

# Sustainable Governance, Risk & Compliance Model for Enterprise Risk Management Leads to Cost Efficiencies & Better Business Results



## SITUATION

The customer was facing challenges to align their long-term goals focusing on the company's growth objectives in areas such as Finance, Marketing and Supply Chain. There were no formal policies and procedures at the corporate level or any enforcement to adhere to the same across various business functions.

## IMPACT

Lack of an effective and integrated ERP system across the enterprise led to inaccurate and misleading reporting, operational inefficiencies in all functions, delays and inferior decision making resulting in high costs and low profitability.

## RESOLUTION

ITC Infotech helped the customer implement a sustainable Governance, Risk and Compliance program with a strong foundation, including a robust framework and a centralized and automated process for enterprise architecture that fit into the current and future organizational needs in a controlled and efficient manner.

# The Customer

The customer is a leading tissue paper manufacturing company based in the gulf with business operations that meet the needs of local and international markets. The company also contributes towards creating a greener planet and its business model focuses on recycling and eliminating waste, thereby reducing the adverse impact on the environment.



## The Need

The customer was looking for an appropriate Enterprise Risk Management (ERM) Framework with Governance and Risk and Compliance (GRC) enforced across the enterprise. They also sought recommendations enforced with sustain ability to achieve the primary business goals.

### Challenges

- Financial and Marketing Risks
- Supply and Operational Risks
- Strategic and Management Risks
- Compliance Risks
- No effective and integrated ERP system across the enterprise leading to inaccurate and misleading reporting, operational inefficiencies in all functions, delays and inferior decision making resulting in high costs and low profitability

## The Solution

ITC Infotech helped identify policies that made standards, processes and activities clear, as well as procedures to enforce those standards. This was accomplished through a policy and procedure survey, key performance indicators (KPIs) and metrics that enabled the governance committee to manage the governance process efficiently.

In addition, it was essential to work with business process owners and secure their buy-in throughout the development of the governance process. This helped ensure the governance initiative added value to the business. Furthermore, periodic self-reviews of the governance process ensured that it continued to accomplish the core objectives. For example, in addition to monitoring the KPIs for unexpected anomalies or trending to evaluate the efficiency of performance, there was a periodic review of each area recommended to evaluate quality of performance.

The Governance Committee, which consisted of stakeholders from the various business units and the Information Systems (Group IT team), Finance team, Supply Chain Operations, Risk and Internal Audit team, and the business process owners evaluated and decided on policy improvements and modifications with a holistic impact on overall business.

- Standard operating procedures for business operations
- Proper governance and risk control measures
- Delegation of authorities and responsibilities
- Accountability, transparency, reliability and consistency in the decision making process
- Compliance with local laws and international standards
- Inputs through various functional flowcharts, checklists, forms and templates – for ease of understanding and effective SAP-ERP implementation
- Alignment of business process operating activities to global best practices
- Knowledge sharing and business process awareness
- Reducing unauthorized access and fraud across the enterprise

- Risk mitigation and reducing time and effort
- Increasing efficiency of security and provisioning for statutory audits
- Streamlining the day-to-day management of business operations

### Highlights

- Step 1 – Current State Assessment – Meetings with stakeholders / interviews with various personnel from all business functions
- Step 2 – Mapping of policies and quantification of gaps with analysis
- Step 3 – Business process owners workshop
- Step 4 – Design and alignment for future state
- Step 5 – Policy and procedures documentation – approval from the board for enforcement

## Business Benefits

- Formalized Risk Management processes helped identify and mitigate high-risk exposures
- Better business results, because controls are driven more by the business than by governance needs
- Greater efficiencies and cost savings due to effectively defined SAP security roles
- Enhanced protection of corporate data and assets
- Simplified compliance, improved governance and easier auditing
- Increased stakeholder confidence
- Motivating compliant conduct across the enterprise underutilization will help the client focus on operational efficiency improvement initiatives to improve plant utilization

### About ITC Infotech Business Consulting Group

The Business Consulting Group (BCG) at ITC Infotech is a converging point for business & IT solutions. We aim to transform business performance, bringing a strategic perspective on process improvement and IT enablement. Our team blends domain experts and consultants, bringing unique capabilities to discover and resolve business concerns of the day.

Our expertise spans Consumer Goods, Retail, Process Industry, Logistics & Transportation, across key business functions such as product development, production, supply chain management, sales and marketing management, field force management, and customer relationship management.

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