

# 2017 GLOBAL ANTI-CORRUPTION SURVEY

Lost business, dissolved partnerships, and data's critical role

## AT A GLANCE

- 1** 42% of survey respondents say their companies stopped doing business with business partners because of corruption risk—up from 32% in 2016.
- 2** 31% say their companies have lost business during the past 12 months because of a government bribery problem—an 8% uptick from 2016.
- 3** 37% say their companies pulled out of or delayed an acquisition because of corruption risk.
- 4** 93% say they expect the challenge of moving data across borders to increase or stay the same.

Companies are pulling out of more business partnerships and M&A as data security concerns and overseas risks pile up.

No countries or regions are free from corruption, but in-house counsel and compliance officers say certain regions are especially vulnerable. About 76% of survey respondents say doing business in high-risk regions is one of their biggest challenges.

- 67% say there are locations where it is impossible to avoid corrupt business practices—namely, Russia (35%), Africa (33%), and China (27%).
- 81% say corruption laws in Africa are ineffective.
- 73% say corruption laws in Russia are ineffective.

# 32%

have avoided doing business in Russia because of corruption risks.

To reduce those risks, most companies have established dedicated anticorruption programs. But the programs differ substantially in size and scope.

- 60% have implemented anticorruption programs in the past 10 years.
- 76% have reviewed their policies within the past year, which is up from 67% in 2016.
- 53% have received third-party assessments of their anticorruption policies and programs.
- 59% say their compliance programs specifically address Foreign Corrupt Practices Act laws, and 51% of programs address Office of Foreign Assets Control laws.
- 37% say they have received tips via their hotlines related to corruption in the past 12 months—up from 27% in 2016.

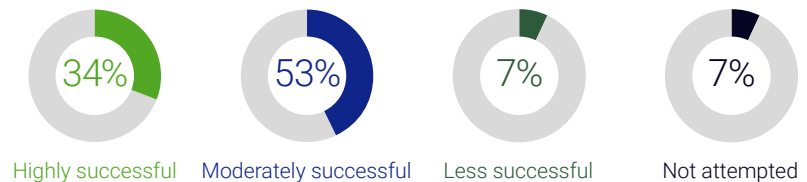
## WHAT'S WORKING AND WHAT'S NOT?

Within corporate legal departments, internal audits and data analysis are reducing risk. But inadequate IT systems and the heavy volume of information that compliance officers must process present obstacles.

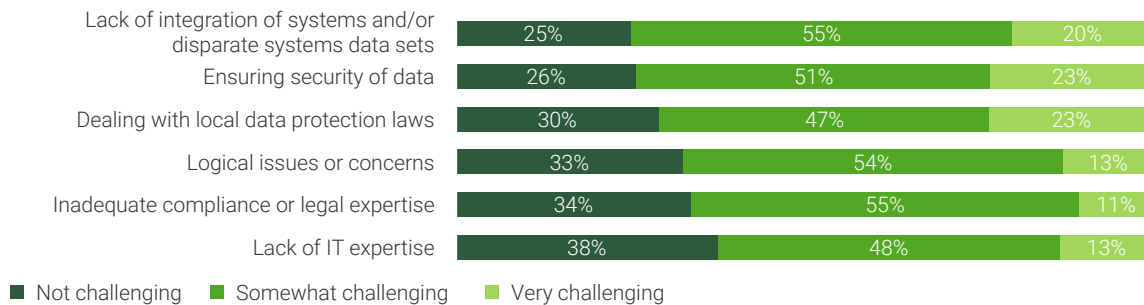
- 84% of respondents say they have reduced risk by performing internal audits.
- 87% report that their companies are successful in using data to identify possible corruption.
- 79% say the biggest obstacle to tackling corruption is the massive amount of information they must contend with.
- 73% say insufficient IT systems pose challenges to their ability to address risk.
- 54% say local data protection laws are impediments to collecting and analyzing data.

## DATA ANALYSIS PLAYS A CRITICAL ROLE AT COMPANIES THAT ARE INVESTIGATING POSSIBLE CORRUPTION. IN FACT, 67% OF RESPONDENTS SAY THEIR COMPANIES USE REAL-TIME MONITORING WHEN IT COMES TO SUSPICIOUS ACTIVITY OR BEHAVIOR.

87% of respondents say their companies successfully use data to identify possible corruption



## DATA SECURITY AND DISPARATE SYSTEMS POSE CHALLENGES FOR COMPANIES WHEN INVESTIGATING POSSIBLE CORRUPTION.



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