

Are Regulatory Concerns Keeping General Counsel Awake at Night?

by Dennis C. Linken on December 4, 2012

General counsel to some of the country's largest companies may be losing sleep over regulatory compliance concerns, according to a new KPMG study.

Overall, 90 percent of general counsel surveyed reported that increasing regulatory volume and complexity pose the greatest risk to their organizations. In addition, 64 percent reported that regulatory compliance took up most of their time.

KPMG's General Counsel Survey 2012 included 320 general counsel across 32 countries. Below are several other additional findings of note:

- The top regulatory concerns anticipated over the next five years were competition and anti-trust (39 percent), consumer protection (34 percent) and anti-bribery/corruption (32 percent).
- Fifty-eight percent of respondents cited resource constrictions, noting that they have sought outside advice for their organization's regulatory and compliance issues.
- Most general counsel (83 percent) operating in the technology sector expect more disputes to evolve, with regulations and intellectual property being the area of biggest concern for most respondents (78 percent) in the next five years.

The survey also found that general counsel are becoming more involved in the business operations of their organizations. In North America, 74 percent of the surveyed GCs said they were more involved in business strategy than five years ago. Nonetheless, GCs are still working to participate earlier in the decision-making process rather than simply being consulted when a problem arises. Of those surveyed, 96 percent said they thought they could reduce risk for their employers if they were involved in business decisions at an early stage.

Source: Reuters

If you have any questions about how the results of this study may impact your business or would like to discuss other corporate compliance issues, please contact me, Dennis Linken, or the Scarinci Hollenbeck attorney with whom you work.