

## Survey Roundup: False Positives Hamper AML Efforts

ARTICLE

COMMENTS (3)

AML ANTI MONEY LAUNDERING COMMON TRAITS OF CORRUPT ORGANIZATIONS



By BEN DIPIETRO



— istockphoto.com/ZargonDesign

A look at some recent surveys and reports dealing with risk and compliance issues. Send surveys and reports to [wsjrisk@wsj.com](mailto:wsjrisk@wsj.com).

**Crisis of Confidence:** A survey of 812 anti-money laundering professionals by Dow Jones Risk and Compliance and the Association of Certified Anti-Money Laundering Specialists found 47% said **too many false-positive alerts** hurt their confidence in client-screening of data accuracy. Forty percent said their organization has exited a business line or segment in the last year due to regulatory risk.

“Decision makers continue to cite data accuracy as the single most important factor in choosing AML data providers,” the survey report said. “Well-structured data, depth of content, customer service, conforming to international standards and company reputation are also very important for 60% or more of decision makers. Excessive false-positive alerts remain the key factor for hurting confidence in client-screening data providers.”

Dow Jones Risk and Compliance is owned by Dow Jones & Co., which also publishes the Wall Street Journal.

**Feeling The Heat:** A survey of chief compliance officers by law firm DLA Piper found 80% said they are concerned with what they see as a **change in tone from the federal government** regarding the possibility compliance people will be held criminally accountable for their organization’s compliance failures as outlined in the U.S. Department of Justice’s Yates memo. Two-thirds said the change in tone would affect their decision to remain in compliance.

**Sanctions, Anyone?:** A report from the Center for a New American Security looked at **how effective U.S. sanctions are** as a tool to promote U.S. economic and foreign policy—and said the frameworks used to measure their effectiveness are not keeping pace with the changing nature of sanctions.

**Slow To Act:** The Organization for Economic Cooperation and Development said several G-20 nations have yet to implement agreed-upon standards to improve **tax transparency standards**.

**A Lot Alike:** A report from Alison Taylor of Business for Social Responsibility analyzed **common traits of corrupt organizations**, and found they all have traits regularly missed by compliance that should serve as red flags to potential problems.

**Slave To The Game:** A report by Harvard Professor John Ruggie found soccer organization FIFA has **a lot of work to do** to meet international standards for human rights, including better protections against worker abuses.

**Getting Paid:** A survey of risk managers by insurer National Underwriter Property & Casualty found their **median salary** to be \$115,000, with total compensation of \$126,000.

**Unrecognizable:** A review of 2015 securities litigation by PwC found **improper revenue recognition** to be the most commonly alleged accounting issue.

**Sensory Perceptions:** A survey of 155 business executives by Deloitte found 81% said their organization uses **human insights and advanced analytics** to identify, assess and monitor emerging risks. Deloitte is sponsor of the WSJ Risk & Compliance Journal page.

**Map Of Terror:** A report on threats from terrorism and political violence from risk management firm Aon Risk Solutions and Risk Advisory Group found the **risk of a coup** is up in 12 countries, while shootings have overtaken bombings as the top terror threat in the U.S. and Europe.

Write to Ben DiPietro at [ben.dipietro@dowjones.com](mailto:ben.dipietro@dowjones.com), and follow him on Twitter @BenDiPietro1.