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Supporting Compliance Management with Technology

May 27, 2009

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Agenda

- Observations and challenges from the marketplace
- Compliance Process
- Overview of Tools to Support Compliance
- Understanding Your Requirements
- Closing Thoughts
- Questions?

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Observations and Challenges from the Marketplace



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Observations from the Marketplace: *Need for Greater Efficiency and ROI*

“We need one tool, one program, and one leader to effectively build a world-class risk management program.”

“Compliance and risk management effectiveness between lines of business, locations, and functions varies radically.”

“Current self-assessment documentation is not accurate or complete. Consistency varies, issues are not identified, and conclusions are inaccurate.”

“We need to leverage our initial investment for future compliance efforts.”

“need a common risk framework that allows us to consistently address the varying aspects of risk management and control. ”

Observations from the Marketplace: *On-going Challenges to achieving Compliance*

- There are many requirements and it is difficult to keep track of changes to compliance information
- Documentation and certification are not always up to date or stored in a central location
- Difficult to find points of intersection between the many compliance requirements at a detail level
- Need to ensure that accountability is defined across the organization for maintaining compliance
- There are many external stakeholders to the compliance eco-system:
 - Outsourced vendors
 - Regulators
 - Auditors
- Maintaining compliance is not a one-off exercise – it is a continuous process that exists in many environments and at many levels

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How can technology help to overcome compliance challenges?

Current approaches:

- Siloed approaches
- Multiple types of data requests
- Multiple types of assessments
- Multiple types of tests
- Multiple stakeholders



- High Cost
- Reduced effectiveness
- Less ability to leverage initial investment

Future State:

- Harmonized approach
- Ask Once
- Assess Once
- Test Once
- Satisfy many



- Reduced Cost
- Improved Effectiveness
- Enhanced ability to leverage initial investment

Through a harmonized approach, common information, processes, and systems must be leveraged

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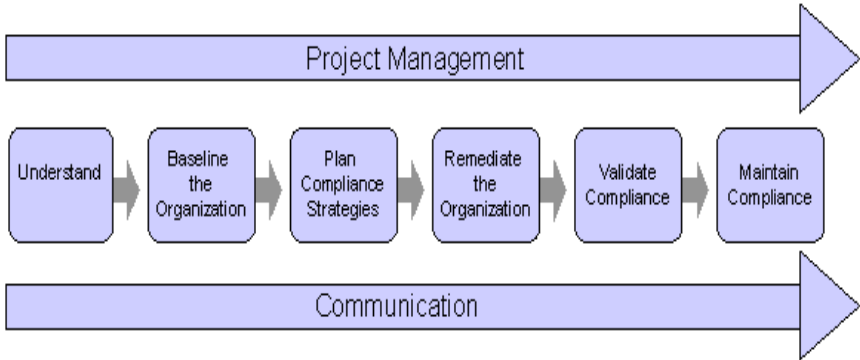


Compliance Process



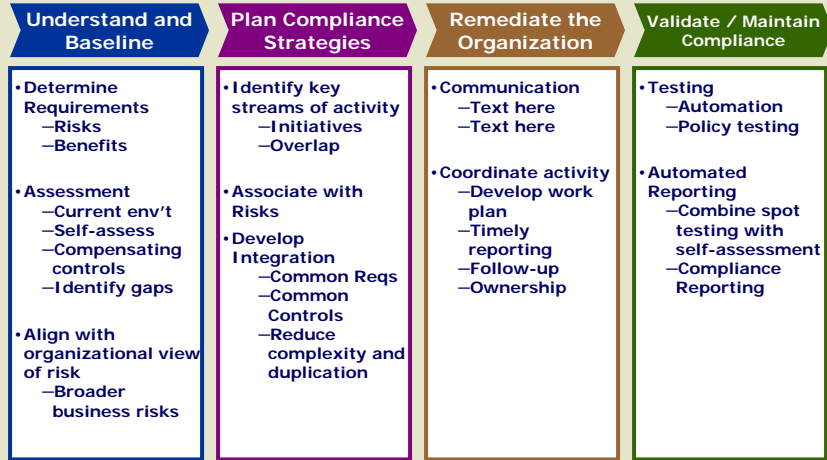
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Compliance Process



Compliance Process

Diagram title



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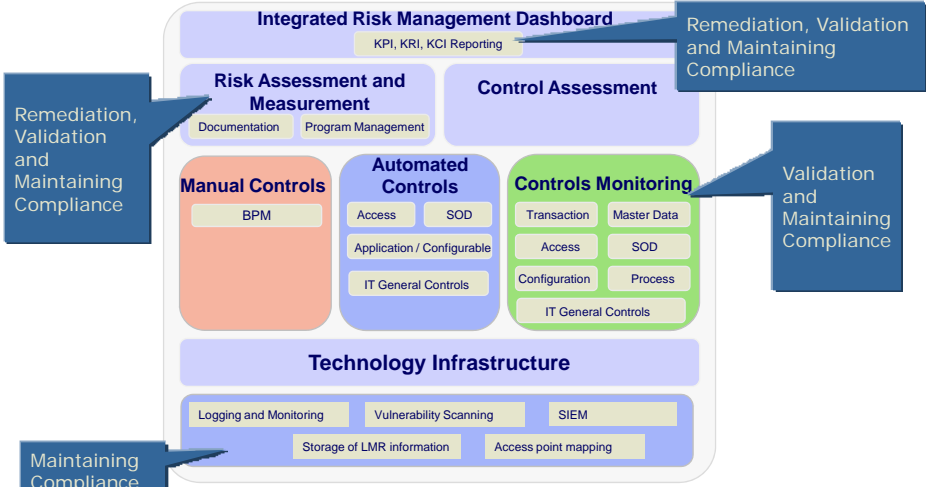
Overview of tools to support compliance



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Where Technology can Help

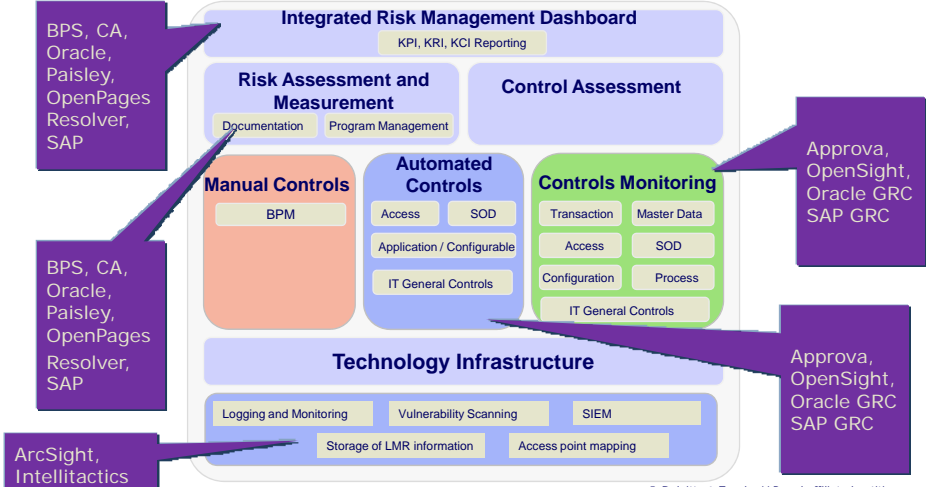
There are a number of areas where technology can assist in your compliance process based on the following framework :



Representative vendor landscape

There is a strong march of vendor solutions catering to automated and monitoring control capabilities, however none yet covers all areas:

Compliance Framework



Tool Classifications:

1. General Compliance Management Tools
2. ERP Automated Process Controls
3. Continuous Monitoring
4. Segregation of Duties
5. Identity Management

Focus for today's presentation

General Compliance Management Tools

Definition- General Compliance Management Tools

General Compliance Management Tools (commonly referred to as Governance, Risk and Compliance (GRC) tools) are utilized to manage documentation, testing results, monitoring, and track remediation efforts related to Compliance for any standard.

Compliance Challenge	Benefits of Tools
Excessive effort required to update and maintain control documentation	Facilitate the documentation, assessment and reporting of controls
Decentralized and disparate documentation and testing of controls	Streamline the process behind documenting and testing controls
Non-standardized processes and systems were used	Streamline processes and systems to ensure consistency, efficiency and standardization
Internal Control responsibilities were not integrated into employee goals/ performance management evaluations	Enable workflow and accountability

General Compliance Management Tools

- Sample vendors:
 - Methodware
 - Resolver* Risk
 - SAP GRC Process Controls and Risk Management
 - Oracle GRC Manager
 - Open Pages Financial Compliance Manager, Operational Compliance Manager, Legislative Compliance Manager
 - CA Risk and Controls Manager



OPENTEXT

ORACLE

MetricStream

OPENPAGES



EMC documentum

- Not a mature marketplace
- There will still be acquisitions in this space

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Understanding your Requirements



Requirement – What tool fits the need?

- Tool required to management PCI Compliance Process from understanding through to compliance validation and maintenance
- The following features would be of benefit:
 - Creation of individual workflows that align with PCI compliance processes
 - Accommodate varying levels of approval and accountability
 - Allow for self-certification
 - Allow access to third parties (regulators) for compliance audit
 - Integration with other applications
 - Security and audit logging strategies
 - Extensibility to other parts of the organization
 - Compliance across a number of organizational locations
 - Store evidence for compliance and facilitate version control
 - Provide meaningful and roll-up of reporting

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Closing Thoughts



Closing Thoughts

- Perform research or talk to someone with experience with tools
- Specifically define requirements that are important to your organization and priorities
- Insist on multiple demos to get a feel for the tool and provide a strong base for comparison
- Consider future needs as well as immediate needs for maintaining compliance across the enterprise

Questions?

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