Staffing and Budget Benchmarking Guidance Survey

June 2016

Tired of 24/7/365 compliance issues?

Try 5,600/30/12 instead.

5,600 compliance & ethics professionals joined in one community.

12 issues of *Compliance & Ethics Professional*, the exclusive SCCE member magazine.

30 conferences a year to choose from, all with special members-only rates.

Join the Society of Corporate Compliance and Ethics.

SCCE

Visit corporatecompliance.org to learn how you can enjoy the educational opportunities, networking, and support of the Society of Corporate Compliance and Ethics.

BACKGROUND

In 2015 the Society of Corporate Compliance and Ethics (SCCE)® conducted a comprehensive survey of compliance professionals in order to create a salary survey. The survey looked at salaries in relation to measures such as size of company (in revenues and employees) as well as compliance budget and ownership structure.

SCCE recognized that there would be an opportunity to reuse the data to create benchmarks for staffing and budget. The association then worked with the research provider to create the following report, which repurposes the salary survey data.

USING THIS REPORT

On the following pages are a series of data tables that can be used to benchmark compliance program budgets and staffing by several factors. As you review the data, keep in mind that this data should be considered directional in nature. Different companies of the same size will likely have very different histories in terms of compliance issues and risks.

SURVEY DATA

Not surprisingly, divisions with smaller revenues generally have smaller compliance teams. What is perhaps surprising is that the number of compliance officers does not grow as much as would be expected as revenues increased. Even for divisions with over $3 billion in revenues, department sizes were small. Just over half had 10 or fewer compliance people, and just over 30% had five compliance professionals or less.

Members of Compliance & Ethics Group by Revenue of Portion of Organization Compliance Group Serves

	Employees in compliance and ethics group								
	1	2 to 5	6 to 10	11 to 15	16 to 20	21 to 30	31 to 40	41 to 50	> 50
Cross industry									
Less than $5 million	16.0%	38.5%	22.5%	3.0%	5.9%	4.1%	1.8%	1.8%	6.5%
$5 to $15 million	14.7%	45.1%	18.6%	3.9%	3.9%	2.0%	3.9%	2.9%	4.9%
$15 to $30 million	17.8%	42.5%	21.9%	2.7%	1.4%	4.1%	1.4%		8.2%
$30 to $50 million	17.9%	50.0%	19.2%	3.8%	2.6%	1.3%	1.3%	1.3%	2.6%
$50 to $100 million	17.8%	39.6%	25.7%	5.0%	3.0%	3.0%	1.0%	1.0%	4.0%
$100 to $500 million	14.0%	50.9%	15.8%	5.3%	2.9%	2.9%	2.9%	1.8%	3.5%
$500 million to $1 billion	9.0%	36.9%	31.5%	5.4%	2.7%	5.4%	1.8%	1.8%	5.4%
$1 to $3 billion	7.6%	40.8%	22.8%	7.1%	7.6%	3.8%	2.7%	3.3%	4.3%
Over $3 billion	4.3%	25.9%	23.4%	8.9%	7.4%	6.0%	6.0%	5.7%	12.4%

This chart can be read as follows: For compliance departments serving a $5 million in revenues or smaller division of an organization, 16% had just one person on the compliance team for that division, while 38.5% had 2 to 5 people.

The same trend held true when compliance team size was calculated against revenues of the organization as a whole. No matter what the size of company surveyed, the single most common response to the question of how many people are on the compliance team was 2 to 5, with the majority having 1 to 5 employees on the compliance team for companies with less than $1 billion in revenues. Only when company revenues exceed $1 billion did companies typically have more than five compliance professionals.

Members of Compliance & Ethics Group by Revenue of Organization as a Whole

	Employees in compliance and ethics group								
	1	2 to 5	6 to 10	11 to 15	16 to 20	21 to 30	31 to 40	41 to 50	> 50
Cross industry									
Less than $5 million	19.8%	44.4%	21.0%	3.7%	2.5%	3.7%	1.2%		3.7%
$5 to $15 million	22.2%	47.8%	17.8%	1.1%	3.3%	2.2%	2.2%	3.3%	
$15 to $30 million	15.6%	49.4%	16.9%	3.9%	2.6%	5.2%	1.3%		5.2%
$30 to $50 million	19.1%	44.1%	23.5%	4.4%	2.9%	1.5%	1.5%	1.5%	1.5%
$50 to $100 million	17.5%	44.3%	23.7%	3.1%	6.2%	3.1%	1.0%		1.0%
$100 to $500 million	13.6%	54.5%	16.9%	5.2%	1.3%	3.2%	1.3%	1.9%	1.9%
$500 million to $1 billion	7.8%	45.6%	31.1%	2.9%	5.8%	2.9%		1.0%	2.9%
$1 to $3 billion	9.9%	38.7%	22.6%	6.6%	7.1%	4.7%	1.9%	3.8%	4.7%
Over $3 billion	5.4%	25.9%	22.0%	8.6%	6.4%	5.2%	6.4%	5.2%	14.8%

When examining compliance staffing by employees in the portion of organization the compliance group serves, 20,000 employees seems to be a cut off point. Below that level approximately 40% or more of respondents reporting having five members of the compliance team or less.

Members of Compliance & Ethics Group By Employees in Portion of Organization Compliance Group Serves

	Employees in compliance and ethics group								
	1	2 to 5	6 to 10	11 to 15	16 to 20	21 to 30	31 to 40	41 to 50	> 50
Cross industry									
Less than 100	18.4%	38.9%	17.6%	5.3%	3.7%	4.9%	2.5%	3.3%	5.3%
100-249	22.5%	41.3%	21.7%	4.3%	2.9%	.7%	1.4%	1.4%	3.6%
250-499	11.2%	53.0%	17.9%	1.5%	3.7%	3.7%	.7%	1.5%	6.7%
500-999	18.3%	36.7%	28.3%	8.3%	1.7%	6.7%			
1,000-1,999	7.7%	43.4%	25.2%	11.2%	4.2%	2.1%	2.1%	.7%	3.5%
2,000-2,999	16.9%	29.2%	26.2%	4.6%	3.1%	9.2%	3.1%	4.6%	3.1%
3,000-4,999	6.7%	41.3%	20.0%	8.0%	6.7%	6.7%	4.0%	2.7%	4.0%
5,000-7,499	7.0%	42.0%	19.0%	2.0%	5.0%	7.0%	7.0%	6.0%	5.0%
7,500-9,999	6.8%	36.4%	18.2%	2.3%	11.4%	4.5%	4.5%	2.3%	13.6%
10,000-14,999	2.3%	40.7%	26.7%	4.7%	2.3%	1.2%	4.7%	2.3%	15.1%
15,000-19,999	2.4%	40.5%	33.3%	2.4%	7.1%	4.8%	2.4%	2.4%	4.8%
20,000-29,999	9.5%	21.4%	33.3%	14.3%	7.1%	2.4%		2.4%	9.5%
30,000-49,999	7.1%	26.2%	14.3%	4.8%	9.5%	4.8%	9.5%	7.1%	16.7%
50,000-74,999	3.3%	26.7%	16.7%	6.7%	6.7%	10.0%	10.0%	3.3%	16.7%
75,000-99,999	7.1%	42.9%		7.1%	28.6%		7.1%		7.1%
100,000 or more	5.6%	19.4%	13.9%	8.3%	11.1%	2.8%	5.6%	8.3%	25.0%

When examining compliance staffing for the company as a whole vs. compliance team size, there is a similar pattern. Here, though, there is a marked increase at 50,000 employees or more. Also notable is that relatively few companies have compliance teams of 50 or more. Just 30% of companies with 100,000 or more employees report having a team greater than 50 people.

Members of Compliance & Ethics Group By Employees in Organization as a Whole

	Employees in compliance and ethics group								
	1	2 to 5	6 to 10	11 to 15	16 to 20	21 to 30	31 to 40	41 to 50	> 50
Cross industry									
Less than 100	38.6%	45.5%	9.1%		2.3%	2.3%	1.1%	1.1%	
100-249	25.8%	53.6%	14.4%	2.1%	1.0%	1.0%			2.1%
250-499	19.2%	57.6%	10.1%	2.0%	2.0%	3.0%	2.0%	1.0%	3.0%
500-999	10.1%	42.0%	34.5%	5.0%	4.2%	4.2%			
1,000-1,999	11.6%	49.6%	23.1%	8.3%	5.0%	.8%			1.7%
2,000-2,999	14.7%	34.7%	30.7%	6.7%	1.3%	6.7%	2.7%	2.7%	
3,000-4,999	4.3%	44.1%	26.9%	9.7%	3.2%	3.2%	2.2%	2.2%	4.3%
5,000-7,499	4.8%	38.7%	22.6%	4.8%	5.6%	6.5%	5.6%	6.5%	4.8%
7,500-9,999	3.3%	40.0%	16.7%	5.0%	10.0%	6.7%	5.0%	1.7%	11.7%
10,000-14,999	6.5%	37.0%	28.7%	5.6%	1.9%	2.8%	3.7%	4.6%	9.3%
15,000-19,999	3.2%	38.1%	28.6%	4.8%	6.3%	12.7%	1.6%	1.6%	3.2%
20,000-29,999	11.6%	27.5%	33.3%	13.0%	4.3%	1.4%	2.9%	1.4%	4.3%
30,000-49,999	9.4%	26.6%	26.6%	3.1%	9.4%	4.7%	7.8%	4.7%	7.8%
50,000-74,999	1.7%	23.7%	22.0%	8.5%	11.9%	8.5%	3.4%	3.4%	16.9%
75,000-99,999		27.3%	4.5%	13.6%	13.6%		13.6%	4.5%	22.7%
100,000 or more	5.5%	16.4%	13.6%	7.3%	9.1%	2.7%	6.4%	9.1%	30.0%

Governmental entities tended to have the smallest compliance departments. 77% of respondents from these institutions reporting having five or less members of the compliance team. For publicly traded companies, by contrast, the number was just 55%.

Members of Compliance & Ethics Group By Organization Type

	Employees in compliance and ethics group								
	1	2 to 5	6 to 10	11 to 15	16 to 20	21 to 30	31 to 40	41 to 50	> 50
Cross Industry									
Organization type									
Nonprofit	26.6%	39.4%	20.2%	5.5%	.9%	1.8%	.9%	2.8%	1.8%
Privately held	28.5%	43.6%	16.8%	2.2%	1.1%	3.4%	1.7%		2.8%
Publicly held	17.1%	38.2%	22.9%	5.3%	4.1%	4.1%	1.8%	1.8%	4.7%
Governmental	30.8%	46.2%	12.8%		2.6%	2.6%		2.6%	2.6%
Academic	11.8%	52.9%	14.7%	8.8%	5.9%	2.9%	2.9%		
Other	20.0%	50.0%	20.0%						10.0%

As would be expected, compliance budgets tend to rise based on the amount of revenues within a division of an organization. While approximately 45% of respondents in divisions with less than $5 million in revenues reported a budget of less than $100,000, the vast majority of responses (approximately 70%) from divisions with over $3 billion in revenue reported a compliance budget of $1 million or more.

Compliance Budget By Revenues of Portion of Organization Compliance Group Serves

	Compliance Budget				
	Less than $100,000	$100,000 to $249,999	$250,000 to $499,999	$500,000 to $999,999	$1 Million or more
Cross industry					
Less than $5 million	44.7%	18.4%	10.5%	15.8%	10.5%
$5 to $15 million	47.8%	21.7%	8.7%	4.3%	17.4%
$15 to $30 million	43.5%	13.0%	13.0%	21.7%	8.7%
$30 to $50 million	26.9%	11.5%	15.4%	30.8%	15.4%
$50 to $100 million	35.1%	18.9%	10.8%	18.9%	16.2%
$100 to $500 million	20.6%	12.7%	14.3%	25.4%	27.0%
$500 million to $1 billion	9.5%	19.0%	4.8%	28.6%	38.1%
$1 to $3 billion	4.2%	6.3%	22.9%	18.8%	47.9%
Over $3 billion	5.8%	2.9%	5.8%	15.9%	69.6%

Compliance budgets also very much reflect the revenues of the organization as a whole.

Compliance Budget By Revenues of Organization as a Whole

	Compliance Budget				
	Less than $100,000	$100,000 to $249,999	$250,000 to $499,999	$500,000 to $999,999	$1 Million or more
Cross industry					
Less than $5 million	50.0%	20.0%	5.0%	15.0%	10.0%
$5 to $15 million	52.2%	21.7%	8.7%	4.3%	13.0%
$15 to $30 million	55.6%	5.6%	11.1%	16.7%	11.1%
$30 to $50 million	29.2%	16.7%	20.8%	20.8%	12.5%
$50 to $100 million	33.3%	18.2%	9.1%	27.3%	12.1%
$100 to $500 million	17.5%	14.0%	17.5%	22.8%	28.1%
$500 million to $1 billion	13.9%	22.2%	5.6%	22.2%	36.1%
$1 to $3 billion	11.7%	5.0%	21.7%	20.0%	41.7%
Over $3 billion	8.0%	6.0%	8.0%	21.0%	57.0%

As would be expected, budgets tend to rise based on the number of employees in the division compliance is responsible for.

Compliance Budget By Number of Employees in Portion of Organization Compliance Group Serves

	Compliance Budget				
	Less than $100,000	$100,000 to $249,999	$250,000 to $499,999	$500,000 to $999,999	$1 Million or more
Cross industry					
Less than 100	42.3%	23.1%	11.5%	9.6%	13.5%
100-249	39.5%	14.0%	14.0%	18.6%	14.0%
250-499	36.6%	4.9%	22.0%	17.1%	19.5%
500-999	19.0%	9.5%	9.5%	35.7%	26.2%
1,000-1,999	21.6%	13.7%	7.8%	25.5%	31.4%
2,000-2,999	8.0%	24.0%	12.0%	16.0%	40.0%
3,000-4,999	10.5%	5.3%	10.5%	15.8%	57.9%
5,000-7,499	11.1%	14.8%	11.1%	25.9%	37.0%
7,500-9,999	28.6%			28.6%	42.9%
10,000-14,999			18.2%	22.7%	59.1%
15,000-19,999			16.7%	25.0%	58.3%
20,000-29,999	11.1%	11.1%	22.2%	11.1%	44.4%
30,000-49,999			25.0%		75.0%
50,000-74,999	14.3%				85.7%
75,000-99,999		25.0%			75.0%
100,000 or more		25.0%		25.0%	50.0%

When looking at compliance budgets compared to the number of employees in the organization as a whole, it's notable how quickly budgets reach the $500,000 or more mark. More than half of organizations with 500–999 employees reported having at least a $500,000 budget.

Compliance Budget By Number of Employees in Organization as a Whole

	Compliance Budget				
	Less than $100,000	$100,000 to $249,999	$250,000 to $499,999	$500,000 to $999,999	$1 Million or more
Cross industry					
Less than 100	50.0%	23.5%	11.8%	11.8%	2.9%
100-249	40.6%	18.8%	18.8%	18.8%	3.1%
250-499	38.9%	11.1%	19.4%	13.9%	16.7%
500-999	22.2%	11.1%	5.6%	27.8%	33.3%
1,000-1,999	27.5%	15.0%	7.5%	22.5%	27.5%
2,000-2,999	17.4%	13.0%	13.0%	17.4%	39.1%
3,000-4,999	9.1%	13.6%	13.6%	13.6%	50.0%
5,000-7,499	6.5%	12.9%	19.4%	16.1%	45.2%
7,500-9,999	20.0%			50.0%	30.0%
10,000-14,999	11.4%	2.9%	20.0%	25.7%	40.0%
15,000-19,999		6.3%	12.5%	31.3%	50.0%
20,000-29,999	13.3%	13.3%	13.3%	13.3%	46.7%
30,000-49,999	13.3%	6.7%	13.3%	20.0%	46.7%
50,000-74,999				21.4%	78.6%
75,000-99,999				25.0%	75.0%
100,000 or more	23.5%	17.6%	5.9%	11.8%	41.2%

As was the case with compliance staffing, publicly traded organizations tended to lead. Approximately 45% of respondents from publicly traded companies reported a budget of $1 million or more. Governmental programs had the smallest budget, with 40% reporting a budget of less than $100,000.

Compliance Budget By Organization Type

	Compliance Budget				
	Less than $100,000	$100,000 to $249,999	$250,000 to $499,999	$500,000 to $999,999	$1 Million or more
Cross industry					
Organization type					
Nonprofit	25.4%	15.5%	12.7%	16.9%	29.6%
Privately held	28.1%	14.8%	13.3%	18.8%	25.0%
Publicly held	11.5%	9.8%	10.7%	23.0%	45.1%
Governmental	40.0%	4.0%	4.0%	28.0%	24.0%
Academic	25.0%	7.1%	28.6%	14.3%	25.0%
Other				25.0%	75.0%

SURVEY METHODOLOGY

In June 2015, an email invitation for a salary survey was sent to approximately 45,000 individuals. In total, 1,646 completed online submissions were received by late July. Of the 1,646 responses, 647 were selected for this report based on the following criteria:

- The Chief Compliance Officer worked for a non-health care provider

- The Chief Compliance Officer was responsible for at least 26% of an organization's legal and regulatory risk

This report is based solely on this group. Upon receipt, all submissions were assigned a confidential identification number. All data were checked both manually and by a specially designed computer editing procedure. Strict confidence of survey responses was maintained throughout the course of the project. Final results were tabulated by Industry Insights, Inc., and the salary survey report was completed in October 2015. The data was then retabulated by Industry Insights, Inc. in April 2016 to create this benchmarking report.

Become Certified

CCEP
Certified Compliance & Ethics Professional

Certified Compliance & Ethics Professional (CCEP)®

CCEP-I
INTERNATIONAL
Certified Compliance & Ethics Professional

Certified Compliance & Ethics Professional-International (CCEP-I)®

CCEP-F
Certified Compliance & Ethics Professional *Fellow*

Certified Compliance & Ethics Professional-Fellow (CCEP-F)®

A few letters after your name can make a big difference

Why do people add JD, MBA, or CPA after their name? They know those initials instantly identify them as experts in their field.

Now's the time to add CCEP, CCEP-I or CCEP-F after your name. Just a few initials will help show your colleagues that what you say isn't just your opinion, but a product of your expertise as a Certified Compliance and Ethics Professional (CCEP)®, Certified Compliance & Ethics Professional-International (CCEP-I)®, or Certified Compliance & Ethics Professional-Fellow (CCEP-F)®.

Applying to become certified is likely easier than you think.

To learn more about what it takes to earn the CCEP, CCEP-I, or CCEP-F designation, visit **compliancecertification.org**. And you could soon be joining more than 3,200 professionals who have already earned their CCEP, CCEP-I, or CCEP-F .

- Set the bar for your compliance team and demonstrate your current skill in the compliance profession
- Make yourself marketable
- Increase your value in the workplace and to future employers
- Showcase your compliance knowledge and experience

SCCE'S MISSION

SCCE exists to champion ethical practice and compliance standards in all organizations and to provide the necessary resources for compliance professionals and others who share these principles.

corporatecompliance.org