

When Communication Risk Scales Faster Than Compliance

Effective risk mitigation requires comprehensive coverage and a transparent path to real-time insights.

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Compliance teams are losing ground.

Not because they lack tools or ability, but because the volume, velocity, and fragmentation of digital communication are accelerating faster than legacy, surveillance models can keep up.

Regulators are already responding. In 2025, the Securities and Exchange Commission fined 12 firms more than \$63 million in aggregate for recordkeeping failures tied to communications oversight.¹

For firms like Jefferies, a global investment bank operating across regions, products, and platforms, that gap became impossible to ignore.

Rather than trying to contain the problem, Jefferies made a different move. The firm expanded its [15-year partnership with Smarsh](#), adopting its current AI-driven communications surveillance technology to strengthen oversight across its global business and better equip compliance teams to manage risk at scale.

It is a decision more institutions are now facing. Capturing communications is no longer enough. The real challenge is identifying what matters before it becomes a problem.

The new reality of communication risk

Communication in financial services has outgrown the systems designed to monitor it.

Conversations now move seamlessly between email, mobile messaging, and platforms like Microsoft Teams. Attempts to lock down channels often create new

exposure, pushing activity into less visible environments where risk is harder to detect.

At the same time, firms are scaling, adding employees, entering new markets, and integrating acquisitions. Large transactions are becoming more common, with \$1 billion-plus deals rising more than 70% even as overall M&A Activity slowed according to EY Global.²

Each layer increases not just the volume of communications, but the complexity of what needs to be monitored across languages, jurisdictions, and business lines.

“As firms expand, communications surveillance gets more challenging,” says Kim Crawford Goodman, CEO of Smarsh. “Detecting the signals of risk across the noise requires the right tools and the right preparation.”

From capture to control

Jefferies’ evolution shows how the problem is changing—and how firms are responding.

Over more than a decade, the firm built a strong foundation by capturing key communication channels, including mobile and Microsoft Teams. But as its global footprint grew, capture alone was no longer sufficient.

The firm expanded its use of Smarsh technology to enhance surveillance, gaining broader visibility across channels, and strengthening its ability to identify potential risks within an increasingly complex communications environment.

¹. SEC Press Release, January 13, 2025

². E&Y Global Press Release, January 8, 2026

“We’ve worked with numerous technology providers, and we expanded our relationship with Smarsh because they have a partner-first approach,” says Anu Willoughby, Global COO of Legal and Compliance at Jefferies. “Their ability to adapt and deliver across geographies makes them a strategic ally in our compliance journey.”³

With support from Smarsh Global Services, Jefferies is pairing technology with operational expertise, helping its compliance function keep pace with the business without adding unnecessary friction.

Built for financial services, proven at scale

This shift is not happening in isolation.

Today, [18 out of 20](#) of the world’s largest financial institutions rely on Smarsh to help manage communications risk, reflecting both the scale of the challenge and the need for solutions purpose-built for regulated environments.

Smarsh supports firms with:

- Comprehensive capture across all communication channels
- AI-driven surveillance for earlier risk identification
- Global coverage across languages, regions, and regulatory requirements
- Defensible audit trails with regulator-ready transparency

For financial institutions, this is not just about technology. It is about enabling compliance teams to operate with clarity, consistency, and confidence in increasingly complex environments.

The shift happening across the industry

Jefferies is not alone.

Across financial services, surveillance is moving beyond retrospective review toward earlier risk identification, helping firms focus on higher-risk activity while maintaining the documentation regulators expect.

That shift is redefining what effective compliance looks like.

Why more data is not the answer

More data does not reduce risk. It often obscures it.

Without the ability to isolate meaningful signals, compliance teams are left reviewing more content, with less clarity, under greater time pressure.

At the same time, regulators continue to expect clear, defensible oversight. Firms need to show not just what they captured, but how they monitored it and why decisions were made.

That makes transparency as important as detection.

Choosing partners that can keep up

As communication channels multiply and regulatory expectations intensify, financial institutions cannot afford partners that simply keep pace. They need partners that stay ahead. The widening gap between communication growth and compliance capacity is forcing a shift from reactive tooling to proactive, intelligence-driven platforms.

This is where Smarsh stands apart. Modern compliance is no longer just about archiving. It requires unified capture across every channel, real-time visibility into risk including off-channel activity, and AI-powered insights that surface what actually matters so teams can act faster and with confidence.

Global organizations also need solutions that operate seamlessly across regions and languages. Smarsh delivers that scale without adding operational complexity.

Just as important, Smarsh is not a static solution. As communication evolves, the platform evolves with it, continuously adapting and improving alongside your compliance program so you are never playing catch-up.

The firms that move first win

The firms gaining ground are not the ones capturing the most data. They are the ones acting on it first.

They identify risk earlier, focus their resources more effectively, and respond with greater confidence as communication continues to grow more complex.

In that environment, the ability to see risk clearly, and act on it quickly, is no longer just a compliance requirement.

It is a meaningful operational advantage.