Building a Compliance Maturity Model

Benchmarking Your Program from Foundational to Leading

R. McConnell Group PLLC

01 Why Maturity Matters

A maturity model replaces yes-or-no compliance with an honest spectrum

WHAT IT DOES

- Benchmarks the program across dimensions
- Replaces pass/fail thinking with a spectrum
- Reveals gaps and prioritizes investment
- Tracks progress over time and across units

HOW TO USE IT

- Assess each dimension against defined levels
- Base ratings on evidence, not perception
- Set risk-based, realistic targets
- Revisit on a regular cadence

02 The Maturity Spectrum

Each dimension of the program can sit at a different level

1 FOUNDATIONAL

- Ad hoc and reactive
- Decentralized ownership
- Few documented policies
- Little training or data

2 DEVELOPING

- Centralized function
- Documented policies and controls
- Risk-based planning
- Systematic on major items

3 LEADING

- Embedded in the culture
- Automated tools and metrics
- Continuous improvement
- Assurance and benchmarking

03 Dimensions to Assess

A complete model covers both foundations and operation

PROGRAM FOUNDATIONS

- Governance, structure, and resourcing
- Risk assessment and prioritization
- Policies, procedures, and the code
- Training and communications

PROGRAM OPERATION

- Third-party and transaction diligence
- Monitoring, testing, and auditing
- Investigations and discipline
- Reporting to management and the board

04 Running an Assessment

The value is an honest rating and a concrete action plan

THE PROCESS

- Define levels and criteria per dimension
- Gather evidence across the business
- Rate the current state honestly
- Set target states based on risk

AVOIDING THE PITFALLS

- Do not confuse activity with effectiveness
- Rate on evidence, not aspiration
- Compare consistently across units
- Drive a real action plan

From Assessment to Action

Five steps to make a maturity model useful

1. **Define** Set dimensions and criteria for each level.
2. **Assess** Rate current state on documented evidence.
3. **Target** Choose risk-based target states.
4. **Close Gaps** Turn gaps into an owned action plan.
5. **Re-measure** Reassess on a cadence to show progress.