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Do Chief Compliance Officers Need Law Degrees?

By *Natalia Gindler Corsini*

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Natalia Gindler Corsini, founder and managing director of Prae Venire, advises US and international companies on corporate compliance and ethics programs. Gindler Corsini has

extensive experience in finance and international trade. Her expertise includes anti-corruption, export controls, corporate investigations, and compliance audits.

Despite the evolving professional landscape, some organizations still believe that chief compliance officers need law degrees. This view that CCOs need a Juris Doctor to be successful can overshadow the diverse skills and experiences that are crucial for the role. Worldwide, the success of many effective CCOs without JDs proves that a law degree alone doesn't guarantee effective compliance oversight.

Imagine a CCO with a JD but lacking critical skills such as risk management, communication, and strategic thinking. The CCO might struggle with key compliance issues, putting the company at risk and demonstrating the need to value practical, results-driven skills over a credential that doesn't fully capture the role's demands.

We need to recognize and appreciate the diverse skill sets that drive [successful compliance management](#). Let's examine the reasons a JD has been considered necessary for CCOs:

- **To understand the law.** Understanding the law doesn't require a law degree. Professionals from fields like accounting, engineering, or finance can gain legal knowledge through experience and continuing education. I've seen JD holders in compliance roles who lacked the understanding of specific laws like the Foreign Corrupt Practices Act or Export Controls,

causing stress for their teams. Effective compliance requires more than just interpreting complex texts. It needs a broad skill set.

- **To approach problems like a lawyer.** A CCO's role involves assessing and mitigating risks, while a lawyer's role focuses on managing liability. Understanding risks requires a comprehensive view of the industry, company operations, and leadership, which often goes beyond what lawyers can provide. Lawyers may excel in theory but lack practical business insights. Effective compliance program design needs strong critical thinking skills, which may differ from a lawyer's approach. Legal departments handle liability and legal gaps, while CCOs manage the broader program.
- **To exercise attorney-client privilege.** Attorney-client privilege is limited to legal departments. CCOs must maintain an open-door policy, handle information effectively, and address issues without withholding details. Conflicts of interest arise if the CCO tries to manage legal matters, emphasizing the need for clear role separation.



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The Skill Sets a CCO Needs Instead of a JD

CCOs might come from various backgrounds, for example, an accountant excelling in fraud prevention, an engineer managing compliance programs, an auditor setting controls, a finance professional handling analytics, a human resource expert in persuasion, or a lawyer interpreting laws. However, no single skill set defines a great CCO.

Among other non-legal tasks, a CCO must:

- Conduct risk assessments
- Recruit and manage the team
- Design, implement, and manage the program
- Oversee the budget
- Conduct training sessions
- Report performance updates
- Develop and enforce policies and procedures
- Promote ethics through various channels
- Collaborate on high-risk projects and compliance strategies
- Oversee due diligence processes
- Address misconduct, lead investigations, and make recommendations
- Analyze employee feedback to enhance culture

The belief that chief compliance officers need law degrees reflects a misunderstanding of the CCO role. Effective compliance requires

strong communication, critical thinking, problem-solving, and project management skills. While a law degree might bring legal knowledge, it doesn't guarantee the other essential skills needed for effective compliance oversight.

The focus on a credential could indicate a company's confusion about compliance. Viewing it as a liability concern rather than a vital risk-reduction component is a red flag.

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CCOs With a JD Still Need Legal Support

An effective compliance program must adapt to changing laws, regulations, and ethical standards. To manage it, a company needs a separate attorney for legal aspects, regardless of whether the CCO holds a JD. The attorney provides the legal framework that the CCO uses to design and implement the program. This separation is crucial during program development and implementation to avoid conflicts of interest. The CCO should work independently from the legal department but in partnership with it.

Beyond the Laws: True Compliance

Compliance programs do more than meet legal requirements or avoid penalties. They shape an organization's culture and integrate integrity into its core. The Office of Inspector General stresses that compliance officers should operate independently from the legal department. Companies must clearly distinguish between compliance and legal roles to avoid complications if issues go to court.

In today's dynamic regulatory environment, compliance needs a holistic approach. The ideal compliance professional understands compliance, legal matters, business operations, and organizational culture. Without this comprehensive approach, a compliance program risks becoming merely theoretical and ineffective.

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