

Gartner Research

# **CCEO Guide to Reframing Compliance's Value Proposition**

# CCEO Guide to Reframing Compliance's Value Proposition

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In a volatile regulatory and cost-cutting environment, CCEOs must defend compliance investments. This research roundup helps CCEOs reframe compliance's value by demonstrating risk impact and cost-effectiveness — key to sustaining stakeholder support.

## Analysis

Chief compliance and ethics officers (CCEOs) find themselves in a volatile year.

A deregulatory political environment has caused stakeholders to question the value of ongoing investment in compliance. Most notably, the U.S. Department of Justice paused enforcement of the Foreign Corrupt Practices Act (FCPA) in February 2025. It reinstated enforcement in June 2025 but articulated a new enforcement policy, identifying nonexhaustive factors that will guide the DOJ's prioritization of its investigations and enforcement actions. <sup>1</sup>

At the same time, the economic environment is characterized by uncertainty, with heightened tariff activity, emerging global conflicts and rapidly shifting trade policies. Organizations are looking to cut costs, and rapidly advancing AI technology is enabling them to do it — layoffs were up 47% year over year (YoY) in May 2025. <sup>2</sup> Compliance is a cost center, and CCEOs need to be prepared for difficult questions going into budget season. If AI can draft policies, answer employee questions and monitor for fraudulent transactions, what does that mean for compliance headcount?

In this deregulatory, cost-cutting, AI-disrupted environment, compliance's value proposition must evolve. CCEOs must give stakeholders a clear picture of which compliance activities remain critical for risk management, and how these activities can be maintained in a cost-effective way. Reframing compliance's value proposition requires three steps, as shown in Figure 1.

Figure 1: Steps to Reframing Compliance's Value Proposition

## Steps to Reframing Compliance's Value Proposition



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## Research Highlights

### Measure Impact of Program Activities



Justifying the compliance program requires demonstrating its impact – stakeholders must understand that it meaningfully reduces the organization's risk. But demonstrating impact is difficult, because only 37% of all compliance leaders feel fully confident in their ability to assess their compliance program's effectiveness.<sup>3</sup>

Gartner research shows there is one evaluation method that stands out against the rest. The compliance leaders who are most confident evaluating their effectiveness define a set of quality standards – that is, a defined set of criteria to assess the impact that compliance activities have on employee behaviors and risk reduction.

This research introduces the concept of compliance quality standards and analyzes why it is more effective than other methods of evaluating compliance program effectiveness.

## ► Compliance and Culture Effectiveness Quotient

The Compliance and Culture Effectiveness Quotient (CCEQ) is a new-in-kind assessment that allows compliance leaders to measure the effectiveness of their compliance program activities and culture of integrity.

## ► Improve Compliance Effectiveness and Culture With Quality Standards

This research analyzes the impact of culture and quality standards on employee behavior and recommends focusing on quality standards as the next investment to improve program effectiveness.

## Reduce Unnecessary Costs in Program Activities



Justifying the compliance program also requires reducing unnecessary costs to show that it's cost-effective.

Identifying unnecessary costs requires establishing a baseline. CCEOs should benchmark activity cost against peer organizations to compare overall costs of the program and identify areas of relative efficiency/inefficiency. Once CCEOs understand their current activity costs, they should then leverage workload analysis and AI to identify faster and cheaper ways to complete each activity. This proactive approach not only eliminates inefficiencies before they attract scrutiny but also helps CCEOs shape the perception of compliance as a lean, cost-effective function.

## ► Compliance Score

CCEOs can begin the benchmarking process by leveraging this diagnostic to understand functional activity maturity.

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- ▶ [Boost Speak-Up Culture Through Ethical Leadership](#)
- ▶ [Ignition Guide to Launching and Analyzing a Culture Survey](#)
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## Evidence

<sup>1</sup> “Guidelines for Investigations and Enforcement of the Foreign Corrupt Practices Act (FCPA)” Memorandum, U.S. Department of Justice.

<sup>2</sup> May 2025 Job Cuts Up 47% Over Same Month Last Year; Cuts Spread to Other Sectors Than Government for Other Reasons Than DOGE, Challenger, Gray & Christmas.

<sup>3</sup> 2023 Gartner Compliance Effectiveness Client Survey (n = 82).

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