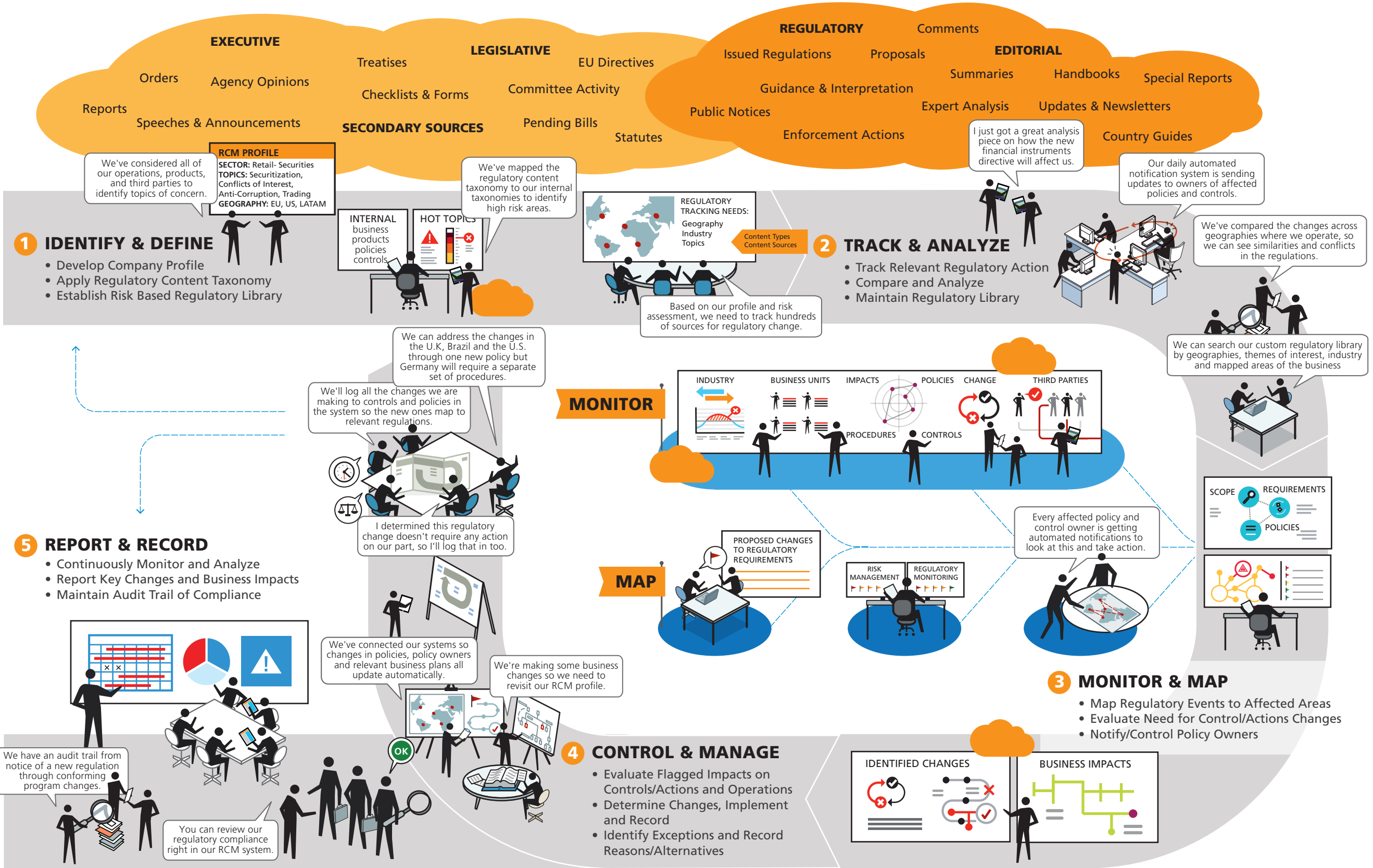
CONTENT TYPES:

EXECUTIVE
- Orders
- Agency Opinions
- Reports
- Speeches & Announcements

LEGISLATIVE
- Treatises
- Checklists & Forms
- EU Directives
- Committee Activity
- Pending Bills
- Statutes

SECONDARY SOURCES

REGULATORY
- Issued Regulations
- Proposals
- Comments
- Guidance & Interpretation
- Public Notices
- Enforcement Actions

EDITORIAL
- Summaries
- Handbooks
- Special Reports
- Expert Analysis
- Updates & Newsletters
- Country Guides

RCM PROFILE
SECTOR: Retail- Securities
TOPICS: Securitization, Conflicts of Interest, Anti-Corruption, Trading
GEOGRAPHY: EU, US, LATAM

We've considered all of our operations, products, and third parties to identify topics of concern.

We've mapped the regulatory content taxonomy to our internal taxonomies to identify high risk areas.

INTERNAL business products policies controls

HOT TOPICS

REGULATORY TRACKING NEEDS:
Geography
Industry
Topics

Content Types
Content Sources

1 IDENTIFY & DEFINE
- Develop Company Profile
- Apply Regulatory Content Taxonomy
- Establish Risk Based Regulatory Library

Based on our profile and risk assessment, we need to track hundreds of sources for regulatory change.

I just got a great analysis piece on how the new financial instruments directive will affect us.

Our daily automated notification system is sending updates to owners of affected policies and controls.

2 TRACK & ANALYZE
- Track Relevant Regulatory Action
- Compare and Analyze
- Maintain Regulatory Library

We've compared the changes across geographies where we operate, so we can see similarities and conflicts in the regulations.

We can search our custom regulatory library by geographies, themes of interest, industry and mapped areas of the business

We can address the changes in the U.K, Brazil and the U.S. through one new policy but Germany will require a separate set of procedures.

We'll log all the changes we are making to controls and policies in the system so the new ones map to relevant regulations.

I determined this regulatory change doesn't require any action on our part, so I'll log that in too.

MONITOR

INDUSTRY   BUSINESS UNITS   IMPACTS   POLICIES   CHANGE   THIRD PARTIES
PROCEDURES   CONTROLS

MAP

PROPOSED CHANGES TO REGULATORY REQUIREMENTS

RISK MANAGEMENT   REGULATORY MONITORING

Every affected policy and control owner is getting automated notifications to look at this and take action.

SCOPE   REQUIREMENTS
POLICIES

5 REPORT & RECORD
- Continuously Monitor and Analyze
- Report Key Changes and Business Impacts
- Maintain Audit Trail of Compliance

We've connected our systems so changes in policies, policy owners and relevant business plans all update automatically.

We're making some business changes so we need to revisit our RCM profile.

We have an audit trail from notice of a new regulation through conforming program changes.

OK

You can review our regulatory compliance right in our RCM system.

4 CONTROL & MANAGE
- Evaluate Flagged Impacts on Controls/Actions and Operations
- Determine Changes, Implement and Record
- Identify Exceptions and Record Reasons/Alternatives

3 MONITOR & MAP
- Map Regulatory Events to Affected Areas
- Evaluate Need for Control/Actions Changes
- Notify/Control Policy Owners

IDENTIFIED CHANGES   BUSINESS IMPACTS

RCM CRITICAL SUCCESS FACTORS
- Regulatory content taxonomy organized by geography, sector, content type and defined themes
- Mapping of regulatory content taxonomy to internal taxonomies for organization structure, products, policies and controls
- Real time tracking of thousands of varied sources and types of content
- Flagging of proposed and final regulatory changes
- Risk profiling of the organization
- Expert analysis for impact based on company profile
- Automatic notification to affected policy/control and business process owners
- Tracking of responding policy/control changes
- Audit trail throughout process
- Enhanced reporting capabilities