



Compliance Institute Heads of Compliance Survey Report 2025

Executive Summary



Introduction

The Compliance Institute recently conducted a comprehensive survey of sixty Heads of Compliance within Ireland's financial services sector. Through a combination of written responses and in-depth interviews, the survey explored how organisations are responding to the escalating complexity of the regulatory environment.

The findings provide valuable insights into the realities faced by compliance professionals, highlighting both vulnerabilities and emerging opportunities in the evolving compliance ecosystem.

1. Navigating A Complex Regulatory Landscape

Compliance teams and organisations are under increasing pressure due to the volume, pace, and breadth of regulatory changes. Some organisations struggle with limited staffing, skills shortages, and outdated manual processes that are no longer sustainable. Sector-specific requirements and cross-jurisdictional obligations, especially for global firms, add further complexity.

Technology and digital transformation represent a double-edged sword: while offering tools for efficiency, they also introduce new compliance challenges, particularly in areas like AI and data governance.

2. Addressing Compliance Challenges

Respondents highlighted a clear need for:

- **Investment in technology:** RegTech, AI, and automation are seen as critical enablers of efficient, scalable compliance functions.
- **Clearer regulatory guidance:** There is strong demand for more prescriptive, actionable frameworks to reduce ambiguity and promote consistency.
- **Executive support:** Senior management and board engagement is vital to secure resources, foster a compliance culture, and align compliance with strategic priorities.
- **Training and upskilling:** Continuous professional development is essential to equip teams with the skills needed for evolving regulatory demands.
- **Greater collaboration:** Industry-wide knowledge sharing and proactive engagement with regulators are key to enhancing preparedness and reducing compliance gaps.

3. Organisational Preparedness

Despite the challenges, 65% of respondents reported feeling well-prepared to meet current regulatory demands. This reflects the adaptability of compliance teams and the sector's overall resilience. However, one-third of respondents expressed uncertainty, and 2% admitted to being unprepared, highlighting the need for further investment in compliance readiness.

4. Strategic Opportunities in Compliance

The shifting regulatory environment offers organisations the chance to reposition compliance as a strategic asset rather than a regulatory obligation. Key opportunities include:

- Harnessing technology to reduce administrative burdens and enable the compliance function to add further value.
- Aligning compliance with innovation and product development, particularly in response to reforms like the Consumer Protection Code and evolving ESG standards.
- Strengthening market positioning through robust compliance frameworks, which serve as differentiators in a globally competitive landscape.
- Expanding into new markets, leveraging strong regulatory reputations and compliance-driven innovation.

Firms are embedding compliance more deeply into business strategy, reviewing frameworks for scalability, and prioritising cross-functional collaboration with IT, risk, and operations.

5. Building Future-Ready Compliance Teams

The future of compliance will demand a combination of:

- Technical and regulatory expertise, particularly in emerging areas like ESG, cybersecurity, and AI.
- Strategic and critical thinking, with strong project management and data analysis capabilities.
- Influencing and communication skills, to align stakeholders and maintain function independence.

To bridge skills gaps, organisations are implementing targeted training, leveraging external consultants, and creating five-year talent roadmaps. There is growing emphasis on cross-departmental secondments, certifications, and continuous learning programs.

6. Staying Ahead of Regulatory Change

Compliance professionals are actively engaged in horizon scanning and regulatory intelligence gathering. Common practices include:

- Monitoring updates from the Compliance Institute, Central Bank, and The European Securities and Markets Authority (ESMA).



- Attending seminars, webinars, and professional briefings.
- Participating in peer networks and Institute committees.
- Using AI-driven tools and digital platforms for real-time monitoring.

Organisations that integrate regulatory awareness into broader strategy and dedicate expert teams to oversight are best positioned to respond proactively.

7. Embracing Technology While Managing Risk

Emerging technologies, especially AI, blockchain, and machine learning, are recognised for their potential to automate compliance processes and enhance data accuracy. Pilot projects are underway, focusing on areas such as risk assessments, regulatory gap analysis, and documentation.

However, adoption is cautious. Respondents emphasise the importance of transparency, human oversight, and regulatory clarity to manage associated risks and ensure ethical implementation.

8. Fostering a Culture of Compliance

A strong compliance culture is seen as essential to organisational resilience and long-term success. Best practices include:

- Clear accountability structures.
- Early collaboration between compliance and business units.
- Leadership support and tone from the top.
- Compliance storytelling that links regulatory obligations to customer value and operational excellence.

Organisations are working to shift perceptions of compliance from a gatekeeper function to a collaborative, strategic partner that enables innovation and mitigates risk.

Conclusion

This survey confirms that Irish financial services organisations are navigating an increasingly intricate compliance environment with professionalism and foresight. The sector faces significant challenges, particularly around technology adoption, resource constraints, and the volume of regulatory changes, but also has a clear roadmap for transformation.

By investing in skills, technology, and strategic alignment, compliance functions are evolving into central drivers of organisational value. With continued collaboration, strong leadership, and support from the Compliance Institute, Irish firms are well-positioned to turn regulatory complexity into a competitive advantage.



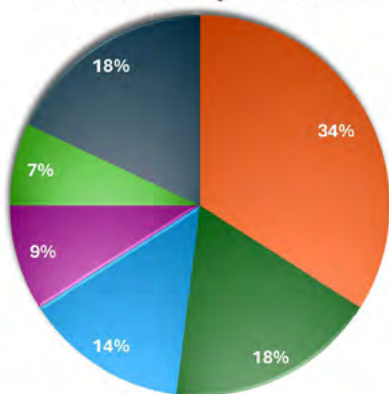
Detailed Findings



Introduction

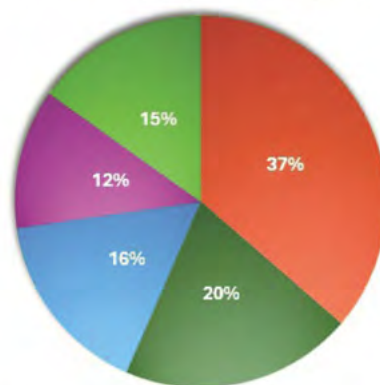
The Compliance Institute recently carried out a survey of sixty Heads of Compliance working in the financial services sector which consisted of both written responses and face-to-face interviews. This research provided an in-depth exploration of how financial services organisations navigate the challenges of compliance in an increasingly complex regulatory environment.

Sector Respondents



Insurance Funds Investment Banking Payment Services Other

Number of Employees in Organisation



Less than 50 50-99 100-500 500-1,000 Over 1,000

The objective of this survey was to:

- Identify current trends and challenges in the compliance landscape;
- Share best practices and innovative strategies; and
- Shape future initiatives and resources offered by the Compliance Institute.

Analysis of the feedback revealed key findings across multiple areas, including regulatory vulnerability, the integration of compliance and business innovation, and strategies to foster a culture of compliance. The insights derived directly from industry feedback, reveal both challenges and best practices to achieve regulatory alignment while supporting organisational growth.



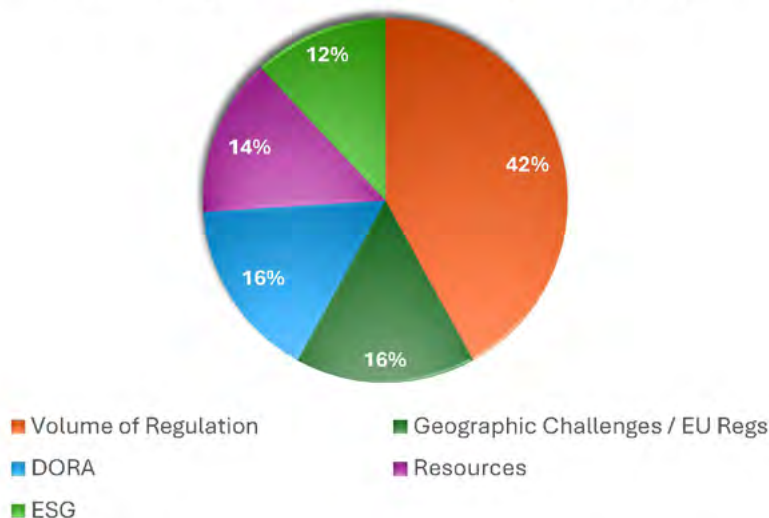
Themes from the Heads of Compliance Survey Results

1. Compliance Challenges Facing Irish Organisations

The survey revealed an increasingly complex landscape of challenges for compliance teams across the financial services sector. A recurring theme is the overwhelming volume and pace of regulatory changes, particularly stemming from EU legislation and Central Bank rules.

Many organisations are struggling to keep pace with these changes, compounded by finite resources and a shortage of suitably qualified staff. The sheer breadth of regulations—from consumer protection to ESG requirements—demands a significant allocation of time, expertise, and operational focus, stretching teams to their limits.

What are the main compliance challenges facing your organisation?



Specific industries, such as credit unions and insurers, report additional pressures stemming from sector-specific regulations and rapidly evolving market demands. International organisations operating in Ireland also face unique challenges, balancing local regulatory requirements with those in other jurisdictions, particularly in the US and UK. This adds complexity, as different regions often diverge in their approaches, especially regarding ESG priorities.

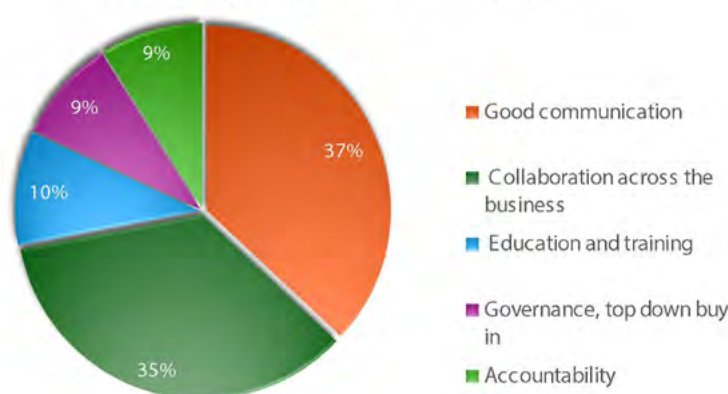
The survey highlighted significant concerns around automation and technology. It seems that many organisations lack the systems necessary to manage manual processes effectively, which are becoming unsustainable given the scale of regulatory obligations. This need for digital transformation is juxtaposed with emerging technologies like AI, which offer opportunities for efficiency and innovation but also raise new compliance challenges.

Support Needed to Address Compliance Challenges

To navigate these challenges effectively, compliance professionals emphasised the need for greater resources, advanced technology, and further guidance from regulators. Many respondents expressed a degree of frustration with the current principles based regulatory approach, with some calling for clearer, more prescriptive guidance to ensure consistency and reduce ambiguity. This would help compliance teams to better interpret regulations and streamline their implementation.

Investment in technology was repeatedly cited as a priority. Regtech solutions, automation tools, and AI-powered systems are viewed as critical to managing regulatory change, conducting compliance testing, and delivering more accurate risk assessments. These tools would free up valuable resources, allowing compliance teams to focus on strategic tasks and reduce reliance on manual processes.

What strategies have been most successful in overcoming compliance challenges?



Additionally, a number of respondents called for more robust support from boards and senior management. Engagement at the highest levels is essential to secure adequate budgets, promote a proactive compliance culture, and address cross-functional needs involving IT, risk management, and operational teams. Training for compliance staff, both senior and junior, was also identified as a key enabler to equip teams with the skills required to handle new and emerging regulatory requirements.

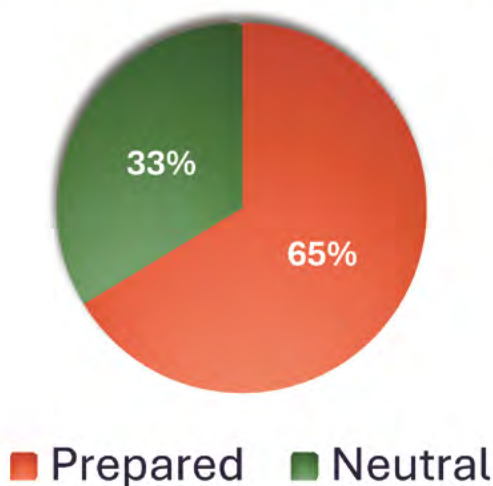
Collaboration emerged as another critical need, with many professionals seeking enhanced knowledge-sharing platforms and industry-specific guidance tailored to their unique challenges. Increased cooperation between organisations and regulators, particularly in providing early clarity on new regulations, would further support compliance teams in preparing for and adapting to change.



Preparedness of Irish Organisations

Despite the many challenges identified, the majority of Irish financial institutions report feeling prepared to address these issues. Almost 65% of respondents rated their organisation as ready to meet the demands of the rapidly evolving regulatory landscape, reflecting the resilience and adaptability of compliance teams. However, a significant portion, approximately one-third, remain neutral, indicating perhaps a level of uncertainty about future challenges and their capacity to handle them effectively.

How prepared is your organisation to face its main compliance challenges?



Only a small minority of respondents (2%) admitted to feeling unprepared, underscoring the overall commitment within the sector to maintaining robust compliance functions. Nonetheless, the survey highlights areas for improvement, particularly around resource allocation, technology adoption, and regulatory guidance, to ensure all organisations are equipped to succeed in the face of growing complexity.

2. Compliance Opportunities for Irish Organisations

The evolving regulatory landscape presents significant opportunities for Irish organisations to leverage compliance as a strategic enabler rather than a mere obligation. Respondents highlighted the potential for emerging technologies, particularly artificial intelligence (AI) and automation, to transform compliance functions.

By reducing the administrative burden, these technologies can free up compliance professionals to focus on higher-value activities such as strategic decision-making, improving customer journeys, and strengthening organisational resilience. Correctly implemented, AI and other tools can not only enhance efficiency but also position compliance as a driver of innovation within the business.

The Consumer Protection Code refresh and the broader alignment of regulations with digital transformation efforts offer a generational opportunity for organisations to build more resilient and customer-centric frameworks.



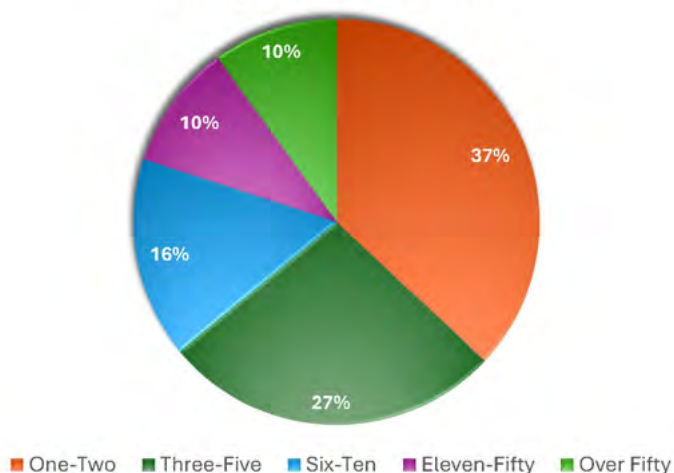
Compliance is increasingly being recognised as a core part of business value propositions, with respondents noting how regulatory rigour can be a competitive differentiator, particularly for Irish-regulated entities held to high standards. This reputation for excellence can serve as a strong selling point in international markets, further bolstered by opportunities arising from Brexit and the harmonisation of EU capital markets.

Additionally, changes in sector-specific legislation, such as credit union reforms and the introduction of pension reforms, present new avenues for business growth. Compliance teams have the chance to influence product innovation, enter new jurisdictions, and contribute to organisational initiatives, underscoring their role as integral business partners. In many cases, the function is poised to play a central role in driving organisational expansion, particularly for businesses operating across multiple geographies or exploring new markets.

Maximising Compliance Opportunities

To capitalise on these opportunities, organisations are focusing on embedding compliance into the culture of their businesses and aligning it closely with strategy. Investment in additional resources, both in terms of staff and technology, is a priority, with many firms planning to leverage advanced tools such as RegTech and AI to enhance efficiency and resilience. This includes automating manual processes like onboarding, integrating ESG initiatives, and ensuring compliance is at the heart of all organisational initiatives.

Employees dedicated to the compliance function



Training and upskilling are also central to bridging capability gaps, with organisations prioritising targeted development programs to ensure teams are equipped to handle emerging challenges. Many respondents noted the importance of fostering a collaborative environment, both internally and with external consultants or regulatory bodies, to build a compliance framework that is robust, adaptive, and aligned with business goals.

Strategic planning is another key focus, with several organisations reviewing their compliance frameworks and resourcing models to ensure they remain scalable as the business grows. Leveraging shared services, outsourcing certain functions, and engaging with parent entities for support have all been identified as effective strategies.



Organisations are also recognising the value of cross-functional cooperation, particularly with IT and risk teams, to fully integrate compliance into their operational and strategic goals.

3. Skills Crucial for the Future of Compliance

The future of compliance will require professionals to possess a blend of technical expertise, regulatory knowledge, and strategic acumen. Respondents stressed the importance of adaptability, communication skills, and an ability to interpret complex legislation in a way that aligns with business objectives.

Awareness of emerging technologies, such as AI, and their regulatory implications is becoming essential, alongside an understanding of sector-specific regulations and broader political and social pressures that shape the regulatory environment.

Data literacy, project management, and critical thinking were identified as key skills, enabling compliance professionals to work cross-functionally and make informed decisions in complex, fast-changing environments.

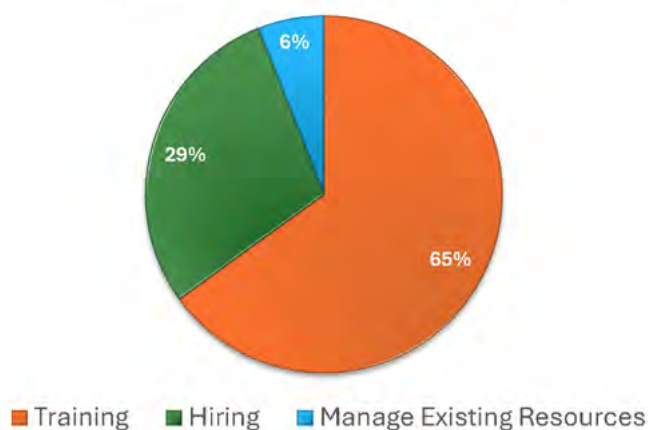
Soft skills, such as influencing, relationship management, and resilience, are equally critical, allowing compliance teams to communicate effectively with stakeholders and maintain the independence of their function.

To address these requirements, organisations are focusing on upskilling, on-the-job training, and leveraging external expertise where needed. By investing in their compliance functions and fostering a culture of continuous learning, organisations can ensure they remain well-equipped to navigate future challenges while capitalising on the opportunities ahead.

Bridging Compliance Skills Gaps

Organisations are actively investing in bridging skills gaps to keep pace with the demands of the regulatory landscape. Measures include targeted training programs, leveraging external consultants, and hiring professionals with specialised expertise. Upskilling in areas such as ESG, data protection, cyber security, and AI is a priority for many, reflecting the growing intersection of compliance with technology and sustainability concerns.

What measures are being implemented to bridge identified skills gaps?



Firms are also implementing strategic plans, such as five-year resource roadmaps and secondments between departments to foster cross-functional expertise. Continuous professional development (CPD) courses, certifications, and workshops are widely utilised to enhance capabilities.

For many, the emphasis is not just on increasing headcount but ensuring the quality and adaptability of compliance professionals to meet future challenges effectively.

4. Staying Updated on Compliance Regulations and Best Practices

Compliance professionals emphasise the critical importance of staying informed about regulatory developments and best practices to navigate an increasingly complex and evolving landscape. Strategies include horizon scanning using proprietary tools, attending webinars and seminars, and engaging with industry bodies such as the Compliance Institute and other Institutes.

Professionals also utilise resources like Compliance Institute news updates, Central Bank updates, ESMA feeds, legal briefings, and newsletters from professional services firms. Participation in Institute committees and working groups, and leveraging networks are additional approaches to ensure continuous learning. Some organisations dedicate specific teams to regulatory monitoring and use AI or other technologies for real-time scanning of changes.

The reliance on digital resources such as Google Alerts, Lexology, and subscription-based platforms underscores the necessity of having reliable and diverse sources of information. However, the effectiveness of these efforts often depends on the alignment of compliance monitoring with the broader company strategy and ensuring that experienced professionals oversee these processes.

5. Perceptions of Emerging Technologies in Compliance

The role of emerging technologies like AI, blockchain, and machine learning in compliance is widely acknowledged as transformative but also met with caution. Respondents recognise these technologies' potential to automate regulatory monitoring, streamline processes, and enhance data accuracy, but many feel the industry is still in the early stages of adoption.

Some organisations are piloting AI tools for tasks like gap analysis, risk assessment, and document drafting, while others rely on AI-supported horizon scanning tools.

There is a consensus that these technologies can reduce administrative burdens, enabling compliance professionals to focus on more strategic and value-added activities. However, there are challenges, including the need for transparency, understanding regulatory expectations, and upskilling teams to manage these technologies effectively.

Professionals also emphasise that, while AI can significantly improve efficiencies, human oversight remains essential to ensure regulatory outcomes are met and nuanced issues are appropriately addressed.



6. Overcoming Compliance Challenges & Fostering Compliance Ethos

Vulnerabilities in Regulatory and Compliance Areas

Many Compliance Professionals within organisations acknowledge specific vulnerabilities within their regulatory and compliance frameworks, reflecting the complexities of the modern regulatory environment.

Areas like AI and data protection, AML compliance, and adherence to regulations such as DORA (Digital Operational Resilience Act), GDPR, and CESOP (Central Electronic System of Payment Information) are highlighted as focal challenges. Emerging areas such as ESG compliance, EU taxonomy, and climate risk governance are also cited as sources of uncertainty due to their evolving nature and overlapping regulatory mandates.

Organisations with extensive geographical footprints or reliance on outsourcing chains face heightened exposure, particularly to cyber risks and compliance gaps due to the speed of regulatory change. The interplay between domestic and EU regulations, alongside challenges like electronic communications compliance, further complicates adherence.

Many respondents also expressed concerns about resource limitations, emphasising the need for clarity, consistency, and practical guidance from regulators.

Balancing Compliance and Innovation

Striking a balance between stringent compliance requirements and fostering innovation remains a significant challenge for many organisations. Respondents stress the importance of integrating compliance considerations into the business strategy through collaboration, effective communication, and risk-based frameworks.


Compliance teams increasingly aim to position themselves as partners to the business, supporting innovation while ensuring adherence to regulatory obligations. Organisations find success by embedding compliance early in the development of new products and services, conducting thorough risk assessments, and maintaining stakeholder alignment at all levels.

However, some respondents acknowledge a disconnect between compliance functions and innovation efforts, emphasising the need for better education, upskilling, and alignment to bridge this gap. Leveraging technology to streamline compliance processes and fostering a strong tone from the top are seen as critical enablers of this balance.

Fostering a Culture of Compliance

Building a strong culture of compliance is essential for overcoming regulatory challenges and driving long-term success. Strategies include clear accountability structures, open communication, and early collaboration with the first line of defence. Training programs and case studies showcasing past enforcement actions are employed to raise awareness and foster engagement across the organisation.





Compliance teams are increasingly adopting a partnership approach with business units, emphasising their role as enablers rather than gatekeepers. Regular updates to senior management, inclusion in strategic planning, and visible leadership support are key drivers of a compliance-first mindset.

Additionally, tailoring compliance messaging to emphasise its value in enhancing customer experiences and preventing costly errors has proven effective in gaining buy-in across teams.

Conclusion

The findings from this report underscore the growing complexity and challenges faced by Irish financial services organisations in navigating an increasingly intricate regulatory landscape. Key areas of vulnerability, such as AI and data protection, ESG compliance, and adherence to emerging regulations like DORA, highlight the need for robust, agile, and proactive compliance strategies.

Overlapping regulatory mandates, coupled with resource constraints and reliance on outsourcing, exacerbate these challenges, underscoring the importance of clear, consistent, and practical regulatory guidance.

Balancing compliance requirements with business innovation remains a persistent challenge, with many organisations striving to position compliance as a strategic partner. Successful strategies include fostering collaboration, embedding compliance early in decision-making processes, and leveraging technology to streamline compliance efforts. However, ongoing education, upskilling, and a strong tone from the top are critical to bridging gaps between compliance and innovation.

Fostering a culture of compliance is paramount, with Compliance Professionals emphasising clear accountability, effective communication, and stakeholder alignment as core enablers. Compliance teams increasingly aim to add value by enhancing customer experiences, preventing costly errors, and driving operational efficiencies, solidifying their role as business enablers rather than obstacles.

