Entrenching a Compliance Culture: A Challenge For Credit Unions

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Navigating The Compliance Landscape In Credit Unions

Developing the commitment to a Culture of Compliance

Values and Vision

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Let's look up

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Negative Compliance Behavior

1. Comply and complain
2. Pass on the baton
3. Clean-up for visitors (the regulator)
4. The bare minimum
5. Put it in the budget for next year

Consider this ...

- The projected total cost of financial crime compliance across all financial institutions in the 2022 study markets in North America, LATAM, EMEA and APAC is $274.1B.
- In 2023, 98% of institutions reported an increase in compliance costs.
- It is estimated that up to 5% of global GDP is laundered each year, amounting to $2 trillion.
- (is it worth it?)

Moving Beyond Whips and Chains

How can we grow beyond a punitive compliance approach to developing a genuine culture of compliance within the credit union?

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Culture of Compliance: Key Considerations

- ❑ Start with the Head
- ❑ KYC: A Two-Edged Sword
- ❑ Marketing? Compliance?
- ❑ Fintech, Digitization & Cybersecurity
- ❑ Don't over-filter!
- ❑ The Regulator is a collaborator

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Culture of Compliance: Collaboration

- **Leverage credit union synergies and collaborative efforts :** information sharing, sharing experiences, collective policy review and harmonization, training, shared platforms.
- **Speak the same language!:** noncompliance is not a competitive advantage

- When your neighbour's house in on fire…

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Where do
we go from
here?

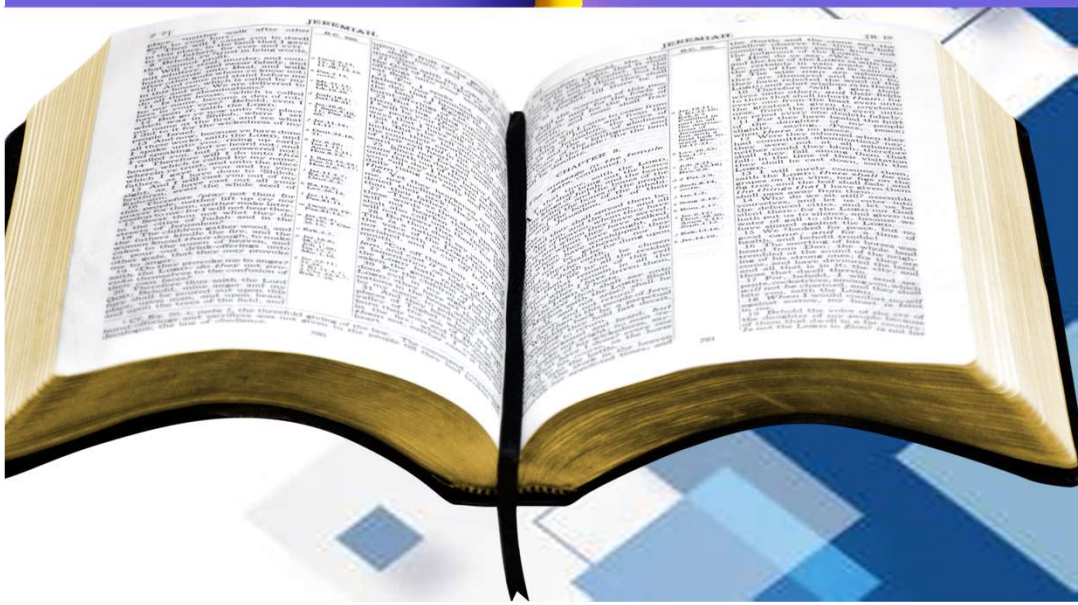
The way forward…

- Accept The Responsibility
- Assess Your Credit Union
- Fill the Gaps
- Communicate, Communicate, Communicate
- Keep the ball rolling ; Compliance is a process not a position.

Understanding Your "Why"

1 Peter 3:15

But in your hearts set apart Christ as Lord. Always be prepared to give an answer to everyone who asks you to give the reason for the hope that you have.



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Thank You!