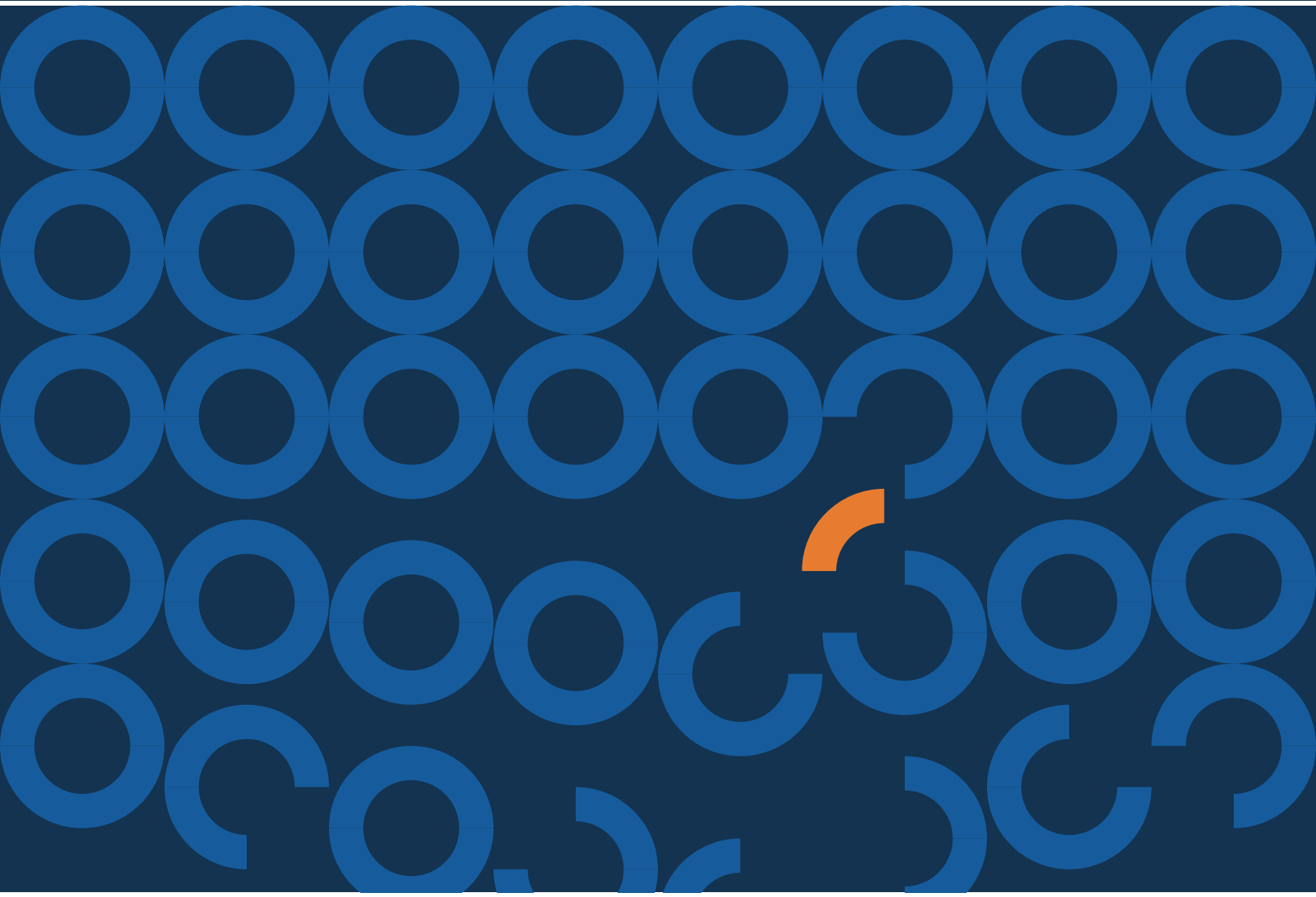


2022

**COMPLIANCE OFFICER
WORKING CONDITIONS,
STRESS & MENTAL HEALTH**



INTRODUCTION

In more than a decade spent writing and publishing for compliance officers, we've consistently heard from compliance professionals that the job is stressful and involves challenges unique to the field. Compliance officers tell us they struggle to keep up with complex regulatory demands, they experience pressure from leadership to shield the organization from risk and regulatory enforcement, and they even face antagonism from colleagues in other departments who view the compliance function as unnecessary or antithetical to their own.

We've also observed that the scope of responsibility for compliance departments is steadily expanding. Besides the traditional legal terrain and the increasing burdens of cybersecurity and data protection, compliance officers are now expected to tackle new territory such as ESG and DEI – and all of this amid the disruption of COVID-era challenges related to remote work, testing and vaccinations.

It's easy to surmise that compliance is a challenging field, but we wanted to add detail to the picture.

In August and September of 2021, Corporate Compliance Insights carried out a research study to examine the relationship between work in the compliance field and stress/mental health issues. A survey was designed for this study and completed by 240 compliance officers.

Our goal was to identify the source and magnitude of various workplace pressures, how they interrelate, and whether they are avoidable or inherent. We sought to determine to what extent this stress crosses the threshold between an acceptable reality of everyday life and an occupational hazard that leads to mental illness, unhealthy habits and a poor quality of life.

WHAT IS A COMPLIANCE OFFICER?

...[O]ne who has a responsibility to "[examine], evaluate and investigate eligibility for or conformity with laws and regulations governing contract compliance of licenses and permits, and perform other compliance and enforcement inspection and analysis activities not classified elsewhere."

– U.S. Bureau of Labor Statistics

"There is an immense pressure to deliver. Other departments have permission to fail. I can't get anything wrong."

– Survey respondent

To our knowledge, only one other survey addressing some of these topics has been conducted. The Society of Corporate Compliance and Ethics (SCCE) produced “Stress, Compliance, and Ethics” in the fall of 2011 and published it the following January. It found that 60 percent of respondents had considered leaving their jobs. Fifty-eight percent reported “being in an adversarial relationship or isolated.” We revisited those topics in our survey and covered other areas as well.

KEY TAKEAWAYS

- More than half of compliance officers say they’re burned out at work.
- Of those who experienced symptoms of anxiety or depression in the past year, over half say they were work related.
- The general pace of changing regulations tops the list of stressors. And, nearly half consider the threat of personal liability to be a significant stressor.
- Almost 40 percent say they lack the support, respect or resources they need to do their job effectively.

And yet:

- One quarter of all respondents say their job has had a negative impact on their mental health, yet they are still somewhat or very satisfied with it.
- The majority of respondents think the work they do is important, they’re good at their jobs and their work makes a positive impact on their organization.

Furthermore:

- The higher the quality of relationships compliance officers have, the higher they rate the health of their compliance department.

FINDINGS

1. YES, THEY'RE STRESSED

Nearly six in 10 COs feel burned out at work, while five in 10 experience a lot or extreme stress due to their job. Over half (56 percent) say their job has had a negative or very negative effect on their mental health over the past year.

When given a chance to describe their greatest stressor, many COs self-reported that their organizations place unrealistic expectations on their shoulders. **As one respondent wrote, "I am made to feel responsible for things over which I ultimately have no control."**

"There is the expectation that I will stop all bad things happening to my company."

– Survey respondent

COMPLIANCE TAKES AN EMOTIONAL TOLL



59%

feel burned out



51%

have "a lot" or "extreme" job-related stress



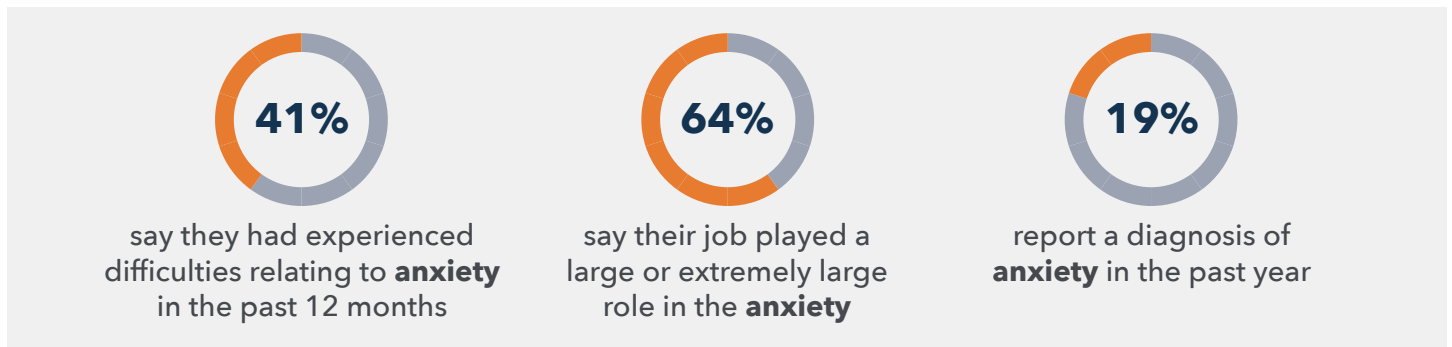
56%

feel their mental health has been negatively affected

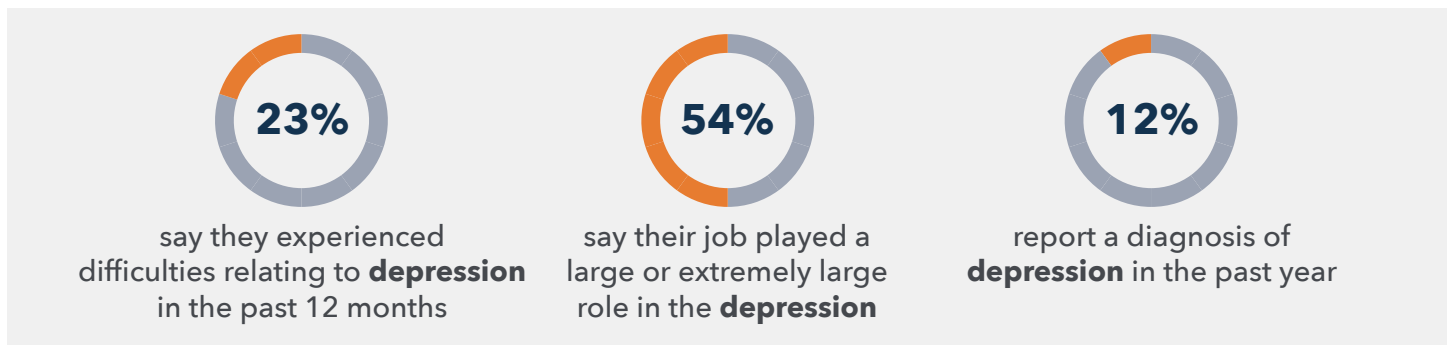
2. THE MENTAL TOLL OF A COMPLIANCE CAREER: REPORTED RATES OF ANXIETY AND DEPRESSION


The survey included some questions from the [GAD-7](#) and the [PHQ-9](#) (tools commonly used to measure symptoms of anxiety and depression, respectively) to assess the level of anxiety and depression among the respondents. Because compliance is generally considered a stressful field, we predicted higher reported rates of anxiety and depression, and we were right.

We found that more than four in 10 (43 percent) respondents have experienced difficulties with anxiety and/or been diagnosed with anxiety in the past year. Among those who have experienced difficulties with anxiety, 64 percent say that their job played a large or extremely large role.



Depression took a significant toll on respondents this year, though to a lesser degree than anxiety





When it comes to depression, 24 percent of respondents have experienced difficulties with depression and/or have been diagnosed with the condition in the past twelve months. Among those who have experienced difficulties with depression, over half (54 percent) say their job played a large or extremely large role.

As many who experience these mental illnesses know, anxiety and depression often occur as comorbidities. This reality unfortunately appears to be alive and well amongst compliance officers: The single highest statistical correlation occurred between the anxiety and depression indices. In other words, **people who struggle with anxiety were very likely to experience depression as well, and vice versa.**

Placing these figures in context is a challenge, as methods and samples used to determine mental health disorders are difficult to replicate. But for a point of reference, [the Anxiety & Depression Association of America \(ADAA\) states that](#) 18.1 percent of the American adult population experience anxiety disorders each year. Roughly 6.7 percent of adult Americans experience major depressive disorder. According to the ADAA, roughly half of those who experience depression also experience anxiety, and vice versa, indicating a strong connection between depression and anxiety, which is in line with our findings.

3. JOB AND LIFE SATISFACTION: SOME UNEXPECTED RESULTS

Shouldn't higher stress levels and increased rates of mental health issues be predictors of lower job satisfaction and a poorer quality of life? This is where we were mistaken.



60%

say they are satisfied or very satisfied with their **job**



73%

say they are satisfied or very satisfied with their **life**

In other words, a notable number of compliance officers are satisfied by their personal and professional lives while also experiencing a significant amount of stress. In fact, 15 percent of respondents say they experience “a lot” or “an extreme amount” of stress at work, but also say they are “somewhat satisfied” or “very satisfied” with their job.

We refer to this population as “High Stress, High Satisfaction” professionals. So is there satisfaction to be found in stress? While this is true for a small group, in general this pattern does not play out across the population of respondents.

To make matters even more interesting, almost one-quarter (24 percent) say their job has had a negative impact on their mental health AND YET still report that they are very satisfied or somewhat satisfied with their job.

This contingent of compliance officers, perhaps, have found a job that really fits their mental capabilities and health. For this group, compliance appears to feed their needs. They may feel stress to a significant degree, and their job likely plays a role in this stress, but nevertheless, they love what they do and have high levels of satisfaction.

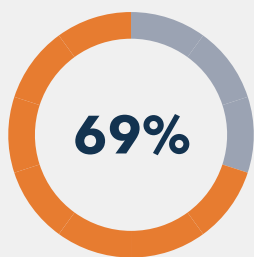
4. KEEPING UP THE PACE IS A CONCERN – AND SO IS STAYING OUT OF HOT WATER

Many report that the basic nuts and bolts of the compliance function drive the pressure they experience. **Over two-thirds (69 percent) agree or strongly agree that the pace of changing regulations is stressful.**

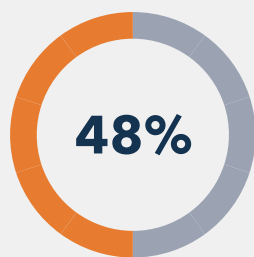
Furthermore, thanks to a directive in the [2015 Yates Memo](#)—which advised federal prosecutors that *any* individuals, including compliance officers, found to be complicit in wrongdoing may face fines or jail—a new reality has raised the stakes: **Nearly half (48 percent) of respondents say the threat of personal liability is a significant stressor for them.**

And while ESG and DEI may be hot topics today, our survey respondents don't appear to see trouble on the horizon. **Almost three-quarters (73 percent) of respondents say that they are not concerned about how ESG might impact their job in the near future. Only 20 percent register concern regarding DEI's impact.**

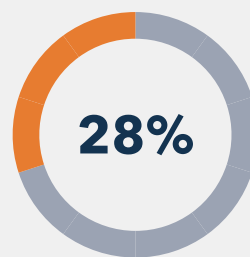
WHAT ARE COMPLIANCE OFFICERS STRESSED ABOUT?



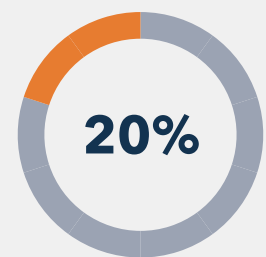
pace of changing regulations



personal liability



future impact of ESG



future impact of DEI

5. THE WORKLOAD

Roughly half (49 percent) of respondents report working 41 to 50 hours per week, while 29 percent work 50 hours or more. Of those surveyed, 22 percent work 40 hours or fewer.

Drilling down into the workload, we presented a list of typical tasks and asked respondents to select the tasks they spend most of their time working on.

Respondents report spending the most time on internal meetings, paperwork and administrative tasks, followed by data analysis, due diligence and risk assessment, while employee training and communication came in third place.

"My work load is too much. I have a complete lack of work/life balance."
– Survey respondent

WHERE DOES THE TIME GO?



6. HOW DO THEY THINK THEY'RE DOING?

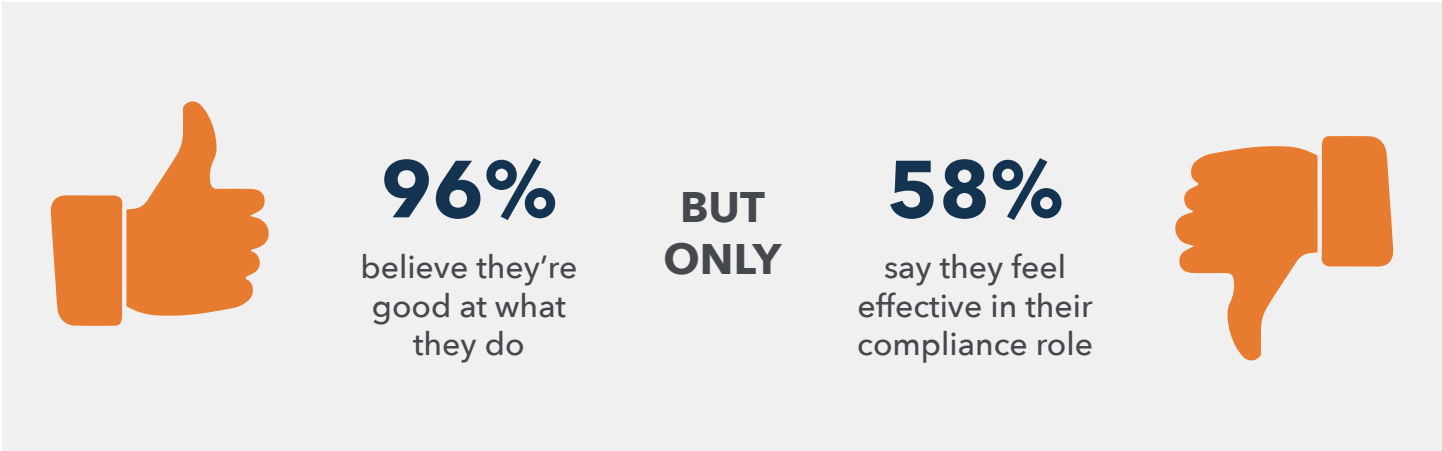
When asked to rate their own job performance, respondents had a very positive outlook.

- Almost all (96 percent) believe they are good at what they do.
- Nearly the same amount (89 percent) say the work they do is important.
- Just slightly fewer (81 percent) believe the work they do has a positive effect on their organization.

Compliance officers do not appear to be lacking in optimism or self-esteem. The mood shifts, however, when discussing other elements: **Only 58 percent say they feel that they are effective in their role.**

"I have been down two FTE employees for over two years, leaving me as the sole compliance and risk resource for a geographic area that covers 30 percent of the global employee population. Business continues to grow and expand, which is a good thing, but I can't keep up."

– Survey respondent

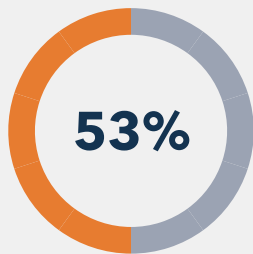


7. PERCEPTION OF SUPPORT FROM THE ORGANIZATION

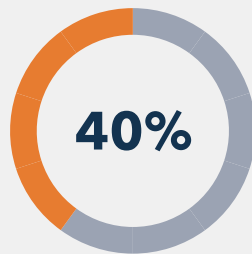
If compliance officers believe they have the requisite skill to perform an important function that will positively impact the organization, why don't they feel effective at their jobs?

Our study points to a lack of necessary resources, training and tools within the organization as well as insufficient support and respect.

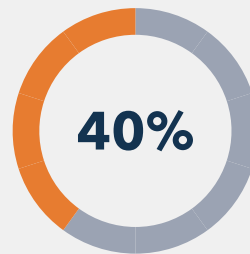
HOW SUPPORTED DO COMPLIANCE OFFICERS FEEL?



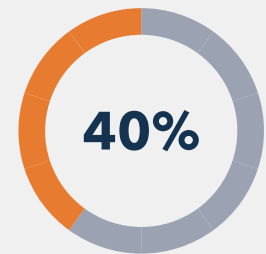
lack the resources to do job to full potential



lack specific training or tools needed to do job adequately



don't have support from organization to do job to full potential



not given the respect needed to do job adequately

To further explore compliance officers' perceptions of how they are treated or regarded at work, we asked them about their relationships with company leadership, peers and the workforce at large.

Many strongly agreed with statements about being “heard” at work, though responses also reveal a surprising degree of ambivalence.

More than half (59 percent) agree or strongly agree with the statement, “My supervisor or manager listens effectively to me.”

But 22 percent were noncommittal, neither agreeing nor disagreeing with the statement.

Slightly more than half (53 percent) agree or strongly agree with the statement “When I speak up at this organization, my opinion is valued.”

But 28 percent neither agree nor disagree.

Just under half (49 percent) agree or strongly agree that “My opinion on compliance matters is valued by top leadership.”

But about a third (30 percent) neither agree nor disagree.

Roughly three in 10 have no comment (neither agree nor disagree) when asked if they trust their organization’s leadership (31 percent) and if they trust their co-workers (28 percent).

Still, more than two-thirds (68 percent) feel respected by their colleagues.

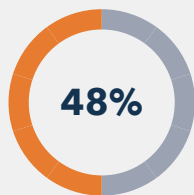
“One of my biggest challenges is fighting the convictions of top management. As Nietzsche said: ‘Convictions are the bigger enemy to truth than lies.’”

– Survey respondent

8. HOW COs FEEL ABOUT TOP LEADERSHIP & COMPANY CULTURE

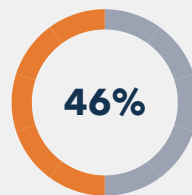
To further explore the impact of feeling supported and respected at work, we asked compliance officers to tell us how company leadership responds to compliance.

HOW DO COMPLIANCE OFFICERS FEEL ABOUT THEIR LEADERSHIP?



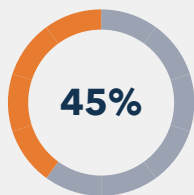
top leadership responds appropriately to communication from the compliance department

Disagree/Strongly Disagree = 20%
Neither Agree nor Disagree = 32%



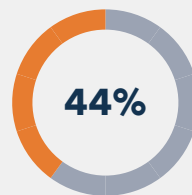
organization treats compliance as a priority

Disagree/Strongly Disagree = 29%
Neither Agree nor Disagree = 24%



trust the leadership at their organization

Disagree/Strongly Disagree = 25%
Neither Agree nor Disagree = 31%



organization has a culture of compliance

Disagree/Strongly Disagree = 26%
Neither Agree nor Disagree = 30%

We found a notable decrease in the quality of relationships with leadership, as compared to relationships with supervisors/managers. While 64 percent of respondents report they can trust their supervisors or managers, only 45 percent say the same for their leadership. In general, the COs we surveyed report feeling less trust for and getting less support from leadership than they do from their supervisors or managers.

9. HOW COs FEEL ABOUT THEIR MANAGERS & COLLEAGUES

As noted above, compliance officers do tend to trust their managers and co-workers to a greater degree than they do their leadership.

However, there is also notable ambivalence here, with 20 percent neither agreeing nor disagreeing they can trust their manager and 28 percent saying the same about their colleagues.

These results may suggest adversarial relationships persist between compliance and other departments.

Indeed, almost half (49 percent) agree with the statement “My relationship with all or some of my colleagues is challenged due to my role in compliance” (20 percent neither agree nor disagree).

In addition, only one in four respondents (25 percent) disagree or strongly disagree with the statement “Employees at my organization take compliance issues seriously.” Put another way, 61 percent agree or strongly agree that “Some departments in my organization see compliance as unnecessary.”

Even more striking: 64 percent agree that “Employees outside my team see compliance as a burden.”

“Confrontation occurs on an almost daily basis,” one CO wrote. “No one likes to be told they’re doing something incorrectly.”

“I am lied to and threatened by employees on a regular basis,” another respondent reported.

According to another, “I manage compliance, risk, information governance, and more — all while working with people who view my job as ‘sales prevention’ rather than protecting the company.”

These findings do not paint the rosier picture. However, we can contrast them with those of the 2011 SCCE survey, in which 58 percent reported being “in an adversarial relationship or isolated.” In our survey, only 40 percent of respondents said their position in compliance created a challenge to their relationships with colleagues. Perhaps some progress has been made on this front over the past decade.

“I face regular bullying behavior from commercial because they see compliance as getting in the way.”

– Survey respondent

“I feel unappreciated, like I am spinning my wheels. No one gets how important this work is. There’s no culture of compliance while the tone at the top is mediocre.”

– Survey respondent

10. HOW THEY FEEL ABOUT THEIR PAYCHECKS

When asked about compensation, about one third (34 percent) of compliance officers surveyed believe their compensation is appropriate. On the other hand, a total of 63 percent feel that their compensation is too low—38 percent believe this to be the case because of the high demands and complexity of the job, while 25 percent say it's low based on the current market for their skills and experience

11. WILL THEY STAY?

With the 2011 SCCE survey in mind, we wanted to find out how respondents felt about their future in compliance. **The SCCE survey found that 60 percent had “considered leaving their jobs.”**

In our survey, over half (55 percent) of the respondents were not actively looking for another job, but if the right one came along, they would take it. Two in 10 (21 percent), however, were actively looking for another job in risk and compliance. Just 18 percent were content in their position, while 6 percent were actively looking to leave both their employer and their field.



DIGGING DEEPER

Going further into our findings, we developed an index scoring system for general subject areas: workplace relationships, workplace trust and organizational compliance health (or how COs rank their organizations' compliance strength).

We analyzed correlations in our data to see what patterns we could identify. We were wholly unsurprised to find strong positive correlations between relationships, trust and organizational compliance health. In other words, the higher the perceptions compliance officers had of their co-workers, managers and leaders, and the more trust and respect they felt from them, the more likely they were to say that their organization had an effective and healthy compliance program. The opposite is also true.

Also of note, both trust and compliance health negatively correlated with job stress: the greater the job stress, the lower the workplace trust and organizational compliance health.

These three indices also showed strong positive correlations with job performance and job satisfaction. Higher quality workplace relationships, greater workplace trust and better organizational compliance were associated with better job performance and greater job satisfaction. We also identified negative correlations between job stress and both workplace trust and our compliance health.

Bottom line: the more job stress compliance officers feel, the lower the quality of their workplace relationships and overall compliance effectiveness of their organization.



MENTAL HEALTH

As noted above, anxiety and depression (as indicated by self-reported symptoms and diagnoses) were significantly correlated among the survey respondents. We also found that anxiety and depression were negatively correlated with the workplace relationships, workplace trust and organizational compliance health indices.

In addition, anxiety and depression were positively correlated with job stress – the greater the job stress, the higher the anxiety and depression. We also identified negative correlations with the mental health conditions and job satisfaction and job performance—the worse the job satisfaction and performance, the higher the anxiety and depression. It appears that, while depression is less common than anxiety among the compliance officers in our sample, it is comparable to anxiety with regard to its association with toxic relationships, lack of trust and less effective organizational compliance.

CONCLUSION

While rates of mental health issues in compliance might be discouraging, there is reason to believe things are getting better. When SCCE surveyed COs ten years ago, 58 percent of respondents reported working in a hostile or isolated environment. In our survey, only 40 percent of respondents indicated that their role in compliance resulted in challenges to their relationships with colleagues. That suggests progress.

To some degree, the workplace pressure that can bring about mental health issues cannot be completely avoided or stamped out for compliance professionals. But leaders would do well to recognize that the more stress, burnout, anxiety and depression their compliance departments experience, the less effective they will be.

Our survey indicates that professional teams can be understood as systems. And as research has demonstrated before us, mutual respect, understanding and support conferred between team members allows the system to operate to its full potential.¹ Opposition, antagonism and disrespect serve as grains of sand and generate friction in the gears.

With that said, a compliance department, by its nature, cannot escape friction. One might describe compliance as the act of introducing a little friction upstream in order to set the legal and ethical course and avoid overwhelming friction down the road. The work compliance officers do is not easy. To do their job well, COs cannot avoid opposition. That will take a toll. But in properly functioning departments, the toll will be offset by the fact that they are helping their businesses operate legally and ethically. The magnitude of an accomplishment can be measured in the sacrifice it took to achieve. Compliance officers know that firsthand.

1 In alignment with suggestions from our study's findings, previous research has confirmed a significant link between employee satisfaction/workplace relationships and revenue/profitability ([Harter et al., 2002](#); [Shan & Tang, 2020](#)).

METHODOLOGY

Who Are The Respondents?

We received 240 total responses from compliance professionals. There was a fairly even response across career spans; 26 percent of respondents had one to five years of experience in a compliance role, while 24 percent had more than 15. There was a similar distribution for age range. Responses came in from countries around the world, with a large majority (63 percent) from the U.S.

65 percent were female, 32 percent were male. About half (51 percent) worked in a senior position, 41 were in the middle, and the remainder were entry level.

Salary information provides an interesting spread. The largest group (17 percent) earned between \$75k and \$99k a year. The median was between \$100k and \$125k (much higher than the official BLS figure, \$71k). It would appear to follow a normal distribution curve – except a spike appears at the upper end. Sixteen percent of respondents earned over \$200k.

A large majority (80 percent) described their work as 'compliance, ethics, or legal.' Risk management was represented by 7 percent of respondents, while 3 percent were internal audit.

Just 15 percent of respondents worked on a team with 10 or more people. Most managed (39 percent) or worked among (24 percent) a small team. 22 percent were the only compliance workers at their company.

In terms of industries, finance and financial services (23 percent), healthcare (22 percent) and industrials (15 percent) were most represented. We ran each of these groups as cohorts and notably results were not significantly different across the three. In other words, compliance officers working in these three groups tend to have similar experiences.

44.2 percent of respondents worked at private companies, 28 percent at public corporations, 18 in non-profits and 12 percent in government. Most companies had 1,000 or fewer employees (41 percent), but some had over 100,000 (4 percent).

The survey was made available to individuals who work in a compliance role around the world.

Data Analysis

As part of our analysis, we examined potential patterns across groups by running two-tailed Pearson correlations (which measure the degree to which one measure corresponds with another).

Pearson correlation values fall between 1 and -1, with 1 representing complete positive correlation (an increase in one variable is completely associated with an increase in the other variable), -1 representing complete negative correlation (an increase in one variable is completely associated with a decrease in the other variable), and 0 representing no correlation. The closer to 0, the less association there is between the variables, while the closer to 1 or -1, the more related the measures are.

The correlations that we highlight in this report refer to Pearson correlation coefficients (r) that are statistically significant at the $p < .05$ level.



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