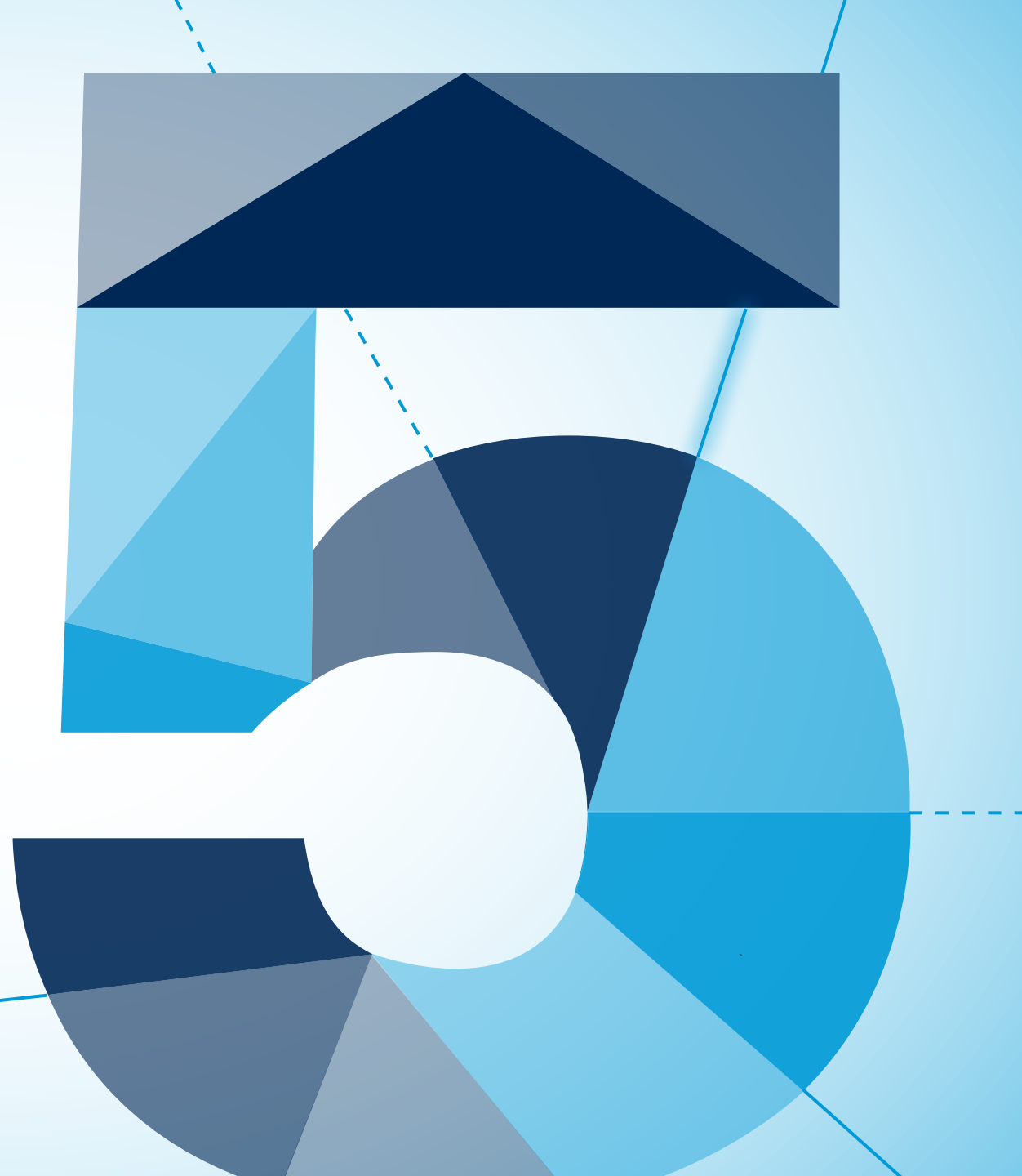


Gartner®

# Top 5 Priorities for Compliance in 2025

Actionable insights to navigate challenges and drive business impact



# Top 5 priorities for compliance leaders in 2025

Gartner surveyed compliance leaders across all industries and revenue bands to identify their most pressing priorities in the year ahead. Overall, compliance leaders are focused on supporting business growth while harnessing the advancements of AI in 2025.

**01**  
Improve the approach to managing third-party risks and the extended enterprise

**76%** of survey respondents

**02**  
Improve the quality of the information used for compliance risk detection

**67%** of survey respondents

**03**  
Evolve or implement our approach to AI governance at the organization

**67%** of survey respondents

**04**  
Better measure the effectiveness of the compliance program

**64%** of survey respondents

**05**  
Ensure the organization has a robust set of privacy controls in place

**64%** of survey respondents

n = 33

Note: Top 5 scores from compliance leaders in response to "Please rate the importance of addressing each of the priorities below in the next 12 months to help your organization meet its strategic objectives."

# 01

## Improve the approach to managing third-party risks and the extended enterprise

### Key driver:

More than three-quarters of surveyed compliance leaders are prioritizing improving third-party risk management in 2025. More than 82% of compliance leaders report that they face consequences as a result of a third-party risk in the last 12 months. Attempts to surface and remediate third-party risks continue to fall short, with many compliance leaders recognizing the limitations of technology and the importance of leveraging relationship owners within the business to identify and support risk remediation.

### Impact of delineating roles and responsibilities on TPRM activities

Percentage of leaders responding



n = 939

Source: 2022 Gartner Cross-Functional Third-Party Risk Management Benchmarking Survey

## 01

## Improve the approach to managing third-party risks and the extended enterprise

### Recommended action:

Currently, most leaders prioritize large-scale improvements in third-party risk management (TPRM) (e.g., evaluating new governance models). However, Gartner research demonstrates there are other, more incremental opportunities for immediate changes in TPRM activities that offer improved risk outcomes, including improvements in risk identification and risk remediation.



### Complimentary Resource:

5 Key Insights for Third-Party Risk Management Design and Governance

Clear roles and responsibilities result in improved TPRM outcomes.



Streamlined due diligence questionnaires outperform exhaustive questionnaires.



Outgoing monitoring of third-party relationships is more effective than point-in-time efforts.



Information sharing is more effective when stakeholders understand and integrate cross-functional information.



Technology solutions and tools facilitate timely risk identification.







# 02

## Improve the quality of the information used for compliance risk detection

### Key driver:

Two-thirds of surveyed compliance leaders are seeking to improve the quality of the information they use for compliance risk detection in 2025. While many compliance leaders have conventionally relied upon readily available compliance data, including training completion rates and helpline call volume, to drive risk detection efforts, leading compliance leaders recognize the limitations in that approach.

### Compliance risk monitoring maturity

Maturity scale 			
	 Nascent	 Emerging	 Mature
How	Join terms in Excel	Ingest structured data into GRC or business intelligence tool for reporting	Automated reporting using a business intelligence tool fed from a data lake; use of AI/ML and algorithms
Pro	All skill levels can access and manipulate data	Provides some level of automation	Real-time reporting can drive actionable risk response
Con	Lost time from manual effort	Limited data governance	Resource-intensive to build
Typical use case	Simple KRIs using one or two sources of data	Analyzing control effectiveness	Holistic ongoing monitoring of both risks and controls

Source: Gartner

## 02

## Improve the quality of the information used for compliance risk detection

### Recommended action:

In 2025, these leaders are continuing to improve risk detection by supplementing key risk indicators (KRIs) with KPIs, fully monitoring their program's effectiveness with a deeper understanding of how employees experience program activities. Chief compliance and ethics officers (CCEOs) responsible for overseeing compliance monitoring, as well as identifying, assessing and mitigating risk, must do the following:



### Complimentary Resource:

[Improve Compliance Risk Monitoring Using Data & Analytics](#)



Understand and evaluate enterprise data and how it could be translated into KRIs and KPIs that can be used to monitor compliance risks.



Enhance compliance program effectiveness by evaluating and expanding existing KRIs with KPIs. Align KPIs with KRIs to target and measure compliance program effectiveness.



Select the right KRIs to monitor risk based on root causes of noncompliance.



Mature approaches to risk monitoring through data and analytics. Extract risk insights from the enterprise's data foundation by identifying effective analytics use cases.

## 03

## Evolve or implement our approach to AI governance at the organization

### Key driver:

As AI applications continue to penetrate enterprise applications, senior stakeholders are asking legal leaders to mature their approach to AI governance, all while monitoring new legal and regulatory trends in AI that threaten its stability. Leaders continue to revise policies and communications, assign decision rights cross-functionally and ensure accountability for risks and decision making on the ethical use of AI; the most progressive legal leaders recognize that AI oversight is an opportunity to showcase their strengths as a strategic business leader in emerging issues.

### Timeline of key AI regulatory updates (2023)

**The NYC Automated Employment Decision Tool (AEDT) and other U.S. state laws** introduce clauses that regulate AI in areas such as hiring.

**President Biden's Executive Order on the Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence** is released, directing federal agencies to advance key policy objectives surrounding AI.



**China's Interim Measures for the Administration of Generative AI Services**, among other new Chinese laws, is administered to ensure that training and AI-generated content are "true and accurate."

**The EU AI Act** is agreed upon by European Council and Parliament, further harmonizing global governance and risk mitigation rules of AI systems.

Source: Gartner

## 03

## Evolve or implement our approach to AI governance at the organization

### Recommended action:

Legal and compliance leaders should establish a regulatory intelligence program, determine a best-fit resourcing model and create workstreams that enable regulatory tracking and implementation success.



**Complimentary Resource:**

[Board Briefing: AI Regulatory Updates](#)

### Governance should align with 5 key principles

**Despite the regulatory updates' complexities, new requirements align on five key principles common to global efforts to regulate AI. Aligning our AI governance with these principles will ensure we are best prepared for new regulations as they develop.**

#### 1. Transparency

Clarify for stakeholders when, whether and how AI is used, including how it makes decisions and arrives at outcomes.

#### 2. Fairness

Ensure AI output and decisions are free from bias and discrimination.

#### 3. Human oversight

Include human review in relevant steps in AI processes to minimize negative impact on individuals, employees, stakeholders or society.

#### 4. Risk management

Certify that AI risks are properly understood and assessed, and that decisions related to AI balance the risks and benefits of AI use.

#### 5. Privacy

Minimize the potential for personal data to be processed or stored in a way that increases the chances of privacy harm to a data subject.

Source: Gartner



# 04

## Better measure the effectiveness of the compliance program

### Key driver:

September 2024 updates from the Department of Justice (DOJ) Evaluation of Corporate Compliance Programs instruct prosecutors to “assess how the company has leveraged its data to gain insights into the effectiveness of its compliance program.” This guidance followed 64% of compliance leaders prioritizing better measurement of the effectiveness of their compliance programs in 2025.



**Only 37%**

of all compliance leaders feel fully confident in their ability to assess their compliance programs' effectiveness.

Source: Gartner

## 04

## Better measure the effectiveness of the compliance program

### Recommended action:

Conventional approaches to compliance program effectiveness are often high-effort and reactive to risk events. But leading compliance leaders have developed mechanisms to measure the ongoing performance of program activities as employees experience them. Leaders are asking if compliance is clear and easy for employees to understand, and if they understand how it impacts them personally in their roles.



**Complimentary Resource:**  
[Compliance and Culture Effectiveness Quotient](#)

### CCEQ: A new effectiveness diagnostic



#### What it does: Assess program effectiveness with compliance quality standards

- Understand what employees think of your policies, training and communications. Do they make compliance feel clear, easy and good?
- You can test your effectiveness across risk areas or target specific ones (e.g., to see if an ABAC policy refresh was effective).



#### Additional feature: Understand the strength of your culture of compliance and ethics

- Learn what employees think colleagues expect of them when it comes to compliance and ethics behavior.
- See how you're doing on the drivers of culture and identify specific action steps to help you improve.



#### Additional feature: Measure important compliance outcomes

- Assess important program metrics such as observation and reporting of misconduct.
- Track granular metrics such as who employees report to, why they don't report and whether managers are prepared to receive reports.

Source: Gartner

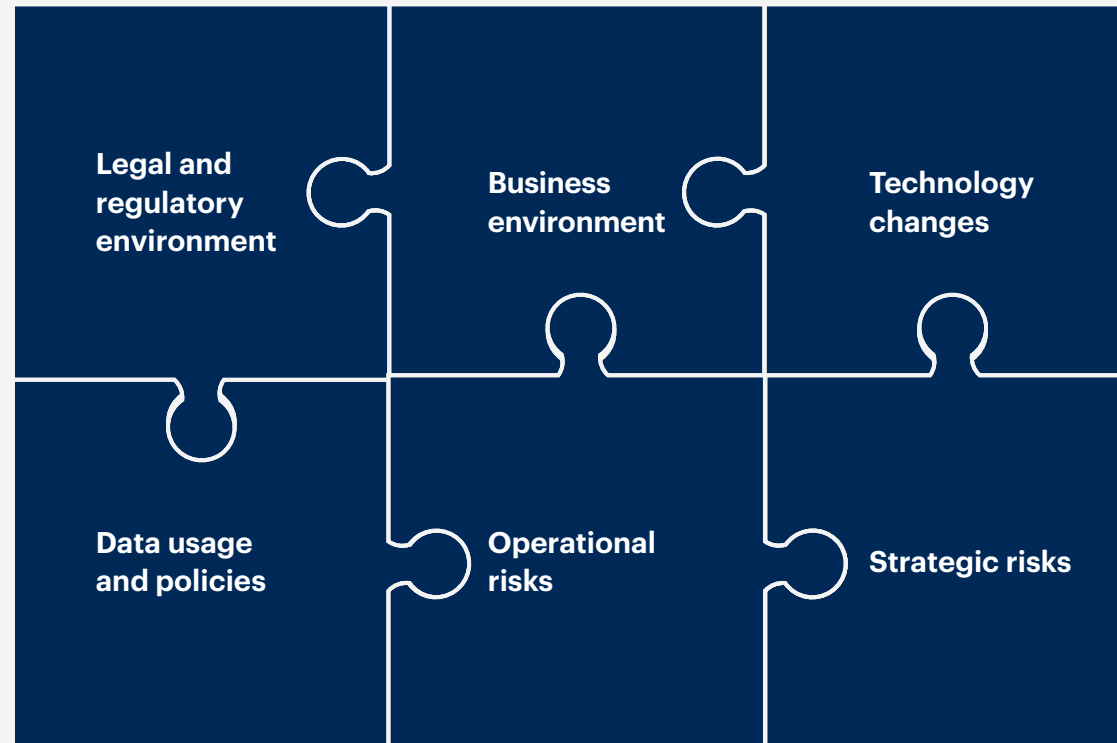
## 05

# Ensure the organization has a robust set of privacy controls in place

### Key driver:

Organizations continue to expand the use of AI applications across the business, demanding increased privacy risk controls, all while the standards for many privacy programs continue to evolve. Earlier this year, the National Institute of Standards and Technology (NIST) announced it would be updating its four-year-old Privacy Framework, updating the foundational set of standards for many privacy programs. In this environment, 64% of legal and compliance leaders are looking to ensure their organization's privacy controls are prepared to mitigate new risks, many brought on by AI developments and increased cyberthreats.

### Risk landscape components



Source: Gartner

## 05

# Ensure the organization has a robust set of privacy controls in place

### Recommended action:

Privacy leaders are updating their external data privacy policies in response to new U.S. and global regulations from the past year. As new requirements proliferate, privacy leaders must balance two considerations — ensure external data privacy policies comply with an increasingly complex set of privacy regulations; and grant customers and employees greater transparency into, and control over, the organizational management of their personal information.



### Complimentary Resource:

[10 Data Privacy Policy Updates to Boost Transparency and Compliance](#)



### Why is it important to have a privacy risk framework?

Privacy programs often pursue privacy activities individually, reacting to pieces of regulation or business needs, but overlook hidden risks or gaps.

Risk frameworks provide a consistent system of risk categories, promoting uniform risk identification throughout the enterprise.

The risk framework also serves as a starting point to assess the privacy risks that the organization faces.



### Benefits of a privacy risk framework:

Clarifies all possible risks through an exhaustive list of risk categories.





Establishes a foundation for new privacy programs.

Reduces the costs of compliance with disparate privacy regulations.

Avoids duplicative efforts and wasted efforts that result from adapting to each new regulation.

# Actionable, objective insight

Position your organization for success. Explore these additional complimentary resources and tools:

 <p><b>Webinars</b> Join a Virtual Event</p> <p>Hear from Gartner legal, risk and compliance experts at an upcoming or recorded event.</p> <p><a href="#">Register Now</a></p>	 <p><b>Research</b> Define the Leadership Vision for Your Role</p> <p>Achieve personal and enterprise success with actionable insight.</p> <p><a href="#">Learn More</a></p>	 <p><b>Research</b> Planning for Your Function</p> <p>Turn your strategy into action with these tools and templates.</p> <p><a href="#">Download Now</a></p>	 <p><b>How We Help</b> Gartner for Compliance</p> <p>Discover how we can help you tackle your most critical priorities.</p> <p><a href="#">Learn More</a></p>
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