

What's Changing in How You Deliver

Regulatory Compliance Advisory

You have seen this on your delivery engine

"The sophisticated client you are advising on AI governance is already starting to ask how your own delivery uses AI. The answer they see when they look is the same answer your competitors see when they pitch against you."

01

Why is our margin drifting on work our rate card says should hold?

02

What happens to our quality floor when our senior specialists retire?

03

Why has our delivery cycle not moved in a decade?

AI GOVERNANCE ATTESTATION

CLIENT-FACING GOVERNANCE

We confirm the following are in place for client engagements:

- ☒ AI governance framework approved by leadership and the Board
- ☒ Independent risk assessment completed and documented
- ☒ Human oversight and escalation controls are mandatory
- ☒ Data privacy, security and confidentiality controls in place
- ☒ Model selection, validation and performance monitoring defined
- ☒ Transparent disclosure to clients where AI is used
- ☒ Training and awareness for all relevant staff
- ☒ Incident response and issue management process active

Engagement Partner

[Signature]

Date

May 15, 2025

INTERNAL DELIVERY USE

OUR OWN AI USE IN DELIVERY

We confirm our approach to using AI in our own delivery:

- ☐ Documented policy on approved AI tools and use cases
- ☐ Risk classification of internal AI use by engagement type
- ☐ Human-in-the-loop controls defined for all AI outputs
- ☐ Quality assurance process for AI-assisted work
- ☐ Data handling and confidentiality requirements defined
- ☐ Staff training on responsible AI use
- ☐ Monitoring and periodic review of AI tools and performance
- ☐ Internal disclosure and escalation process for AI-related issues

Practice Leader

Date

To be completed

You have seen this on your delivery engine

Every Chief Operating Officer or Head of Delivery at a mid-sized regulatory and compliance advisory in Europe has had the same Monday morning. Three mandate reviews on this week's calendar. Mandate one: a CSRD readiness for a listed industrial group, the materiality workshop moved twice because Gudrun is the only one who can run it with the Swedish FI in the room and Gudrun has been with a client in Helsinki. Mandate two: a DORA scoping for a Nordic fund administrator, the mid-tier analyst spent twenty-two hours last week on obligation mapping and an ICT third-party register population that a platform the client already subscribes to could have done in an afternoon. Mandate three: an AI-governance retainer for a mid-cap bank. The CCO asked a polite question on last week's call about how the firm uses AI in its own delivery. You knew the answer. So did she.

You have run this function for fifteen years. The pattern used to be simple. Hire the best regulatory specialists. Ride the supervisory cycle. Protect the accuracy floor. Hold utilisation at the number. The business was understandable.

Something changed. Your CSRD, DORA, and AI-Act volume is climbing, but your engagement margin on the same mandates is drifting three to five points against two years ago. Your senior regulatory specialists are the scarcest resource in the firm, and they are spending half their billable week on policy synthesis, obligation mapping, and compliance drafting that could run on infrastructure the firm has not built. Your cycle on a standard readiness mandate has not meaningfully shortened in a decade despite the tooling that exists now. And you can name the six senior specialists whose retirement inside five years will cost you more than this whole wave gains you.

It is not a you problem. It is an industry problem and a delivery-engine problem, happening at the same time. Most advisory COOs are treating them as two. The ones who see them as one are going to own the next decade of European regulatory advisory.

This briefing covers what is happening in your sector, what it means inside your delivery engine, and the three questions your operations team should answer before the next board cycle.

Regulatory advisory just got the wave it waited for, and the wave is the trap

Every technology wave your sector absorbed in the last thirty years gave clients a reason to pay for more specialist hours. Each new reporting framework pulled in more specialists per filing. Each supervisory cycle stretched mandates across the full remediation lifecycle. The rate card held because every new layer of regulation gave it a new reason to. CSRD, DORA, and the EU AI Act arriving simultaneously look like the biggest version of that pattern the sector has ever had. Many CEOs in your segment are planning their next three years around it.

AI does not behave the same way. The client still needs the same materiality assessment, the same ICT third-party risk register, the same AI-Act Article 4 literacy programme. The scope of the work is unchanged. But the analytical layer that used to absorb most of the mid-tier hours (policy monitoring, obligation mapping, gap-analysis documentation, compliance drafting) can now be done in a fraction of the time by the platforms the client already owns and by the agents the firm has not yet deployed. Under hourly billing, faster delivery at the same rate card means less revenue for the same mandate. Your sector is starting to call it mandate-margin compression, and for the first time in a generation, the rate card is actually sliding.

The sophisticated client you are advising on AI governance is already starting to ask how your own delivery uses AI. The answer they see when they look is the same answer your competitors see when they pitch against you.

The competitors in your segment are not waiting. A handful of Nordic and continental regulatory firms have committed serious budget to agent-led mandate infrastructure in the last eighteen months. The ones moving first are closing CSRD readiness mandates in six to seven weeks that used to take twelve, at the same rate card, with margin moving back toward numbers the firm has not seen since the post-MiFID II cycle. The other half of the story sits on the client side. Mid-market listed companies that could not absorb the fee for a full CSRD readiness at €80K minimum are suddenly the addressable segment, because the same senior judgment now delivers at entry points near €25K. The firm that opens that segment first captures a decade of retainers the incumbents never priced for.

Your delivery engine, your bench, and your client retention are feeling it every day

Your mandate delivery. Project managers are working harder to close out mandates at the same quality. Handoffs between proposal operations, scoping, and delivery carry friction that was built when the function was organised around a 2015 workflow and never redesigned. The firm delivers a CSRD readiness the same way it delivered a supervisory-review remediation in 2017. The tooling has changed, the clients have changed, the regulatory surface has changed. The delivery engine has not.

Your regulatory quality. The accuracy floor still holds. The ceiling has not risen in ten years. Both are now at risk. The senior specialists who catch the materiality finding a mid-tier would miss, who read the supervisor's posture before it appears in a formal letter, who walk a client through a regulator's unwritten preference, carry that judgment as biography. It has never been written down. When one of them retires, the firm runs two mandates with a visible quality gap before the client notices. Three mandates before the client comments. Five before the retainer goes to tender.

Your specialist bench. Your mid-tier analysts bill at premium rates against policy synthesis, obligation mapping, and documentation drafting that AI platforms now deliver at a fraction of the cost. The rate card still reads the same number. Realisation is drifting three to five points a year on the book where the client can see the comparison. Utilisation targets are harder to hold every quarter. Most of your mid-tier bench has not had a conversation yet about what the next version of their role looks like.

Your senior experts. Your fifteen to forty most senior regulatory specialists cost the firm between €300 and €450 an hour fully loaded. On a standard billable week they deliver fourteen to twenty hours of the novel interpretation and enforcement-culture reads only they can provide. The remaining twenty to twenty-six hours go into policy synthesis, gap-analysis review, cross-jurisdiction checks, and compliance drafting. Substrate work the firm has not yet built infrastructure to carry. The scarcest resource in the firm is spending half its week on the work it is least suited for.

Your client continuity. Your top three senior partners each carry between four and nine long-running retainers worth €600K to €1.8M a year in advisory and project revenue. They built those relationships on fifteen to twenty-five years of client-and-regulator-specific judgment, never written down. When one of them retires, industry experience is that one of those retainers goes to tender within eighteen months. The retirement conversations are already on your calendar. You know which ones.

The firms pulling ahead are building one piece of infrastructure

Your sector is compressing from below because AI takes hours out of the mid-tier analysis. Your delivery engine is compressing from above because your senior specialists are spending half their billable week on substrate work the firm has not built infrastructure to hold. Same force, two altitudes. But there is a third thing happening that most advisory COOs have not named yet, and it is the one that matters most.

You do not have three problems. You have one. The senior regulatory judgment that makes your firm credible has never been separated from the specialist who carries it. Every margin drift, every retention risk, every stuck cycle is a symptom of that single unsolved thing. Pay a senior partner to do policy synthesis a platform can do, and margin drifts. Let a senior retire with their enforcement-culture read still in their head, and the retainer goes to tender. Keep the delivery engine designed around a bottleneck that cannot be unblocked, and the cycle cannot shorten.

Look at the firms pulling ahead. Mandate delivery, bench, and client continuity are not three separate programmes. They are one piece of infrastructure. Every mandate makes the infrastructure smarter. The senior who retires adds to it on the way out. The mid-tier analyst learns by using it. The client relationship holds because it lives in it. The same infrastructure that protects engagement margin protects continuity and shortens cycle.

You can tell which camp a firm is in from a single question. Can you point to one thing in your firm that is measurably smarter this quarter than last quarter? Most advisories cannot. The ones that can have already made the shift, and they are already closing the CSRD mandates you thought were yours.

You have eighteen to twenty-four months. The AI adoption debate is over. Your question now is whether you build the infrastructure your firm will run on for the next decade, or wait until the CFO brings in a vendor who will build one that belongs to someone else.

What most firms are doing. What the winners are doing instead.

Every advisory COO has had the AI conversation. Most are making the same four decisions. A smaller group is making different ones. The difference is architecture, not tooling.

THE DEFAULT PATH

Hold the rate card, push utilisation up

Same pricing mechanic, harder targets. Realisation drifts as client procurement benchmarks in AI-comparison quotes.

Treat senior retirements as an HR problem

Mentor, hire replacements at premium, and watch a retainer go to tender eighteen months after each departure.

Deploy copilots on top of the existing delivery engine

Every specialist gets a chatbot. Productivity rises individually. Cycle does not move because the engine is still 2015.

Staff proportionally to the CSRD and DORA wave

Hire mid-tier analysts to match demand. Revenue climbs; cost base locks in. By 2028 a competitor undercuts at equal quality.

THE WINNERS' PATH

Migrate routine work to deliverable-priced offers

Gap analysis, obligation mapping, policy synthesis priced per output. The rate card stops being the conversation. Margin widens.

Extract senior judgment as a side-effect of daily work

Capture from the artefacts they already produce. Seniors stay the escalation layer. The knowledge stops walking out.

Rebuild the delivery engine around the new unit

Mid-tier plus agents plus extracted reasoning delivers senior-tier output. Cycle compresses from twelve weeks to six.

Redesign the junior pathway around judgment from day one

New hires pair with agents and the firm's extracted corpus. The five-year curve compresses to eighteen months.

Same delivery engine. Same twelve months. Opposite outcomes. The difference is the architecture, not the agents.

Engagement Margin. Regulatory Accuracy. Mandate Velocity.

Three questions every advisory COO is tracking. None of them used to be the same question. They are now.

01 · ENGAGEMENT MARGIN

Why is our margin drifting on work our rate card says should hold?

The rate card has not moved. Utilisation is within target. But realisation on your mid-tier book is down three to five points against two years ago, and client procurement is showing up to CSRD and DORA tenders with AI-cost benchmarks on the quotes where the comparison is clearest. The platforms your clients already subscribe to are doing the policy synthesis and obligation mapping that justified the mid-tier rate. The rate card is fine. The pricing model is the question.

02 · REGULATORY ACCURACY

What happens to our quality floor when our senior specialists retire?

Five to twelve of your most senior partners are within five years of retirement. Each one carries enforcement-culture judgment that took twenty-five years to build and has never been written down. The accuracy floor holds because they are in the room. When they leave, the floor drops before the client notices, and the retainer they held goes to tender the quarter after the announcement. You already know which conversations are on your calendar.

03 · MANDATE VELOCITY

Why has our delivery cycle not moved in a decade?

A standard CSRD readiness takes ten to fourteen weeks on a mid-complexity mandate. Roughly half that elapsed time is policy synthesis, cross-jurisdiction checks, and iteration that now compresses to hours not weeks. The firms that rebuild delivery around this close the same mandate in five to seven. Same rate card. Same quality. Forty percent more mandates per specialist. Not a productivity story. A capacity story.

What the firms winning this play are actually doing

Four concrete moves any advisory COO can start this quarter. Each touches one part of the delivery engine. Pulled together, they become one architecture the firm runs on.

1

Mandate delivery: decompose every mandate type to the task level, then price around the tasks that still make money

Most COOs are redesigning mandate types. The right unit is the deliverable task. List the task bundles inside each mandate your firm sells. Mark each: agent-owned with human audit, composite, senior-only, retired. What remains is a different mandate at a different cost base and price point. The COO who walks into the next pricing committee with the task-level map owns the conversation. The ones with mandate-type P&Ls are running the 2019 playbook.

2

Quality: extract senior regulatory judgment now, as a side-effect of daily work, not as a separate knowledge project

Documentation sprints and mentoring have failed in every advisory firm for thirty years. The enforcement-culture read is not articulable in prose. Extract from the artefacts the specialist already produces: mandate memos, supervisory correspondence, redlined deliverables, peer-review notes. The firm captures the reasoning patterns as a side-effect of paid work. Senior consent is straightforward because the partner is not asked to explain themselves. Their role elevates from delivery to escalation. The knowledge stops being biographical.

3

Bench: redesign the junior pathway around novel interpretation from day one, not obligation mapping

The obligation mapping and policy synthesis that trained juniors into mid-tiers is now running on agents. No routine work, no training ground, no senior bench in 2031. New analysts do not start on mapping runs. They start on edge-case review, exception-handling, and paired work with seniors. The five-year curve compresses to eighteen months. The junior who in 2022 built competence through three years of repetition now builds it through three years of judgment at volume.

4

Proposal operations: institutionalise the scoping and tender judgment so the firm scales into the wave without hiring proportionally

Every advisory firm scales proposal ops linearly with demand. CSRD and DORA season break the engine every spring. Capture the scoping judgment (what the mandate actually looks like inside), the pricing judgment (what wins at what margin), and the win-loss pattern into infrastructure the next proposal analyst inherits. One analyst does what four used to. The scoping quality rises because the corpus holds every prior mandate. The tender-response engine becomes the part of the firm that compounds.

The only firm that joins delivery-floor advisory to working infrastructure

The advisory COO has four places to go for help. None of them can do what we do.

The big consulting firms' regulatory and risk practices will sell a €500K to €2M diagnostic delivered by a partner and analysts billing hours. They produce decks. They cannot put working infrastructure into a senior's workflow in three months. Their own revenue model is what your problem is about.

The compliance platform and governance-risk vendors will sell an eighteen-month implementation with workflow digitisation and dashboards. They treat your senior's enforcement-culture read as a field to tag. Every firm has watched that purchase fail once already.

The regulatory knowledge-content providers will sell a premium subscription to policy monitoring and obligation updates. They are the layer commoditising your mid-tier billing. Buying more accelerates the problem. It replaces what your mid-tier charged for.

Your internal IT function and the generic AI-platform builders will build a chatbot on the intranet or an automation pilot on expenses. IT optimises for standardisation. It does not sit close enough to how your seniors reason to codify their judgment.

The market offers four things you have already said no to. GRAIL is the fifth option.

WHAT YOU GET

Senior advisory that speaks delivery-floor, not diagnostic-deck

Working infrastructure your specialists use the same week

Custom agents built on your mandates, your clients, your regulators

The start of a knowledge infrastructure your best seniors feed

No vendor lock-in at any phase of the engagement

WHY IT MATTERS

Founded by operators who have run professional-services delivery

Business first, technology second

Three weeks from first meeting to working infrastructure

Your specialists keep the infrastructure, you own the IP

Every next step earned by what just shipped, never assumed

Three sessions with your delivery leadership. Working infrastructure from week one.

We start with your delivery leadership team because the change cannot outrun the team's personal understanding of what is possible. Three workshops. Each delivers standalone value. Each earns the right to the next.

WORKSHOP 01

How to think

Walk through what is happening in your sector and inside your delivery engine. Build the first piece of infrastructure in the room: a client-specific agent for one of your real retainers, extracted from the mandate archive you already have. Your operations team leaves with a shared view of what to do next and the first piece of working infrastructure already in their hands.

WORKSHOP 02

Your delivery infrastructure

A half-day build. Your Head of Advisory Operations, Heads of Practice, Head of Knowledge, and Head of Bench each leave with five to ten pieces of working infrastructure tuned to their function. CSRD materiality preparation. DORA scoping. Mandate-review agents. Client-specific knowledge capture. Proposal-operations workflows. Infrastructure your teams are using the same week, not decks about infrastructure.

WORKSHOP 03

Ready to run

Refined infrastructure based on real use. The rollout plan to your wider delivery organisation. The knowledge-extraction plan for your senior partners. The pathway plan for your mid-tier analysts. And the CEO and CFO conversation with numbers they can check: revenue per senior specialist, realisation by book segment, retention exposure by partner.

Three weeks. No IT project. No board approval needed to start. The infrastructure your delivery engine is already running on when we finish.

For your next operations review

The questions where your operations team cannot agree on an answer are the ones worth an hour on the agenda. Ask these honestly.

Of the last ten mandates where realisation came in under plan, how many lost ground because client procurement arrived with AI-cost benchmarks your team had not seen? If you do not know, how would you find out?

What percentage of your senior partners' billable week is spent on policy synthesis, obligation mapping, cross-jurisdiction checks, and compliance drafting, and what would it take to cut that in half?

If your top three senior regulatory specialists retired next year, what would happen to the retainers they carry? What have you actually transferred to the rest of the bench in the last twelve months?

Can you point to one thing in your firm that is measurably smarter this quarter than last quarter? If not, what are the next four quarters going to add up to?

Which of your mid-tier analysts is already working the way the rest of the bench will need to work by 2027? What would it take for that to be the default across your delivery organisation?

If any of these produces a disagreement in your operations team, that is the conversation worth having before the board asks.

IN THIS SERIES

There's a version of this briefing for every seat at the table.

GRAIL has produced industry briefings calibrated to the specific reality of each C-suite role.

CEO

Revenue. Margin. Valuation.

Three numbers your board reads. AI is rewriting all three in your industry.

CFO

Capital. Forecast. Story.

What you allocate this year is the story your board reads next year.

COO

» YOU ARE READING

Cheaper. Better. Faster.

The triple threat that used to be a tradeoff is now table stakes.

CHRO

Capacity. Capability. Promise.

The biggest talent transition of a career. Compete on capacity, not headcount.

CPTO

Moat. Speed. Allocation.

The platform moat that survives 2028 is being chosen this year.

CCO

Margin. Pace. Position.

The whole GTM playbook is being rewritten in real time, across every commercial team at once.

Visit grail.works for the full series.

GRAIL

An AI-native management consultancy helping European mid-market leadership teams figure out what fundamentally changes about their business as AI enters their industry.

www.grail.works