

Boost compliance in your company's legal operations



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The importance of compliance within the corporate ecosystem

Compliance is a concept that floods the offices of the business world. Companies have a large number of stakeholders, to whom they owe good practices, transparency and accountability in the area of compliance. Not to mention the constant scrutiny and public oversight to which they are subject. In this ebook, we present **a guide to ensuring compliance with the business's demands and regulations** from the perspective of legal operations, a key asset for the business moving forward.

In addition to the compliance department itself, there is one area that inherently owes special attention to compliance: the legal department. **Its task of protecting the interests of the company implicitly requires it to ensure the proper conduct and compliance of the company's activities.** The influence of this department extends throughout the company through the legal operations,

which cover the length and breadth of the business and which, of course, must comply with the requirements of regulatory compliance.

An engine that, if not oiled to perfection, leads to a series of dangerous inefficiencies that can result in severe sanctions and reputational damage. Discover, in the following pages, **a guide to take corporate compliance to the next dimension of agility and efficiency**, with the best strategies and technology tailored to the task.

Explore the steps to avoid the vulnerabilities faced by the largest companies, learn how to address them and turn them around, eliminate risks and translate them into an unbreakable lock.

Welcome to a new dimension to maximise your company's compliance!

1. The relevance of compliance in the corporate ecosystem

Business performance is marked by laws and regulations to be complied with both internally and externally. Who in the company is responsible for ensuring strict compliance with them? Indeed, in addition to **the compliance department** itself, which is in charge of establishing and disseminating the rules, **the legal department**, which is a participant and orchestra conductor of the company's legal operations, as well as **all employees, are responsible for compliance.**

Compliance is no longer a mere legal obligation but a strategic pillar of corporate management. The dynamic and changing nature of business and government regulations requires corporations not only to comply with existing regulations, but also **to anticipate and proactively adapt to changes.** But let's talk about a key concept of compliance,

a lynchpin for ensuring corporate compliance. Let's talk about legal operations.

Legal operations play a fundamental role in the structuring and execution of compliance policies, given **their specific contribution in the creation, review and modification of crucial documents** for the company and for regulatory compliance, as well as in the efficient management of processes, ensuring that each action is aligned with current regulations.

In addition to being a protective shield against legal risks, **rigorous compliance in legal operations is a strategic differentiator.** Corporations that lead in legal operations compliance have the ability to attract and retain talent, as well as build strong relationships with ethics and integrity-minded investors and customers.





2. Risks of non-compliance

Regulatory compliance has become a fundamental pillar for the long-term sustainability and success of any corporation. This is not just a legal requirement, but an ethical and strategic imperative that encompasses all aspects of a company, from its operational practices to its relationships with stakeholders.

However, **corporations shy away from the opposite: regulatory non-compliance.** Understood as the failure to adhere to the laws and regulations that govern business activities, whether unconsciously or consciously, **it can have devastating consequences.**

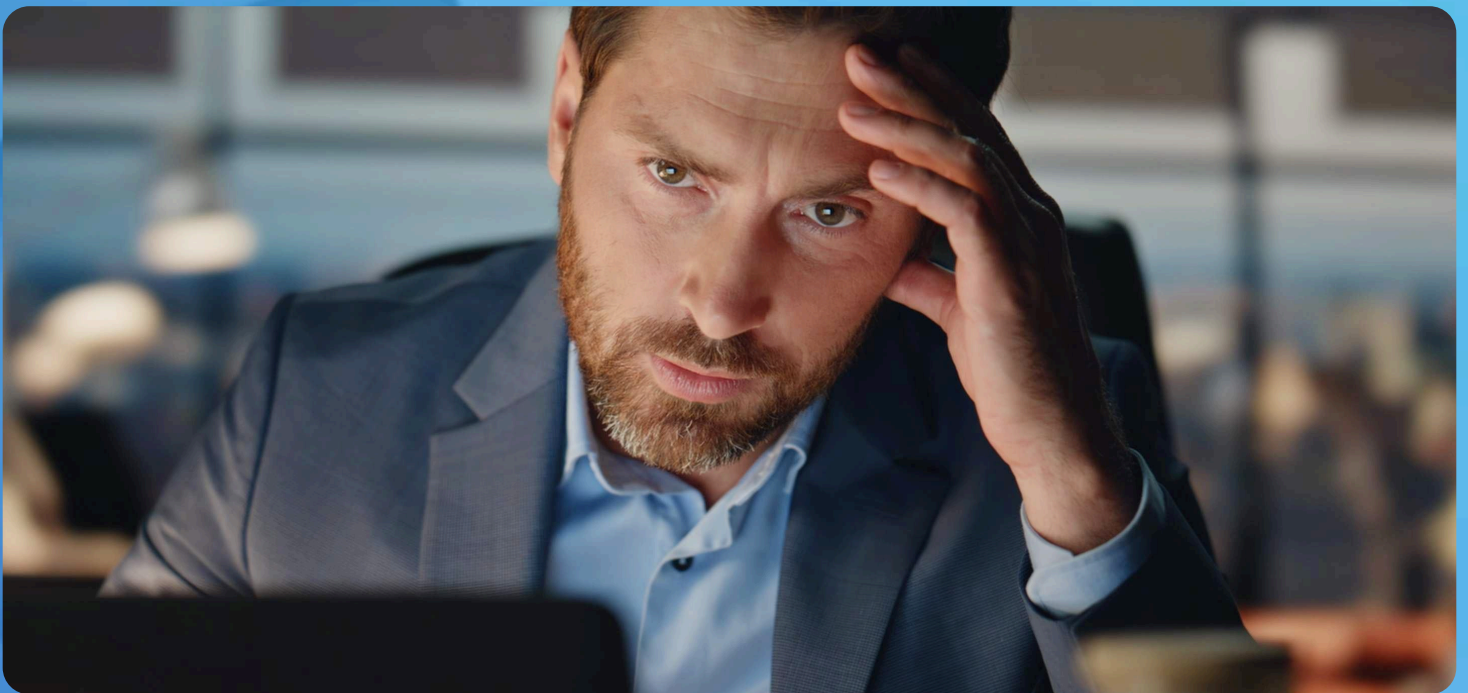
Beyond legal fines and penalties, it represents a serious threat to a company's reputation, its financial stability and its relationships with customers, employees and business partners.

Let's look at the key risks of non-compliance and the complexities faced by corporations that fail to stay within legal and ethical boundaries. **Understanding these risks is an essential first step in developing effective strategies** to strengthen corporate resilience and integrity.

2.1. Legal penalties and fines

The direct cost of regulatory non-compliance often manifests itself in legal penalties and fines. Increasingly stringent regulatory authorities impose substantial financial penalties: ranging from tax issues to unfair business practices, the range of legal risks is wide and varies by industry and geographic location of the company.

Violating these specific regulations carries **substantial economic consequences and financial losses in the form of fines**. For example, in the area of data protection, non-compliance with laws such as the General Data Protection Regulation (GDPR) can result in significant fines that directly affect financial results.



2.2. Loss of corporate reputation

The impact of non-compliance is not limited to the numbers in a financial statement.

A corporation's reputation is a valuable intangible asset that can be significantly damaged by negative perceptions about its ethical and legal conduct. News of questionable business practices, corruption scandals or data security breaches lead to a rapid loss of trust by customers, investors and society at large.

Reputational damage has long-term effects, affects customer loyalty and causes investors to reconsider their involvement in the company. Moreover, in the age of social media, where news travels fast, **certain negative impacts are amplified and go viral like wildfire**.



2.3. Impact on stakeholder relationships

Regulatory non-compliance, derived in large part from the aforementioned reputational damage, can lead to tensions with a company's different stakeholders. From customers and employees to business partners and government authorities, all of these stakeholders have expectations regarding the corporation's ethical and legal behaviour.

CUSTOMERS

A company is nothing without its customers. Their loyalty is built on trust in the integrity and ethics of the brand. If a company is found to have broken laws or an internal scandal breaks out due to non-compliance, customers may lose faith in the company and choose to look for more ethical and trustworthy alternatives. This translates not only into a short-term loss of revenue, but also **a lasting impact on market share.**

EMPLOYEES

The most valuable asset for any company, they are also vulnerable to the impact of non-compliance. Employees generally want to work in environments that value ethics and compliance, so discovering that the corporation is involved in illegal or unethical practices negatively affects staff morale. Moreover, this results in **high employee turnover**, as employees will seek work environments that they feel are more aligned with their values.

BUSINESS PARTNERS

Relationships with business partners and associates are crucial to corporate growth and stability. Non-compliance undermines these relationships by raising doubts about the trustworthiness and ethics of the company. **Business partners will be reluctant to engage with non-compliant companies**, which can jeopardise the reputation of their own business.

GOVERNMENT AUTHORITIES

Relations with government authorities are essential to the smooth operation of any business. **Non-compliance makes certain relationships with these entities impossible** and leads to tensions and conflicts with them. The resulting investigations and legal actions can consume significant resources, from time and effort to possible penalties and additional fines.





3. Innovative strategies for compliance management

Mere observation or knowledge of regulations is not enough to ensure effective compliance. Corporations must adopt innovative and proactive approaches to anticipate, address and mitigate the risks associated with non-compliance.

These strategies should not only prevent legal sanctions and fines, but also address the company's ethical culture and market position. It should be remembered that innovation in compliance management is not just a luxury for modern corporations but a strategic necessity.

Legal operations are one of the pillars responsible for optimising and efficiently managing internal legal processes.

By their nature, they are carriers of compliance and must actively promote it. The intersection between the two concepts lies in how legal operations can be structured to ensure effective compliance.

This involves implementing **strategies that facilitate monitoring of legal requirements, efficient contract management and legal risk assessment.** In essence, structured legal operations become a key component in maintaining and driving compliance, **providing the necessary structure to manage the legal aspects** of a company effectively while **ensuring adherence to external regulations.**



3.1. Risk and vulnerability assessment

The ability to anticipate and understand risks and vulnerabilities is essential for effective compliance management. It involves **identifying potential legal, regulatory and ethical threats**, as well as **understanding how these may evolve over time**. Leading corporations recognise the need to adopt systematic approaches, using advanced tools and data analytics to assess risks holistically. Let's take a look at 10 key concepts that the legal department should look at when assessing the compliance risks of its operations:

1. REGULATORY COMPLEXITY

Assess the complexity and scope of regulations affecting the industry and geography in which the company operates.

2. REGULATORY CHANGES

Keep abreast of regulatory changes and adapt quickly to new laws and requirements.

3. CONTRACT MANAGEMENT

Assess the efficiency and compliance of contract lifecycle management across departments, ensuring that they comply with legal requirements.

4. DOCUMENTARY TRACEABILITY

Establish mechanisms to effectively track and document all relevant transactions and communications.

5. DATA PROTECTION

Review privacy policies and practices to ensure compliance with data protection laws and avoid potential breaches that could result in financial penalties and loss of customer confidence.

6. PROMOTE LEGAL AUDITS

Conduct audits of internal departments and operations, as well as business transactions, to identify and mitigate potential legal risks.

7. COMPLIANCE CULTURE

Assess the effectiveness of training and awareness programmes to foster a culture of compliance within the organisation.

8. SUPPLIER MANAGEMENT

Assess due diligence processes in the selection and management of suppliers to ensure that they meet all the compliance standards.

9. CONTINUOUS MONITORING

Implement continuous monitoring systems to identify and proactively address any deviations from compliance policies.

10. OPERATIONAL RISK ASSESSMENT

Analyse operational risks specific to legal operations, such as potential delays in contract review or lack of coordination between departments.





3.2. Training and promotion of a compliance culture

Creating an ingrained compliance culture is a *conditio sine qua non* for mitigating risks and strengthening legal operations. Effective training and promotion of a compliance culture are essential to **ensure that everyone in the organisation understands the policies, processes and importance of compliance** in their daily work. But how do you foster a culture of compliance in legal operations?

1. ACTIVELY AND CLEARLY COMMUNICATE POLICIES

Develop clear and understandable compliance policies. Communicate these policies to all employees on a regular and accessible basis, so that the message gets across. For example, make sure that everyone understands the regulations and the implications of not complying with obligations in contracts.

2. INTERACTIVE TRAINING AND COACHING SESSIONS

Set up training sessions with an interactive approach, allowing employees to actively participate in their learning. Use industry- and company-specific case studies to illustrate compliance concepts in a practical way.

3. SIMULATIONS OF REAL-LIFE SITUATIONS

Following on from the previous point, it simulates everyday situations in which employees may encounter ethical dilemmas or compliance-related decisions. This helps to internalise knowledge and develop ethical decision-making skills.

4. OPEN COMMUNICATION CHANNEL / WHISTLEBLOWING CHANNEL

Establish an open communication channel where employees can ask questions, express concerns or secretly report potential compliance issues. Foster a culture where transparent communication is valued.

5. REGULAR UPDATES

Compliance is not static; laws and regulations change. Provide regular updates on changes in compliance policies, regulations or best practices. Make sure employees are aware of the latest developments and understand how to apply them in their daily work.



3.3. Monitoring and reporting

Constant monitoring and real-time reporting are cornerstones for effective compliance management in legal operations. Modern corporations implement **advanced systems that enable continuous monitoring of key activities and contracts**; for example, a Contract Lifecycle Management (CLM) platform that provides a dashboard to visualise the status of contracts, alerts on potential deviations and facilitates an immediate response.

Similarly, a state-of-the-art CLM system integrates **an alert system that notifies users of contract events**, such as contract expiry dates or different tasks to be carried out for proper management, which helps to avoid undesired non-compliance, with the respective penalties.

The integration of this type of technology favours compliance because they are specifically designed for that purpose, given their focus on improving legal operations. Regardless of the technology chosen, **make sure that the solution you choose provides advanced analytics and metadata tools**, which streamline the data collection and reporting process. This proactive approach not only provides a real-time view of compliance status, but also enables agile adaptation to regulatory changes and continuous improvement of compliance policies and processes.





3.4. Audits and periodic reviews

Periodic audits and reviews are an essential component because they **ensure the effectiveness and adaptability of compliance programmes** in large corporations. These activities not only serve as a control mechanism, but also provide an opportunity to identify areas for improvement and address potential risks before they become significant problems.

- **Develop audits that are specific to your company's legal operations**, on a specific schedule, that adapt to changes in the regulatory environment. This involves having a thorough understanding of internal processes and tailoring audits to the areas of greatest risk.
- **Use audits to assess current compliance and identify potential future risks**. A proactive approach can help prevent problems before they arise, thereby strengthening the organisation's compliance posture.
- **Involve representatives from different departments in the audit process**. This will give you a broader view of operations and promote awareness and accountability throughout the organisation.

4. Technology and compliance: a key partnership

Technology plays a crucial role in compliance management. Large corporations, increasingly demanding greater efficiency and agility, are turning to technology solutions to strengthen their compliance programmes. Integrating them strategically not only **facilitates risk management, but also opens up new possibilities for linking it to legal operations** for more proactive compliance management.

Technology is not simply a response to regulatory challenges, but **a strategic lever to drive operational excellence**. From risk management platforms to automation solutions, these tools are transforming the way companies approach compliance.



4.1. Technology solutions for compliance management

Compliance management in large corporations has benefited greatly from technological developments. **Various solutions have become key allies for legal and compliance departments**, providing them with efficient solutions to address regulatory challenges.

These solutions not only streamline the collection and updating of data of all types, but also **facilitate the implementation of compliance policies and procedures**. Advanced data analysis tools enable more accurate risk assessment and better decision making. In addition, **the ability to automate monitoring and reporting contributes significantly to operational efficiency**.

In this context, large corporations must identify the technology solutions that best suit their specific needs. Here are some examples:

CLM (CONTRACT LIFECYCLE MANAGEMENT)

A cloud-based platform for managing the lifecycle of contracts from contract creation through negotiation, signature, execution and renewal to completion. With this tool you can optimise time, reduce risks, improve the quality and compliance of contracts, as well as increase customer and supplier satisfaction.

Get to know Bigle CLM! Schedule a free demo with one of our legal operations experts [here](#):



GRC (GOVERNANCE, RISK AND COMPLIANCE)

A software that integrates the three key areas of business management: governance, risk and compliance. With this tool, you can establish a strategy, culture and objectives aligned with regulations, identify and assess potential risks, and design and implement appropriate control and prevention measures.

GENERATIVE AI

Your assistant to help you review risks in contracts and other documents. This technology allows you to detect deviations from internal policies and analyse risks in contracts and other legal texts. It acts as an intelligent assistant that identifies inconsistent or problematic clauses, facilitating the control of regulatory compliance and reducing errors. Its use improves operational efficiency and reinforces the compliance system from document review.



4.2. Process automation and data analytics

The incorporation of process automation and data analytics tools in the area of legal compliance operations **is moving from being a competitive advantage to a hygiene factor for large corporations**. Not only are they technologies for streamlining day-to-day operations, but they also significantly improve the efficiency and accuracy of compliance management. Let's look at some of the benefits of going automated:

- **Reducing the risk of human error.** By automating repetitive tasks in legal operations, you minimise the possibility of unintentional or intentional errors that can affect compliance.
- **Increase efficiency and productivity.** Automating compliance processes frees up time and resources for higher value-added activities such as innovation, continuous improvement or customer service.
- **Improve data quality and consistency.** Collecting, processing and storing data in an automated and centralised way ensures that it is accurate, complete and up-to-date, facilitating compliance monitoring, auditing and reporting.
- **Facilitate adaptation to regulatory changes.** By automating compliance processes, new legislation or changes to existing legislation can be easily incorporated without the need for manual or complex system changes.

4.3. Data protection in the age of AI

In any case, in the age of artificial intelligence, where data collection and analysis is ubiquitous, **data protection becomes a crucial aspect of compliance management**. Addressing this challenge requires a robust strategy and specialised tools to **ensure that sensitive information is handled responsibly and complies with current regulations**. Let's explore how companies can leverage technology to safeguard privacy and data integrity in an AI-driven environment, with some recommendations:

- **Ensure transparency and explainability of AI:** Users need to be able to know and understand how AI works, what data it uses, in what way and with what criteria, so that they can assess its use to always ensure that it is done in compliance with the rules set in place in the company.
- **Encryption and pseudonymization:** The chosen AI should implement strong encryption practices to protect sensitive data during transmission and storage. Pseudonymization, which involves replacing identifiable information with unique identifiers, adds an additional layer of security.
- **AI access management and data control:** It is advisable to establish access management systems that limit who can access AI, especially in early or testing stages.
- **Active monitoring and rapid response:** Implement a constant monitoring system to detect any suspicious activity in data handling. The ability to respond quickly to potential threats is essential to minimise damage in the event of a data breach.
- **Integration of privacy-by-design principles:** Adopt AI solutions based on a privacy-by-design approach in the development of their products and services. From the very conception, data protection measures should be incorporated, ensuring that privacy is integrated at all stages of the product or service lifecycle.



5. About Bigne

Bigne is a legal tech company that offers a software suite with 4 products: Bigne CLM, the legal AI Bigne Libra, Bigne Sign and Bigne Academy. The company's mission is to **streamline the legal operations of companies, improving security and minimising the risk of legal contingencies.**

The platform allows professionals to automatically create documents, share them for review, validate them in real-time, collaborate virtually, negotiate, and has its own electronic signature.

Bigne has developed a generative artificial intelligence assistant, Libra, which is connected to its CLM platform, developed for legal departments, which is an expert in the legal field and **offers a secure environment of maximum confidentiality, minimising the hallucinations typical of other generalist tools.**

The technology company is a pioneer and leader in the field of no-code document automation, has a global presence and its clients include large corporations and large law firms.

To learn more about us, visit the website: bignelegal.com

For other enquiries, please contact communication@bignelegal.com

By using Bigne, you contribute to saving natural resources



323 million
Kg of wood



7.1 billion
Litres of water



725 million
Kg of CO²



47 million
Kg of waste