

From uncertainty to clarity: Making risk work in the Americas

BDO's Global Risk Landscape Report 2025



The Americas region currently faces heightened levels of risk. With long-standing geopolitical relationships rapidly changing and growing economic uncertainty driven by shifting U.S. trade and economic policies, as many as 91% of executives in the region agreed that the global risk landscape is now more defined by crisis than at any time in recent memory, up from 86% last year.

Executives in the region also believe risk is increasing at a faster clip than respondents elsewhere in the world.

91%

of regional executives say that the risk landscape is more defined by crisis than at any time in recent memory.

63%

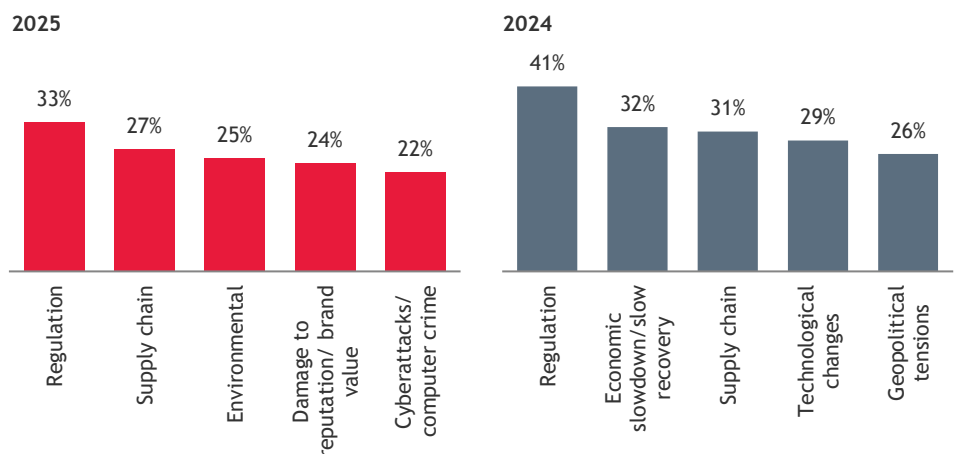
say risk velocity is increasing, compared with 54% last year.

“The risk landscape is changing, the global economy is changing, the world is moving at lightning pace. Risk professionals within organizations have to be in tune and adaptable. They must pay attention to the changes that are happening to their business, but also to the changes that are happening to other businesses in their industry.

Dawn Williford, Market Managing Principal,
Risk Advisory Services at BDO USA

While concerns may have shifted since executives were surveyed in January, back then regulatory risk remained the biggest issue that business leaders in the Americas felt they were unprepared for. A third of respondents flagged it as one of their top three risks, down from 41% a year ago.

Regulatory risk is the biggest challenge. Brand risk and cyber are now top five concerns (percentage who said it was a top three risk)



In the USA, that is likely to be more pronounced for highly regulated industries where companies must spend more money on compliance and reporting requirements, said Williford.

“The more highly regulated industries like healthcare, financial services and energy are definitely feeling that more than the less regulated industries.

Dawn Williford

In Canada, regulatory risk is felt across the board: the compliance landscape is fragmented along provincial lines, making it more complex to manage.

Businesses are urging regulators to address the issue, particularly if trade tensions continue to escalate with the Trump administration.

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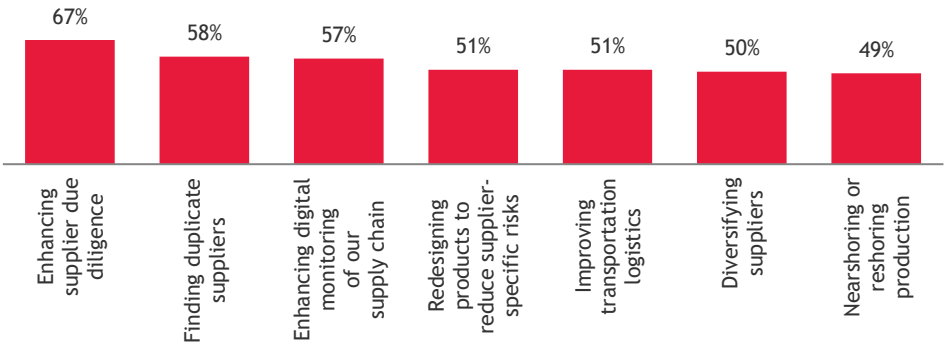
A consistent and streamlined regulatory regime across Canada would empower Canadian organizations to compete more effectively at a national level.

In the face of external pressures like tariffs or trade wars with the US, eliminating interprovincial trade barriers becomes even more critical, thus ensuring that our domestic economy remains resilient, agile, and capable of sustaining momentum regardless of global disruptions.

Ziad Akkaoui, Partner, Risk Advisory at BDO Canada

Even before the current trade wrangling, supply chain concerns had already been surfacing, becoming the second-biggest risk executives felt they are most unprepared for, up from third last year. Respondents said the actions they were planning to take over the next two years to reduce risks in their physical supply chains included enhancing supplier due diligence (67%), followed by finding duplicate suppliers (58%) and enhancing digital monitoring of supply chain (57%). While nearshoring was at the bottom of the list, companies in the region are more interested in de-risking their supply chains than the global average. Despite this, many companies in the region are currently taking a wait-and-see approach before revisiting their supply chain plans.

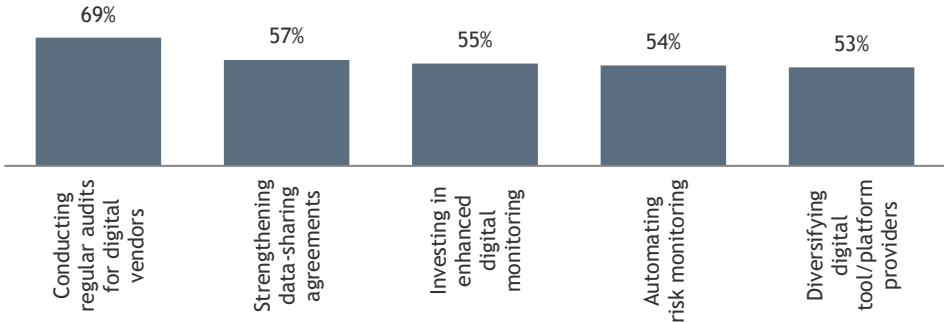
What are regional executives doing to reduce physical supply chain risk?



“ There’s a lot of uncertainty about the geopolitical environment but it also has to do with the economy as a whole. Some economists in America are raising the probability of a US recession in 2025, but that outcome is far from certain. However, given the possibility, we have seen that companies are developing contingency plans, diversifying their supply chains, reducing concentration amongst suppliers and managing logistics to ensure they have access to the critical components or services that they need regardless of the direction the economy goes.

Dawn Williford

What is being done to cut digital supply chain risk?



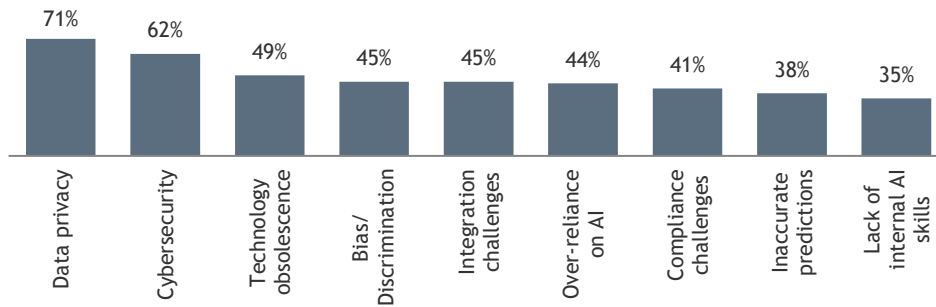
Optimism around AI has also slowed down. Whereas last year 64% saw the technology as an opportunity, that number had fallen to 55% this year, slightly below the global average.

“ The slight decline in optimism about AI in the Americas may reflect a more realistic understanding of its capabilities and challenges. Initial excitement may have been tempered by the complexities encountered during pilot projects. This realism is beneficial as it encourages organizations to approach AI implementation with a strategic mindset, focusing on long-term value rather than short-term gains.

Ziad Akkaoui



Where do regional executives see the risk in AI?



As companies explore potential AI tools and put in place pilot programs, executives need to ensure their AI initiatives are aligned with the business' wider objectives and its risk management framework, Akkaoui said.

“ It's about identifying the best use cases and piloting one or two. Based on successes or the lessons learned, companies can then try to expand AI into different areas of the business. This method balances ambition with risk management and allows for organizational adaptation.

Ziad Akkaoui

AI risk is also still top of mind for many organizations. As many as 71% flagged data privacy as the biggest risk, followed by cybersecurity (62%) and tech obsolescence (49%).

In addition, AI is increasing people risk, with some employees fretting that the technology will replace the human workforce. While businesses often talk about AI augmenting human expertise, Shopify CEO Tobi Lütke recently told employees that teams could not hire new staff members unless they could prove AI wouldn't be able to do the job, a clear signal that in some businesses headcount will be impacted.

Organizations are also worried about the skills gap and the ability to integrate AI effectively into their operations.

“ This challenge requires collaboration between the risk function and the transformation office to ensure that the workforce is equipped with the necessary skills and that AI is implemented responsibly. Both functions play a crucial role in managing the human capital risks associated with AI.

Ziad Akkaoui

People risk is not only being impacted by AI: there is also a shortage of skills and specialized talent across multiple industries, said Williford.

“ Businesses are having a hard time finding, for example, qualified accounting professionals or people with the right technology skills.

Dawn Williford

The threat of cyberattacks and other computer-related crime is also now a top five risk in the Americas, with 22% of executives flagging it as one of their biggest risks.

“ Despite significant investments in cybersecurity, the persistence of cyber risks suggests that companies may not be focusing on the most effective strategies. You can deploy the best tools for prevention and resilience, but at the end of the day, cybersecurity is also fundamentally a human issue, rooted in behavior, awareness, and culture.

Ziad Akkaoui

For more information contact:

Dawn Williford

Market Managing Principal,
Risk Advisory Services
BDO USA
dwilliford@bdo.com

Ziad Akkaoui

Partner, Risk Advisory
BDO Canada
zakkaoui@bdo.ca

This means ensuring businesses are offering appropriate training and are embedding a security-first culture, he said.

“ Building a security-first culture is not just about technology, it's about empowering every employee to be a proactive guardian of their organization's digital assets.

Ziad Akkaoui

65%

of regional executives say they are investing in staff training to combat cyber risk, but only

47%

have a formal cybersecurity program with allotted budget.

This extends to the wider business and its approach to risk: by instilling proactive risk management thinking where all staff treat uncertainty as business-as-usual, organizations can unshackle themselves from a box-ticking mentality and find opportunities to grow even if risk velocity is increasing.

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