

PROCESS CONTROL FOR IMPROVED, COMPLIANT BUSINESS PROCESSES

MITIGATE RISK AND REDUCE COST THROUGH EFFECTIVE CONTROLS

The challenges facing today's global economy speak in dramatic fashion to the importance of effective process controls for governance, risk, and compliance (GRC). As today's financial turmoil illustrates, even for institutions with controls in place, the inability to measure the efficiency and effectiveness of those controls has resulted in a failure to evaluate financial risk accurately. When it comes to GRC, the issue is not merely one of regulatory compliance. Effective GRC can mitigate risk and improve business competitiveness.

Why, then, do so many organizations continue to struggle with their GRC initiatives? One challenge is the sheer volume of regulation each organization must contend with on a daily basis. While these regulations are designed to mitigate risk, their ever-changing nature makes them difficult to manage – making organizations more risk prone. Another related challenge is the manual control management environment under which many organizations operate. In such a time- and resource-intensive environment, executives find it difficult to manage GRC in a systematic manner – often leading to a chronic lack of confidence in GRC processes throughout the enterprise.

What's needed is a comprehensive, enterprise-wide approach to GRC – one that can improve organizational efficien-

cy and effectiveness while reducing financial and operational risks. The fact is, GRC is a critical business imperative today. As such it needs to be brought into the forefront of business strategy and fully integrated into day-to-day operations. It also needs to be supported by a high degree of automation that can help instill a sense of confidence in GRC process controls throughout the organization. The SAP® BusinessObjects™ Process Control application can help you achieve these goals.

Gain Complete, Enterprise-Wide Business Process Control

SAP BusinessObjects Process Control makes it easier for your organization to incorporate GRC into key business processes throughout your organization (see figure). With effective controls and powerful remediation capabilities, you can better detect fraud, resolve exceptions, and mitigate risk across the enterprise. Automated testing and streamlined control evaluation, meanwhile, reduce costs and help ensure timely compliance. And with better visibility, improved accountability, and unified control management that yields a single system of record, you can instill a level of confidence that helps sustain compliance and improve business performance.

The SAP® BusinessObjects™ Process Control application helps ensure compliance by centrally monitoring internal controls enterprise-wide. Automated control testing, improved data visibility, continuous monitoring, and fast remediation help mitigate risk, prevent fraud, reduce costs, and increase confidence.



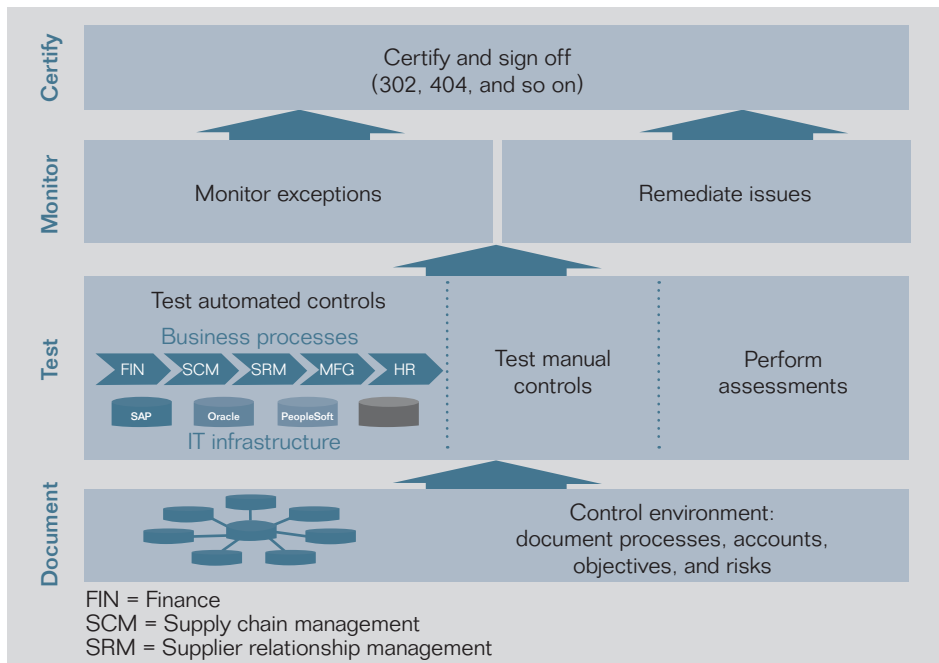


Figure: SAP® BusinessObjects™ Process Control Application

Streamlined Compliance Documentation

Providing a centralized, secure, comprehensive control framework, SAP BusinessObjects Process Control makes it easier for you to document and organize all items critical to successful compliance. These items include processes and subprocesses, accounts and assertions, control objectives, associated risks, and control documentation details. The end result is a single, secure, constantly updated system of record for effective control management. In addition, the application facilitates greater business agility through flexible organization and process hierarchies that support time dependencies for improved historical reporting. This gives you the agility to adapt your control environment and sustain compliance as your organization evolves.

SAP BusinessObjects Process Control also provides an intuitive user interface with role-based work centers that help optimize access to critical information for each employee involved in the GRC process. Through these work centers, tasks are grouped on the basis of a logical process flow for control and compliance activities. From process and control owners to testers and internal auditors, employees have quick access to the strict information and functionality required to carry out their duties. At any time they can view tasks assigned to them by clicking on their personal in-box and accessing all relevant information. These work centers also help increase productivity by enabling employees to prioritize activities based on the key tasks associated with each role.

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Cost-Effective Testing and Evaluation

With more than 200 prepackaged rule scripts, SAP BusinessObjects Process Control makes it easier for you to test and evaluate your controls across multiple SAP and non-SAP applications. You can also use standard SAP queries and reports to implement additional automated control tests. This helps reduce the time and resources you need to dedicate to compliance tasks.

Not all testing activities lend themselves to automation. This is why SAP BusinessObjects Process Control also delivers functionality to support more efficient manual testing and control design assessments. User-definable test plans, for example, walk testers step-by-step through their tasks, while approved spreadsheet templates and policy documents help minimize data collection errors. The software also maintains a complete audit trail and change history of activities performed. Whether your testing is automated or manual, SAP BusinessObjects Process

Control helps you save time and effort so that you can cut the cost of compliance.

Efficient Exception Monitoring and Remediation

SAP BusinessObjects Process Control helps you manage exceptions in an efficient manner with real-time visibility into all compliance-related issues. Workflow-based notifications alert business users regarding failed tests, outstanding design issues, and potential risks that might emerge due to control changes. For faster resolution of issues, the software also provides a centralized remediation workbench that allows you to assign cases to fix control exceptions. When users fail to respond quickly enough, the software automatically escalates or reroutes the notification to the appropriate personnel so that action items can be addressed in a timely manner. All remedial actions are tracked, documented, and measured, so nothing escapes your attention. The software also maintains an audit trail for all activities related to control issues, which helps lower audit costs.

Optimized Audit Process Through Reports and Certification

By providing management dashboards and more than 25 prepackaged compliance reports, SAP BusinessObjects Process Control supports real-time visibility into the status of internal control effectiveness throughout the enterprise. This helps accelerate the audit process, free up resources, and minimize costs related to audit work. Integration with business intelligence appli-

cations enables highly sophisticated data analysis, trending, and decision support. It also enables the use of a graphical “global heat map” that superimposes your enterprise over a map of the world or a particular operating region. This makes it possible for you to instantly identify compliance-related trouble spots and drill down to find root causes. To enforce accountability at all levels of the organization, a workflow-based sign-off process can be used to help ensure efficient, orderly certification of control effectiveness. The software then freezes data to improve historical reporting accuracy. In the end, you have the data visibility, reporting and accountability, and up-to-date audit trail you need to maximize management confidence.

Comply and Thrive – Benefits That Aid Business Success

By helping you integrate GRC into the way you do business, SAP BusinessObjects Process Control enables you to leverage compliance for competitive advantage. With a systematic, enterprise-wide approach to GRC supported by high levels of automation, you can free up resources so that your staff can focus on more value-added activities. This helps you achieve a level of operational excellence that can differentiate your company in the marketplace and set it apart from the competition. Specific benefits include the following:

- **Reduced fraud and lower risk** with real-time exception monitoring and fast, effective remediation



With effective controls and powerful remediation capabilities, you can better detect fraud, resolve exceptions, and mitigate risk throughout the enterprise.

- **Improved confidence** with an integrated, comprehensive approach to control management that increases the visibility and performance of key business processes
- **Lower costs** with improved audit reporting, a single system of record that facilitates audit work, and control automation and tools that speed compliance processes
- **Streamlined compliance processes** with functionality that makes manual testing and evaluation more efficient
- **Shorter compliance cycles** to enable timely compliance

Summary

The SAP® BusinessObjects™ Process Control application helps ensure compliance by centrally monitoring internal controls enterprise-wide. Automated control testing, improved data visibility, continuous monitoring, and fast remediation help mitigate risk, prevent fraud, reduce costs, and increase confidence.

Business Challenges

- Manage fragmented governance, risk, and compliance (GRC) processes across heterogeneous systems
- Maintain confidence in the control environment
- Scale to meet increased regulatory demand and enterprise expansion
- Maintain competitiveness while meeting compliance obligations
- Reduce the cost of compliance
- Monitor controls in real time to detect fraud proactively

Key Features

- **Compliance documentation** – Document compliance activities with a comprehensive control framework that supports role-based information access
- **Testing and evaluation** – Use scripts to automate testing and evaluation tasks and guided procedures to speed manual processes
- **Exception monitoring and remediation** – Manage the control environment with continuous monitoring, issue notification, and workflow-based remediation
- **Comprehensive reporting and certification** – Monitor compliance with reports and dashboards and certify controls with sign-off workflow

Business Benefits

- **Reduced fraud and lower risk** from real-time exception monitoring and fast, effective remediation
- **Improved confidence** by using an integrated, comprehensive approach to control management that increases the visibility and performance of key business processes
- **Lower costs** with improved audit reporting, a single system of record that facilitates audit work, and control automation and tools that speed compliance processes
- **Streamlined compliance processes** with functionality that makes manual testing and evaluation more efficient
- **Shorter compliance cycles** to enable timely compliance

For More Information

To learn more about SAP BusinessObjects Process Control, call your SAP representative today or visit us online at www.sap.com/GRC/grcprocesscontrol.

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