



Many of the world's best run organizations are turning to **BPS** to give them the **Audit** software and **GRC** functionality they have been missing.

Case Study 1: Converging Information from Audit and Other Functions to Actionable Reporting for the Enterprise

The CFO of a global financial services firm decided that important output resided in individual oversight functions, and that it was important to find a way to integrate and aggregate data without directly changing the structure of how these units operate. He believed that when viewed together, their output could provide valuable insight into the overall risk exposure of the firm. Concurrently, he wanted to drive action: to speed up the ability to identify and prioritize issues and to push action plans to mitigate and manage these issues.

Working with BPS, the company implemented software which integrated the outputs from the separate compliance, operational risk, audit, and business continuity applications. These outputs were captured and organized centrally as risk Issues and Actions. The BPS solution enabled the enterprise to both capture the information from their businesses and prioritize issues and link them to action tracking, workflow, and reporting.

Creating issue overviews and linking them to a company's specific risk exposures provides senior management and boards with a valuable strategic tool. Issues can be assigned a priority according to their impact, pervasiveness, or non-compliance with regulatory or governance policy. Action plans may inherit these priorities as they are cast and approved. Like all types of managed change, action plans may be near-term and tactical in order to affect an immediate fix or they may be longer-term, with multiple phases of implementation and even separate management and dedicated resources.

In this case, proposed action plans are collected and analyzed as investments that the company can make proactively to prevent losses incurred by insufficiently mitigated issues or blind spots in their audit regime. Groups of issues and their related actions are further organized into portfolios that allow managers to view and prioritize them according to a variety of parameters. These parameters may include risk type, geography, and

product line. They may also be cast in terms of specific top-down strategies like improved customer service, lower turnover or departmental rationalization.

The relationships that exist between an organization's risks, operations, issues and actions are sophisticated and multi-dimensional (many-to-many). This is particularly true for global financial services firms, where a single perceived deficiency might cut across a number of products and units that, collectively, will have a material impact on the company. Without a tool that enables this type of information convergence, total potential impact remains invisible.

Many senior executives saw the BPS system reports as clearer and more relevant to their core businesses and operations, and are including a large number of front-line and back-office users in their implementation. In this particular case, several thousand employees are using the system and contributing to the collective view of risk and response in the company. This award winning implementation is one of the largest and most successful of this type in world today.

Case Study 2: Accelerating Cross-Unit Audit in a Highly Complex and Dynamic Environment

Global organizations that want to achieve consistency in their risk management reporting are often challenged by the sheer size and complexity of their enterprise. These companies maintain sophisticated hierarchies of legal entities, functional groups, management structures as well as lines of business and regional organizations. Many of the points where risk data need to be gathered exist at the intersection of these hierarchies. These intersections further dictate the frequency and scope of assessment activities as well as the organization of issues and actions that may arise from the analysis. The interrelationships between these hierarchies and their related risk management related activities can also drive the rules for aggregating data.

Select Case Summaries



The organization in this example demanded an approach that would fit its company structure today and accommodate future changes. Implementing a solution quickly was important, as there was little appetite for a long drawn-out project in advance of adding value. Critical success criteria also included the ability to capture hierarchical structures within the solution and automate the various risk-and control-centric evidentiary and testing requirements. Even more significantly, the company needed the ability to dynamically change the methodology, data structure and organizational details without compromising historical accuracy.

BPS had two key facilities in its product platform that facilitated the solution. First, the system allowed users to independently create and separately manage any number of structured hierarchies to describe the enterprise's actual structure. Further, these hierarchies could be connected at all points, forming a matrix. The hierarchies and their connection points could be managed independently by administrators without the need for programming. Changes to this structure could be secured and revision-controlled to maintain historical accuracy and data integrity. Second, the system would allow users to implement specific templates that would control how data would be gathered and testing completed and scored more appropriately. These templates would operate at each node (hierarchy intersection) in the business.

Workflow rules and e-mail notifications were also configured to operate uniquely at each part of the structure, so that the system could achieve highly specific, automatic behavior in each part of the business, while providing the freedom for risk managers to evolve and refine their methods and frameworks over time.

Risk management methodology, risk and control relationships and reporting requirements, as well as supporting evidentiary information (documents, logs and other data from company systems) all work together in lockstep in a repeatable and automatic fashion, while feeding a growing library of information about the enterprise that provides the basis for accurate, automatic reporting as well as rich, ad-hoc inquiries conducted by managers throughout the enterprise.

The full installation was completed in a matter of weeks. Once in place, the organization was able to drastically reduce the amount of work required to plan, initiate and execute their auditing and assessment processes. They were also able to truly cast optimized, multi-term audit plans that the system

helped keep current. The full installation was completed in a matter of weeks. Once in place following a rapid installation, the organization was able to drastically reduce the amount of work required to plan, initiate and execute their auditing and assessment processes.

Case Study 3: Enabling Collaborative Risk Evaluation in a Secure Environment

Many companies have unique cultures and unique ways of running their businesses. This is particularly true in companies whose major asset is the intellectual capital of their people, and where judgment and decision-making is entrusted to highly trained and seasoned professionals who are expected to collaborate within and across business and functional lines to elicit collective insights and achieve optimal outcomes. Implementing a solution that will work for these people in such an environment is an enormous challenge and one that requires an artful balance of flexibility and precision – all in real-time.

In this case, a global financial services company's auditors use **BPS Audit™** to plan and conduct cyclical reviews of the business in collaboration with the business process owners. High degrees of resolution were often sought, requiring the handling of masses of varied documents. There was also an expressed desire to go deep into the documents to identify inconsistencies and gaps between written policies, historical documents and logs, evidentiary trails and daily business activity.

Using the **BPS Audit™** solution, the company's auditors could coordinate their work and manage the data globally in three languages. **BPS Audit™** helped them identify and electronically document potential patterns and inconsistencies within business operations. Auditors and business process owners needed to quickly share this information securely within their expert ranks to form opinions as to the materiality of potential issues.

All participants had highly specific ways in which they desired to engage in this work, communicate and even document their views that varied from highly structured analysis (requiring point proof for every assertion) to high-level diarized opinion and overall guidance. The system's ability to appeal to how these people conducted their work as well as to support the security constraints within which they did so was critical.