Turning risk into results
Unlocking the power of GRC technology

EY
Building a better working world
What we are seeing in the market

Organizations today are struggling with managing risks across the enterprise. External and internal risk management requirements are becoming increasingly complex and intrusive, while the demand for more comprehensive, consolidated and actionable governance, risk and compliance (GRC) information continues to increase. The historic approach of managing risk in silos across different teams, processes, methods and infrastructure cannot keep up with these requirements. Risk management has become a growing operational and financial burden, limiting its ability to keep pace with business growth and transformational initiatives.

This is the right time to learn about opportunities to transform your risk management program by enabling GRC technology that can:

- Create improved visibility and integration by linking various risk and control frameworks
- Lower the cost of risk management through the elimination of duplicate and fragmented risk activities and reduction of manual processes
- Increase efficiencies through automation and end-to-end process centralization

Our recent EY global survey of more than 250 leading organizations found a direct link between effective risk management practices and improved financial performance. Harnessing the power of GRC technology to improve risk information, streamline processes and reduce cost was both the biggest challenge and opportunity in achieving the needed risk management maturity.

What are the opportunities at your company?

<table>
<thead>
<tr>
<th>Typical current state</th>
<th>Mature state</th>
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<tbody>
<tr>
<td><strong>Increasing complexity</strong></td>
<td><strong>Simplified</strong></td>
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<tr>
<td>Multiple and manual risk and access management processes</td>
<td>Significant workflow automation</td>
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<td>Fragmented, manual ad hoc reporting</td>
<td>Centralized risk and risk assessment management</td>
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<td>Inability to produce a consolidated heat map</td>
<td>Top-down and bottom-up risk integration</td>
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<td><strong>Reactives</strong></td>
<td><strong>Proactive</strong></td>
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<td>High instances of segregation of duties violations</td>
<td>Consistent and real-time reporting</td>
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<tr>
<td>Lack of confidence that all risks were captured</td>
<td>Centralized and consolidated heat map</td>
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<td><strong>Failure and fear of unknown</strong></td>
<td><strong>Visibility</strong></td>
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<td>Lack of centralization</td>
<td>Compliant role design and user provisioning activities</td>
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<tr>
<td>Significant impact on business</td>
<td>Consolidated views and end-to-end risk management processes</td>
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<td><strong>Cost pressures</strong></td>
<td><strong>Cost-efficient</strong></td>
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<td>Inconsistent approach to capture and assess risks across the organization</td>
<td>Centralized processes</td>
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<tr>
<td><strong>Inconsistent approach</strong></td>
<td><strong>Consistent</strong></td>
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<tr>
<td>Reasonable impact on business</td>
<td>Central end-to-end process</td>
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<tr>
<td>Ability to manage risks at multiple organizational levels</td>
<td>Automated risk activities linked to controls and outcomes</td>
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GRC technology enables four key objectives of the risk agenda

**Enhance risk strategy**
- Improved alignment to the objectives and strategy of the business
- Improved visibility to risks that matter most to the organization
- Proactive identification of risks
- Enhanced decision-making

**Embed risk management**
- Comprehensive and continuous risk management and monitoring
- Central management of financial, operational and compliance risks and controls across organization

**Improve controls and processes**
- Better aligned risk coverage, including the identification of stronger, more pervasive controls
- Reduced level of effort associated with performing and testing controls
- Increased control and process efficiencies enabled through automation and continuous monitoring
- Improved control mix that addresses key business risks while driving process efficiencies

**Optimize risk management functions**
- Elimination of duplicate and fragmented risk management activities
- Increased integration and coordination among business, IT and compliance
- Sustainability of risk management process
- Effective top-down and bottom-up reporting

**Resulting in the following benefits:**

- Improved alignment to the objectives and strategy of the business
- Central management of financial, operational and compliance risks and controls across organization
- Increased integration and coordination among business, IT and compliance
- Improved control mix that addresses key business risks while driving process efficiencies
- Sustainability of risk management process
- Effective top-down and bottom-up reporting

- Elimination of duplicate and fragmented risk management activities
- Reduced level of effort associated with performing and testing controls
- Reduction in compliance and audit costs, including those associated with audit failure
- Increased control and process efficiencies enabled through automation and continuous monitoring
- Improved return on investment due to reliance on application controls rather than manual controls
- Comprehensive and continuous risk management and monitoring
- Proactive identification of risks
- Improved visibility and integration across manual and fragmented risk activities
- Better aligned risk coverage, including the identification of stronger, more pervasive controls
- Improved visibility to risks that matter most to the organization, enabling resources to focus proactively on the most significant risks
Next steps to improve your risk management landscape

**Rapid GRC technology diagnostic** provides accelerated current state assessment of your GRC processes and technology, allowing you to identify realizable value and develop a future state road map to achieve it.

**Maturity models**: industry-specific maturity models to assist with mapping the current state to leading practices (enterprise-wide technology, GRC technology and processes/controls).

**RICAP™**: collects and analyzes process, risk and controls data to help align risk spend to strategic and business objectives by maximizing risk coverage and identifying control cost drivers.

**Leading-practice benchmarks**: access to leading practices and industry-specific benchmarks to help assess the current state and identify improvement opportunities.

**GRC tool evaluation**: a detailed evaluation of 14 leading GRC vendors.

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**Why EY?**

- Global and flexible approach with a focus on SAP GRC, Oracle GRC and RSA Archer eGRC solutions
- Knowledgeable team with practical experience in process, risk and technology disciplines
- Industry-specific content and enablers
- Leading-practice assessment diagnostics and leverage models
- Service delivery model design and key performance indicators

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**Our services**

- Rapid GRC technology diagnostic
- GRC technology vendor selection
- GRC technology implementation and assessments
- Risk transformation enabled by GRC technology

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