DEGRÉMONT GROUP

REINFORCING SEGREGATION OF TASKS AND CONTROLLING SYSTEM ACCESS

"The segregation of tasks within companies has become a critical challenge in the current economic climate. In terms of risk management, we are pleased to have opted for integrated, reliable, and durable tools that we can deploy across the board at a company level."

Thierry Guillot, Internal Control Manager, Degrémont Group

QUICK FACTS

Company
- Name: Degrémont Group
- Headquarters: Rueil-Malmaison Cedex, France
- Industry: Utilities
- Products and services: Water treatment
- Employees: 4,400
- Web site: www.degremont.fr
- Partner: Logica Business Consulting

Challenges and Opportunities
- Implement a system that segregates duties for internal control
- Comply with company-wide regulations

Objectives
- Enable risk analysis and remediation
- Manage superuser privileges
- Control user provisioning

SAP® Solutions and Services
SAP® BusinessObjects™ Access Control application

Implementation Highlights
- Completed in 15 months
- Rolled out to 250 users in the pilot program

Why SAP
- Ability to integrate with existing SAP software
- Industry-leading software provider

Benefits
- Ability to monitor business risks through internal controls
- A segregation-of-duties matrix
- Automation of controls and enhanced security
- Analyses that are readily understandable to colleagues and external auditors

Founded in 1939, Degrémont Group specializes in water treatment. A subsidiary of SUEZ ENVIRONNEMENT, the company currently employs 4,400 people, who focus on three main fields: design and construction of water treatment plants, running and servicing these plants, and water treatment infrastructure.

For about 10 years, Degrémont's information system had been a siloed environment consisting of several different enterprise resource planning (ERP) systems. This disparity had an adverse effect on economic performance and consistent business practices. In order to streamline procedures and reduce maintenance costs, Degrémont decided to implement SAP® solutions across the entire company. The project encompasses finances, controlling, project management, purchases and sales processes, business intelligence, and the creation of a portal.

To control access and segregate duties in the SAP ERP application and SAP NetWeaver® Business Warehouse component, Degrémont chose the SAP BusinessObjects™ Access Control application. And it picked Logica Business Consulting to assist with the implementation.

Needing Better Control for Better Risk Management

In terms of internal access controls, the IT director had been using a matrix of 30 risk factors. "Prior to the Sarbanes-Oxley Act in 2002, the old system did not prioritize control procedures, and little had been formalized in terms of segregating duties – most controls were done after the fact. We needed a matrix for the segregation of duties that complied with the in-house regulations of GDF SUEZ," says Thierry Guillot, who was then the internal control manager at Degrémont. In implementing SAP BusinessObjects Access Control, Logica's role included defining the new profiles in SAP ERP and SAP NetWeaver Business Warehouse and ensuring the segregation of duties at the risk management level. "Both the ability to integrate the software solution and the expertise and experience of Logica were decisive in our choice of SAP BusinessObjects Access Control," explains Vincent Teillet, who was in charge of security and architecture for the project.

In March 2009 the implementation of the overall concept began. With hands-on assistance from Guillot, Logica defined the rules for the segregation of duties. Of the 200 risks associated with the SAP solution matrix, Degrémont identified and customized 70 industry-specific risks. A study of the general functional specifications then enabled Logica to define precise business roles: purchasers, supplier data managers, and so on. Workshops were then held to bring together in-house and external consultants in order to road test the match between these roles and the reality on the ground. As of July, the project details were given concrete form, with the defining of the list of transactions associated with each role. In the end, 2,000 transactions were defined at the ERP level, associated with 300 basic roles and 100 business roles.

"These days we monitor business risks through SAP ERP, and professional responsibilities are better defined."

Vincent Teillet, Security and Integration Architect, Degrémont Group

Minimizing Risk Through Segregated Duties

Once the concept had been approved, Logica ensured that the roles defined did indeed conform to Degrémont's specific segregation of duties matrix established in SAP BusinessObjects Access Control. The various industries then provided the list of users that needed to be created. Some people could assume several roles, which was a risk factor in terms of access control. Therefore, workshops were held that focused on minimizing potential risks and how to proactively deal with them. Within the first couple of months after the start of the project, Logica carried out a new audit. "Normally speaking, risks increase with the user rights that are initially attributed – a process that happens over the weeks on a case-by-case basis," emphasizes Guillot. Logica carried out a fresh review twice a year, in March and October, to keep a close eye on things. In addition, each time that a new user was created or his or her status modified, a new analysis was carried out in order to avoid new risks. The implementation of the compliant user provisioning (CUP) functionality, which makes this process automatic, is currently under review.

Since October 2010, the company has been in the process of rolling out the application in two pilot countries: Spain and Portugal. This encompasses 25 locations and nearly 250 users, who have received in-house training. "Given the number of modules involved and the scope of the project, Logica has successfully carried out the project to tight deadlines," says Teillet. Between now and 2013, the aim is to deploy this solution across the entire company. Degrémont now has a far more comprehensive matrix for internal controls, which is much more in sync with the company's actual infrastructure. "These days we monitor business risks through SAP ERP, and professional responsibilities are better defined. On top of this, the functional analyses supported by SAP BusinessObjects Access Control are readily understandable to operational staff, and we are now in a position to provide external auditors with all the elements that they require in order to conduct their yearly audit," concludes Teillet.

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Vincent Teillet, Security and Integration Architect, Degrémont Group

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logica BUSINESS CONSULTING

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