Turning risk into results
Enabling risk management with SAP GRC
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 it through an SAP GRC Risk Management solution 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 minimization 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>Simplified</td>
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<tr>
<td>- Multiple and manual risk management processes</td>
<td>- Significant workflow automation</td>
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<td>- Fragmented, manual and ad hoc reporting</td>
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<tr>
<td>- Inability to produce a consolidated heat map</td>
<td>- Centralized risk and risk assessment management</td>
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<td><strong>Reactive</strong></td>
<td>Proactive</td>
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<td>- Lack of confidence that all risks were captured</td>
<td>- Consistent and real-time reporting</td>
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<tr>
<td>- Lack of centralization</td>
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<tr>
<td>- Significant impact on business</td>
<td>- Centralized and consolidated heat map</td>
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<td><strong>Fear of unknown</strong></td>
<td>Visibility</td>
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<tr>
<td>- Inconsistent approach to capture and assess risks across the organization</td>
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<tr>
<td>- Inconsistent approach to capture and assess risks across the organization</td>
<td>- Scheduled risk assessment activities</td>
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<td>- Centralized processes</td>
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<tr>
<td>- Reasonable impact on business</td>
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<tr>
<td>- Ability to manage risks at multiple organizational levels</td>
<td>- Ability to improve audit activities</td>
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<td><strong>Cost pressures</strong></td>
<td>Cost-efficient</td>
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<tr>
<td>- Central end-to-end process</td>
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SAP GRC Risk Management can enable your 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 across organization and technology platforms
- Increased integration and coordination among business, IT and compliance
- Automated risk assessment process
- Flexibility to accommodate various risk models and execute scenario simulations
- Sustainability of risk management process
- User-friendly reporting

- Elimination of duplicate and fragmented risk management activities
- Reduced level of effort associated with performing risk management activities
- Streamlined distribution and approval of risks and surveys

- 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 proactively focus 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 and leading-practice benchmarks:** assist with assessing the current state against leading practice (enterprise-wide technology, GRC technology and processes/controls) and identifying opportunities for improvement.

**SAP GRC demo** facilitates mapping of business requirements to SAP GRC functionality and could be used to develop an initial business case for implementing SAP GRC.

**SAP GRC demo environment:** demo environment for all the latest versions of software, including SAP GRC 10.0 for Access Control, Process Control, Risk Management and Global Trade Services.

**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.

**EY RiskUniverse®:** industry-specific risk universes, process-normative models and key business risks linked to application-specific controls that can be used to customize SAP GRC demos.

### Why EY?
- Global and flexible approach with a focus on SAP GRC
- 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

### 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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