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## Optimizing Automation of Internal Controls for GRC and General Business Process Compliance

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Whitepaper

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## 1.1 Introduction

With the Sarbanes-Oxley Act of 2002 (SOX), companies have invested heavily to become SOX compliant with extensive expenditures in internal resources, external consultants, systems and auditing. The impact has penetrated the entire enterprise with significant impact on productivity, sales and growth.

SOX was only the tip of the iceberg. Now regulations have been extended across a wide variety of areas and companies are working on the implementation and integration of processes and controls across their Governance policies, Risk management and multiple Compliance requirements (GRC) thus increasing their cost and complexity. This is further compounded by trying to develop more efficient general business processes and integrate them with their GRC processes.

Automation technology provides a way to reduce their costs and build more integrated, efficient, and sustainable solutions. In addition, companies are beginning to understand that things will continue to change and any implementation needs to be able to grow and expand to incorporate the entire enterprise.

Basic automation technologies provide an important step to reducing costs and increasing efficiencies.

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*However, while basic automation is necessary it is simply not sufficient to realize business value from your compliance investment.*

*In order to realize business value, companies need to plan on taking steps to **optimize their automation and then integrating their internal controls into their business processes.***

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Optimization is about improving the effectiveness and efficiency of internal control. In addition, it is a necessary step for integration into the overall business processes for more effective business management and risk management.

This paper will first review the concept of “control maturity” as fundamental to the evolution of internal control development. This is important to understand a company’s current position and what needs to be done to evolve their internal controls. Then this paper will outline the following twelve key attributes of internal control optimization and their benefits:

1. Continuous control monitoring
2. Preventative in nature
3. Automated issues management
4. On-demand testing and audit management
5. Streamlined distributed process accountability
6. Transactional control integration with external applications data
7. Control process development and improvement without programming
8. Control life cycle management
9. Continuous control data analysis and reporting
10. More effective document maintenance
11. Integrated into business processes and operations
12. Future proof solution

## 1.2 Internal Control Maturity

There is a linear process for developing a system of internal control. Most companies have been forced to start at the beginning with documenting their business processes, performing risk analysis and developing their controls for these processes. This is a significant effort requiring significant human effort.

Once controls have been developed and documented, there must be a mechanism to monitor and manage control changes. A systemic approach is required to adequately monitor controls for accuracy, accountability and visibility.

Maintaining effective internal control is an important management responsibility. Regulations such as SOX now makes executive management responsible not just for establishing, evaluating and assessing over time the effectiveness of internal control over financial reporting and disclosure, but also periodically asserting to its effectiveness.

**Internal controls** are fundamental to the accurate recording of transactions and the preparation of financial statements. Many business activities involve a high volume of transactions and numerous judgments regarding the related accounting and transactions, estimates and other events that require recognition in accounting records and financial statements.

Without adequate controls to ensure the proper recoding of such items, the resulting financial data may be unreliable and undermine management's ability to make well-informed decisions, as well as damaging management's credibility with shareholders, regulators, business partners and the public.

A baseline must be established from which management can measure the continued effectiveness of internal control in a dynamic environment. This includes:

1. Performing procedures (including testing) to evaluate the operating effectiveness of control.
2. Evaluating the results of the procedures, taking corrective action in instances where controls do not achieve their control objectives or otherwise identifying matters for improvement.
3. Establishing processes to evaluate the system of internal control over time.

There are various degrees or a continuum to which the above three points can be implemented that can be referenced as "Control Maturity".

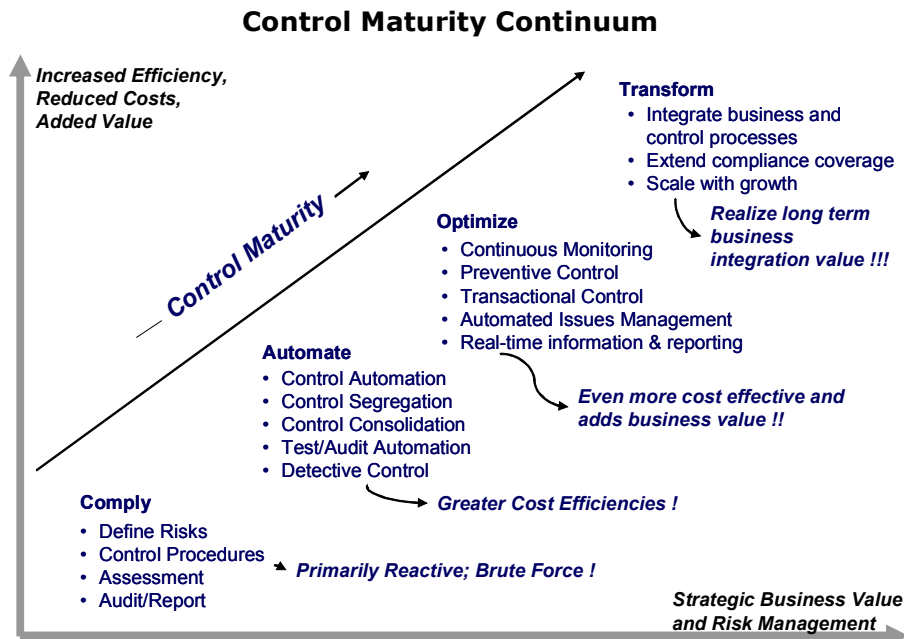
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*It is important for a company to assess where they are on Control Maturity to determine the actions needed to transform their compliance investment into business value.*

*Just as the development of Internal Controls is a process, so is the evolution of Internal Controls.*

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The following chart provides a summary of the Control Maturity Continuum and the key items you need to consider as you evaluate your compliance technology investments.



The Control Maturity Continuum recognizes that while basic automation is fundamental to start reducing costs and being more efficient, it is simply is not sufficient to realize strategic business value.

It is critical to optimize the control automation and then transform the business by integrating the control businesses into the business process as an overall management system. This reduces costs even further by reducing the cost of testing and issue management as well as avoid reporting issues and improving risk management overall for the company.

Optimized automation moves you from working on issues and control results “after the fact” to preventive management, i.e., being provided information in real-time through continuous monitoring about the status of controls and transactions to identify issues prior to problem.

With the optimization contributing greater value through more effective risk management, the next step is integrate the control automation processes into the overall business processes.

As part of the entire business process, management can view the compliance controls as part of the entire business decision making process.

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*Optimization and Transformation of Internal Controls results in more effective business streamlining, more effective business decisions and quite literally a competitive edge in the market.*

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A more detailed checklist of the requirements for the Automate, Optimize and Transform components can be found on the Compliancy Software, Inc. Web site at [www.compliancysoftware.com](http://www.compliancysoftware.com) or contacting Compliancy via email at [info@compliancysoftware.com](mailto:info@compliancysoftware.com) or calling +1.919.342.6212.

## 1.3 Twelve Key Attributes of Optimized Automation

### 1.3.1 Continuous control monitoring

Continuous Control monitoring refers to the automatic validation of internal controls that can perform at a minimum at user specified schedules without user intervention. Automated procedures that provide for continuous monitoring provide the foundation for a variety of capabilities for optimization and control process improvement.

Once configured the system should be self sufficient with minimal administration to perform thousands of fully automated control checks without human assistance.

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*The workflow should be able to ensure each issue is managed per a user specified policy with all audit evidence and results captured and reportable from a real-time Dashboard for executives and/or on-demand reports.*

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More advanced systems will be able to extract data from transactional systems and then analyze the data against predefined criteria to detect potential control issues or business rule violations. For any violations, a workflow can automatically be generated to manage the resolution of the issue complete with audit trail.

### 1.3.2 Preventative in nature

Basic optimization should allow companies to trace the audit trail of issues that have occurred and then manage those issues to correction. From an automated view these are called “Detective Controls.”

Optimized automation takes a more aggressive and more cost efficient tactic by engaging in preventive management, i.e., being provided information in real-time through continuous monitoring about the status of controls and transactions to identify issues prior to problem. Automated controls that focus on issues prevention are called “Preventive Controls.”

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*Preventive controls focus on pre- and concurrent-transactions information to identify potential issues prior to actual failure.*

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More advanced Preventive controls can compare data extracted from transactional systems for business rule violations and automatically generate issue management workflows that entire automate issue resolution across processes, policies and people. In less sophisticated systems, issue resolution involving people is often a manual, expensive and time laborious operation.

Preventive controls are a type of Continuous Control Monitoring and provide real-time and on-demand data about the status of the controls including easy to read graphical view of process workflow status about each incident of a workflow process including control status, steps completed, when completed, steps active and length of time. Each of these steps and statistics can be compared about predefined rules to determine if alerts should be issued

This reduces costs even further by reducing the cost of testing and issue management as well as avoid reporting issues and improving risk management overall for the company.

### 1.3.3 Automated issues management

Issues management should be completely automated and integrated with processes, people, and certified resolutions to reduce cost and time of manual issue management. Most basic workflow engines cannot provide this complete integration and automation.

The generated workflow should provide for peer review, management review and audit review and be configurable with unique routing with different optional steps. It should also be configurable to notify a list of people when the workflow begins, is completed or is late. This is all in addition to the standard notifications and escalation inherent at each workflow step.

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*More advance systems allow the comparison to complex business rules and integration with other business processes that might not be control specific.*

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More basic workflow engines cannot do this because they do not have the capabilities to integrate control processes with business processes and other applications.

To accomplish this requires very specific organization information for security, accountability, application specific transaction integration, and signature certification that can be completely recorded for audit purposes.

### 1.3.4 On-demand testing and audit management

Automated Control procedures should be available for testing and auditing of control processes with clear identification with full tracking and reporting to verify and maintain security integrity.

In an optimized system these can be scheduled for routine testing of assertions and control process validation or triggered “on-demand” for spot checking.

Flexible reporting of consolidate results and evidence including exception report if out of range for user set “tolerances” and data can be compared to other systems for validation or business rules violation.

The system should be able to accommodate all levels of audit requirements including internal corporate audits, departmental audits and external audits with complete visibility for executive management, the compliance groups and auditors.

### 1.3.5 Streamlined distributed process accountability

Many compliance automation solutions in the market today provide access by authorized individuals to take action on specific control processes for which they are accountable.

However, in almost all cases, the individual is presented with the entire system from which they must figure out what they must respond to. Obviously this lengthens the process; increases support requirements and leads to errors.

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*An optimized system will only route the specific information and/or action required for the accountable individual and do so when they must respond.*

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This allows the individual to not only respond appropriately and reduce the risk of errors and violation, but also reduces the potential for other violations since they do not have to access the entire system, and allows the managers to push accountable to the appropriate individuals without interim manual actions.

Furthermore, this is critical to reduce the potential bottlenecks of a centralized manual intervention or assignment of a task or issue thus allowing the centralized management to more effectively utilize their time. This is fundamental to enable a real automated issues management system that reduces cost of manual intervention while maintaining audit-ability and accountability.

### **1.3.6 Transactional control integration with external applications data**

Basic automation of control processes provide for step by step workflow of a task or tasks. Usually part of those task provide for a review of the data or document for accuracy and verification that the policy has been followed and there is no violation.

However, it does not necessarily provide for comparison of non-process application data for violation of key business rules and policies.

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*An optimized automation system allows for the integration of data from other applications and the monitoring of transactional data for compliance.*

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This is critical for preventive monitoring and can greatly reduce cost by eliminating the manual intervention of analyzing and comparing application data. Any form of application should be able to be integrated with complete tracking and reporting of the results.

This has additional benefit for the overall business decision process because it means that compliance controls can also be integrated with business processes for a more complete view of the company and better risk management.

### **1.3.7 Control process development and improvement without programming**

Most compliance automation systems require tedious programming for development of workflows with decision points, routing, actions, scheduling, etc. Requiring programming for the development and implementation of automated control processes is expensive, time consuming, hard to change, and places a risk on the company because of the need for highly skilled resources.

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*Optimized automation systems allow less technical users to develop and change control processes at a far lower cost with faster implementation times.*

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This in turn allows for control improvements to take place in an easier and more efficient process as the need for new controls or changes to controls are required. This truly allows the fulfillment of the notion of internal control as a process.

Fulfillment of this requirement requires both an implementation view and a management view to realize the continuous control improvement process:

## 1.3.7.1 Easier Implementation with Forms and Table driven interface

- Administrative fill-in-forms for company configuration of control parameters
- Simple fill in forms and tables for control definitions, procedures and documentation linkage – no programming!
- Customizable company defined pull down menu selections eliminate costly and error prone hand entry
- Customizable workflow templates of company compliance processes to start quickly
- Easy to understand workflow diagrams to plan process logic

## 1.3.7.2 Easier management with consolidated view of internal controls

- Access control information, including accounts, processes, controls, assertions and documents are consolidated into a single relational view.
- Can be managed in an easy to navigate hierarchical or category relational tree format for easier viewing, understanding, development and change management.
- Easy, one click drill down all the way to the forms level.

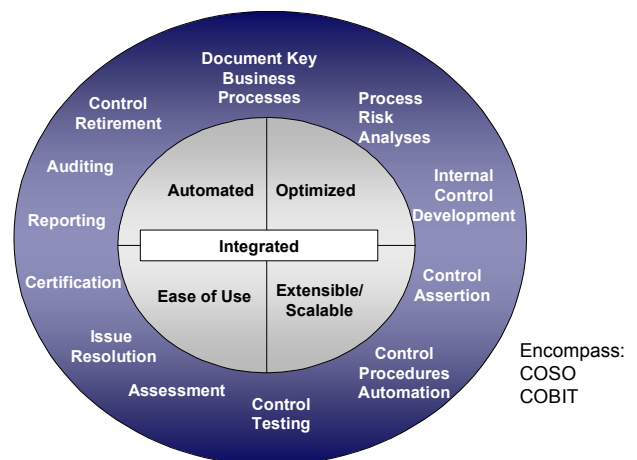
## 1.3.8 Control life cycle management

According to COSO, control is a process. An optimized system should allow a company to completely manage the control life cycle from definition, implementation, assertion, automation, testing, auditing, reporting, issue management, and change management to retirement.

In order to accomplish this it needs to provide coverage of every level including automated control procedures at the entity for corporate audit control and testing, process for process level automation, and transaction level for integration with external applications. In addition, there must be complete segregation of duties and security authorization for implementation, change, and access.

The diagram provides an overview of the components that must be covered for control life cycle management:

The integration of these components allow for a consolidated view of the relationships between all the entities to make it easier to manage, develop, and change. This type of system would not require multiple products that require further integration but a single system with the flexibility to serve as a compliance automation platform and grow to integrate with business processes across the enterprise.



## 1.3.9 Continuous control data analysis and reporting

In line with the Continuous Control Monitoring capabilities, the system needs to be able to provide real-time data and on-demand reporting to effectively make use of the available information. This would include the following at a minimum:

- Real-time Dashboard management oversight to increase responsiveness and provide early warning indicators. This would include filters for different views of the controls and graphic displays to instantly understand what the status of those controls

In addition, it would require one-click drill down to see the details for faster and more thorough understanding of the situation and what action is required.

- Easy to read graphical view of process workflow status about each incident of a workflow process including control status, steps completed, when completed, steps active and length of time.
- Easy to read statistical summary of process workflow to measure and assess process including average time to complete a process or task, cost of implementing a process, and cost of each step.
- One click on-demand triggering for monitoring, testing, certifications, audits, and reporting procedures.
- One-click real-time financial report generation for most up-to-date information.
- A set of template driven reports for all the compliance requirements.
- Customizable reports for company specific requirements.

## 1.3.10 More effective document management

SOX compliance requires substantial documentation of the control processes and also of the documents utilized in the processes. Keeping documents up to date is a difficult task for any organization but it is required with SOX. Optimized automation systems include a document vetting workflow process that ensures documents stay current.

Such a process schedules documents for review and update by their owner on a periodic basis. The owner is delivered a workflow task with the document and instructed to update the document. The document can be routed for peer or management review. Each participant must certify that they have completed their workflow task promoting SOX accountability.

Document vetting could be triggered manually or event driven by an issue or other event. The system would manage document vetting to ensure that documents are up-to-date when they need to be.

In addition, the system needs to be able to house and maintain business process documentation in a relational and meaningful format. The option should be available to capture business processes in a variety of document/file types including MS Office, Visio and other graphical formats as well as multimedia and database formats. More advanced solutions would even include a process modeling and design tool that can be used to help generate dynamic process documents.

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*It is critical for accountability and auditing that all evidence of control activities and transactional processes be captured, the security maintained, and the documents kept up to date so that everyone is using the latest version.*

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In addition, the following are fundamental to an optimized system:

- Signature image certification can be included in control for certification.
- Controls are documented and maintained via workflow for routing, version control, accountability
- Documents used by controls are maintained via workflow for routing, version control, accountability
- All documents have secure storage and distribution with an audit trail
- Automated vetting of documentation with secure authorization, change control and version tracking in order to maintain SOX policies and procedures.
- Control process documents can be stored remotely or stored by the internal documentation system and routed as required for controls procedures.
- Data and application documents can be stored and integrated with the compliance solution or be integrated with the company's existing documentation management.

### 1.3.11 Integrated into business processes and operations

Most of the previously noted optimization technologies can be accomplished with workflow engines focused on compliance automation with the exceptions dealing with total entity integration, transactional controls, and non-control process integration. In addition, most solutions on the market cannot accomplish the integration of control processes into the overall business processes or evolve to more complete business process management solutions.

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*A Business Process Management (BPM) foundation lets a company transform their compliance to become part of an integrated business process. As a result, managers have visibility to the entire business as a single management system for greater control, accountability, and decision making.*

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In addition, the following outlines the critical capabilities that translate into business value:

- BPM provides the most flexible, efficient foundation on which to build compliance solutions to reduce costs, provide for growth, manage change and execute business strategy:
- More effective streamlining of processes across the entire business not just compliance for more effective use of resources and increased productivity.
- Automation and events can be business rules driven for better integration with business process and more effective automation of risk management.
- Integrated security authorization can be managed for responsibility identification, certification, and change management across all systems.
- More effective change management across any level of process and requirement as laws and regulations change.
- Complete integration possible across all processes, documents, applications and people unlike component or single point solutions.
- Business process automation modeling tools available for customized business process development.

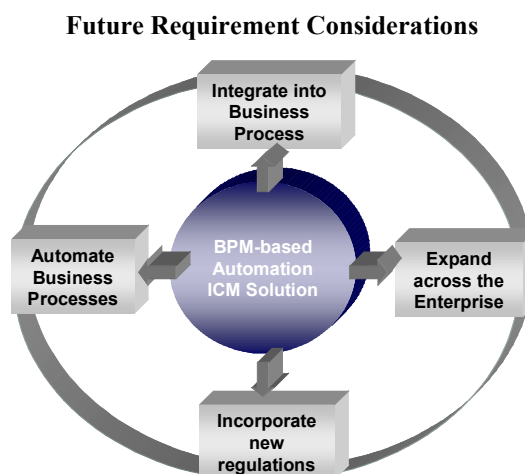
- Visualization of workflows with real-time updating of status.
- Can be integrated with existing business workflow processes and other auditing applications, existing document management systems, and across other applications with control processes for a single view of the entire process.
- Allows for collaborative process modeling with granular security controls.
- Cross enterprise integration to quickly take advantage of the automation and process management with a single management system.
- Control and monitoring can be extended and scaled across the enterprise to integrate other applications, business units and geographies.
- Empowers management with overall visibility to their company and be more responsive to issues and changes.
- More effective execution of business strategy and creating customer value by integrating compliance into the overall business process.

### 1.3.12 Future proof solution

Many of the point solutions on the market today simply cannot future proof your solution. What is needed is a solution that lets a company quickly start out of the box with built in templates for compliance and then grow at their required pace to integrate new requirements and integrate into their overall business processes.

An optimized solution lets you extend across your enterprise and integrate new compliance requirements easily and quickly as a single integrated system. In addition, it enables cross enterprise integration to scale and extend management controls.

The following illustration presents the requirements that need to be considered:



In order to accomplish all this, a generalized, integrated, business process management foundation allows a company to go from compliance to complete business process automation across the entire company to realize significant cost improvements and more effective business decision making.

## 1.4 Compliancy Software's ICM Solution

Compliancy Software, Inc. provides a unique solution that not only meets the requirements outlined in this paper for optimization and transformation of compliance into business value but goes even further to help reduce the cost of sustained compliance and improve business performance.

Compliancy provides a unique GRC Plus™ solution to automate their GRC processes PLUS their general business operations with automated built-in controls to ensure results – all in a single application platform.

Companies have the flexibility to start anywhere and grow to address all their Governance, Risk Management, and multiple Compliance (GRC) requirements such as Sarbanes-Oxley and FCPA, PLUS general business operations such as finance's month end close and GL reconciliation, manufacturing, HR, and IT processes and more.

Compliancy provides the following unique and differentiating capabilities:

1. Built-in compliance controls for any process requirement to ensure business results.
2. Roles driven interfaces for easier utilization, implementation and management - forms driven, real-time dashboard, consolidated control management, one click testing/audit.
3. Individualized Task Routing™ to integrate control tasks directly into business units for a distributed and accountable management model that is easier to use, faster to complete and reduces support/training costs.
4. Optimized Automation™ and management to more effectively reduce costs and risk through sustained compliance, continuous monitoring and risk prevention.
5. Business Process Management (BPM)-based for a future proof investment to enable any implementation for risk management, compliance regulations, and general business processes.

### 1.4.1 Built-in Compliance Controls for any Process Requirement.

Compliancy's ICM provides easier and more effective complete built-in control management capabilities for any regulatory and internal business process.

Compliancy provides complete risk and regulatory level control management capabilities including the documentation, automation and management of all risk, compliance and control processes, rules based routing, segregation of duties, security authorization, automated testing/auditing, certifications, evidence tracking, issues management and reporting for both regulatory requirements AND to ensure compliance of any general business operation process.

Unlike other solutions, Compliancy's solution ensures that BOTH business processes and regulatory processes are adhered to with complete management oversight, accountability and audit-ability.

### 1.4.2 Roles Driven Interfaces.

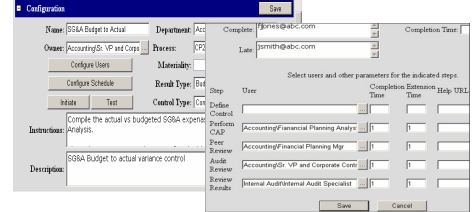
ICM is designed to make it easier and more effective for use by every level of user.

Executives have real-time **Dashboard** monitoring, implementers a forms-driven **Consolidated Controls** interface, business owners only deal with the task relevant to them, and the compliance team/audit have access to all of these with one-click test/audit automation and drill-down.

All with no programming and customizable templates to start fast and grow as needed.

## Fill-In Forms

- **Fill-in forms and tables** - Implementation and change is simple with fill-in forms, tables, and point-and-click selections make it easier and less costly. Even the integrated pull-down menu selections are forms driven for easy customization to fit your business needs with no programming required!



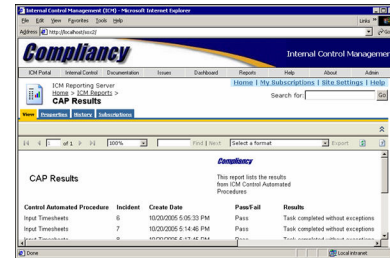
- **Visual workflow diagrams** – Workflows can be visualized in easy to understand diagrams to view relationships and processes.

## Workflow Visualization



- **On-demand one click reporting** - On-demand one click reporting with built in reports to cover most reporting requirements and customizability to fit your specific needs.

## On-Demand Reporting



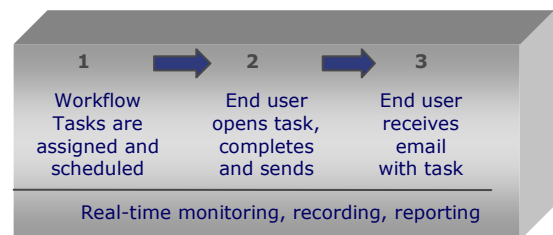
- **Customizable templates** – Complete basic compliance workflow requirements to start quickly right out of the box.

### 1.4.3 Individualized Task Routing™ Directly to Business Unit Owners

ICM allows you to integrate control tasks directly into business units for distributed and accountable management that is easier to use, faster to complete and reduces support and training costs.

Business unit task owners only see and work with their relevant information when required. No need to access complex systems and no need for extensive training resulting in significantly reduced cost of support and training. The following diagram illustrates the process flow.

#### Individualized Task Routing



## 1.4.4 Optimized Automation™ and Management

Optimized automation allows you to realize even greater cost reduction, greater control, fewer errors, and more responsive capabilities. The difference is real-time monitoring, issue prevention not just issue detection, completely automated issues management integration, and monitoring of transactions in applications.

The Compliancy ICM solution meets the 12 key capabilities as outlined in this white paper. It is the only solution that combines advanced automation through business process management along with ease of use with no programming.

- Reduces costs by reducing additional testing, manual issue resolution, and additional detection analysis.
- Real-time, continuous monitoring and preventive issue identification helps you identify issues before they happen and if control execution is falling behind schedule.
- Enables faster responsiveness to resolve issues and eliminate post issues management as well as significantly reducing risk and dealing with government issues.

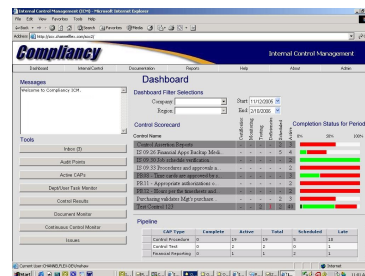
### Optimized Automation

Optimized Automation	
<ul style="list-style-type: none"><li>• Continuous monitoring</li><li>• Transactional controls across applications</li></ul>	<ul style="list-style-type: none"><li>• Only relevant information is routed to individuals</li><li>• Issue prevention pre/ during transaction</li></ul>
<b>Basic Automation</b> <ul style="list-style-type: none"><li>• Control procedures</li><li>• Scheduled monitoring</li><li>• Scheduled test/ certification</li><li>• Issue detection post transaction</li><li>• Issue manually managed</li><li>• Scheduled reporting</li><li>• Segregation of duties</li></ul>	<ul style="list-style-type: none"><li>• Issues management automated across procedures, documents, and people</li><li>• Business rules driven</li><li>• Integrated authorization security</li></ul>

Optimized management means real-time control and a single integrated view of all the controls and their relationships:

- The real-time **Dashboard** provides real-time visibility, filtered views of control types, and easy drill-down access to detail at any level.
- The consolidated **Controls Management** view provides immediate access to all accounts, procedures, risks/concerns and control types accessible on a single page in a hierarchical or category view.

### Real-time Dashboard Monitoring



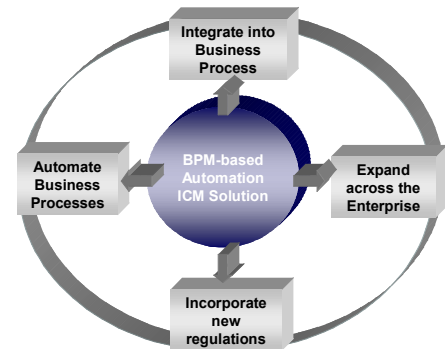
### Consolidated Control Management



## 1.4.5 BPM-Based for a Future Proof Investment.

ICM lets you start out of the box with built in templates for compliance and then you can grow at your pace to integrate business processes. The Business Process Management (BPM) foundation lets you extend across your enterprise and integrate new compliance requirements easily and quickly as a single integrated system.

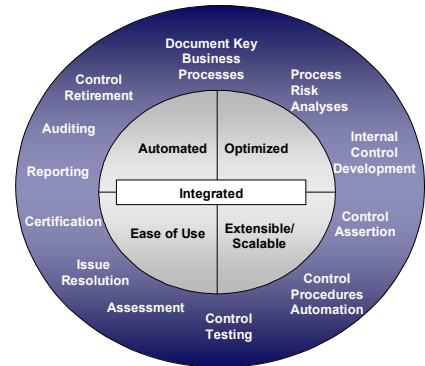
- Enables cross enterprise integration to scale and extend management controls.
- More effective change management as requirements, laws and regulations change.
- The integrated business process management foundation allows you to go from compliance to complete business process automation across your entire company to realize significant cost improvements and more effective business decision making.



## 1.5 Integrated Control Life-Cycle Management

According to COSO, control is a process. Compliancy's ICM allows you to completely manage the control life cycle from definition, implementation, assertion, automation, testing, auditing, reporting, issue management, and change management to retirement.

- The only solution to provide a single, completely integrated and automated solution for SOX compliance right out of the box that lets you start quickly and grow as needed.
- Manage the entire “process life cycle” across all control processes, documents, people and applications.
- Integrate all components as a business process for greater efficiency, greater control and easier change management.
- Provides all the components you need to effectively implement a complete compliance implementation across your company unlike single point solutions that need to be combined.
- Can be integrated with existing applications and provides for easy conversion of existing compliance implementations.



## 1.6 Transforms Compliance through Business Processes Integration.

ICM's Business Process Management foundation lets you transform your compliance to become part of an integrated business process. As a result, managers have visibility to the entire business as a single management system for greater control, accountability, and decision making.

- Controls easily integrated into business processes to ensure compliance and provided a single, integrated management system.
- More effective streamlining of processes across the entire business.
- Empowers management with overall visibility to their company's processes and be more responsive to issues and changes.
- More effective execution of business strategy through compliance integration.
- Control and monitoring can be extended across the enterprise to integrate other applications, business units and geographies.

## **1.7 Compliancy's ICM Benefits**

### **More cost effective sustained compliance**

- Reduces the cost, time and stress of maintaining SOX compliance.
- Ensures sustained, operationally efficient compliance.
- Greater overall cost reduction and more efficient use of resources for a better ROI.
- Reduces cost of testing and issue management by preventative issue identification.
- Allows companies to return their focus to their core business.

### **More effective compliance and business process management**

- Ensures controls are being properly performed using prescribed methodology
- Maintains SOX/audit readiness for fast and easier turn around
- Provides visibility and confidence in control and SOX compliance for all stake holders through an impartial system of accountability
- Reduces the corporate and personal risks associated with SOX compliance
- Improves SOX processes, documentation and policies
- Reduces compliance risk with better audit-ability, accountability & data accuracy

### **More effective business and risk management**

- Improves risk management with greater visibility across all internal controls allowing faster reaction and adapting to change
- More effective control over business processes by improved accountability
- Easier and more effective management through consolidation and automation across ALL enterprise internal controls with a single management system.
- More effective business execution through integration with business operations and processes.
- More effective streamlining of processes across the entire business.
- Empowers management with overall visibility to their company's processes and be more responsive to issues and changes.
- More effective execution of business strategy through compliance integration.

### **Future proof your solution for change and growth**

- Most flexible and efficient solution to maximize cost reductions, provide for growth, manage change and execute an integrated business strategy.
- Enables cross enterprise integration to scale, extend management controls.
- More effective change management as requirements, laws and regulations change.
- Customizable to extend to other compliance requirements minimizing training costs.
- Ability to go from compliance to business process management to realize even more significant

## **1.8 Flexible Configurations for Mid-Market to Large Enterprises**

Compliancy Software provides a solution for every size company at any phase in their compliance implementation from mid-market to large enterprises.

Whether you want to start quickly with minimal cost or need customized workflows with a large number of processes, Compliancy has a solution.

### **ICM Appliance**

The first complete turn key hardware/software solution, pre-configured with SOX compliant workflow processes, business process management software, and the ICM application software.

It is ideal for mid-market companies and large enterprises wanting to quickly start “out of the box” with minimum install and configuration.

### **ICM Standard Edition**

The ICM Standard Edition includes the complete integrated software for smaller companies or enterprises that want to start with fewer processes and then phase their growth.

### **ICM Enterprise Edition**

The complete integrated software for larger enterprises along with additional tools, installation, support and unlimited workflow processes that have high volumes and want to take advantage of the full power of business process integration with advanced customization.

### **Software-as-a-Service (SaaS)**

Compliancy offers a subscription based GRC SaaS solution priced to best meet your cash flow needs and unique value that provides for greater flexibility and future migration paths not offered by other GRC solutions.

## **1.9 Summary**

Companies are turning to automation technologies to reduce their compliance and business process costs and improve their efficiencies and effectiveness. However, basic compliance is simply not sufficient to optimize cost reductions and realize business value from their investment.

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*What is required is optimized automation and the integration of their compliance control processes into their business processes.*

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Optimized automation allows a company to realize even greater cost reduction, greater control, fewer errors, more responsive capabilities, and better accountability and control. In addition, optimized compliance solutions provide for the integration of compliance control processes into the company’s general business processes and future proof your solution for new regulations, changes and enterprise integration and growth.

The utilization of a Business Process Management (BPM) based compliance solution with built-in controls for both compliance and general business processes provides the added value that can translate compliance investment into real business value for a company.

A company should assess itself on the Control Maturity Continuum to more effectively plan and implement its compliance solution. The Control Maturity Continuum can serve as a requirements guide along with the following 12 key attributes for Optimization of Internal Controls:

1. Continuous control monitoring
2. Preventative in nature
3. Automated issues management
4. On-demand testing and audit management

5. Streamlined distributed process accountability
6. Transactional control integration with external applications data
7. Control process development and improvement without programming
8. Control life cycle management
9. Continuous control data analysis and reporting
10. More effective document maintenance
11. Integrated into business processes and operations
12. Future proof solution

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*Compliancy Software provides a unique GRC Plus™ solution for any Governance, Risk and Compliance requirement PLUS any general business process with a complete, integrated and optimized solution.*

*Compliancy's solution covers the 12 key attributes defined in this paper and provides a variety of alternative configurations allowing companies to start quickly and grow.*

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Compliancy provides a solution for easier and more cost effective automation solution that ensures strict compliance to control processes, complete auditing coverage and management oversight, and real-time, continuous monitoring with preventative issues management and complete issues automation to provide greater cost reduction and improved risk management than basic automation solutions.

## 1.10 About Compliancy Software

Compliancy Software is focused on helping companies reduce their costs and improve their regulatory compliance and business performance. Compliancy provides a unique GRC Plus™ solution to automate their GRC processes PLUS their general business operations with automated built-in controls to ensure results – all in a single application platform.

Companies have the flexibility to start anywhere and grow to address all their Governance, Risk Management, and multiple Compliance (GRC) requirements such as Sarbanes-Oxley and FCPA, PLUS general business operations such as finance's month end close and GL reconciliation, as well as manufacturing, HR, IT processes and more.

Companies can realize significant cost savings, faster process completion, and improved business results with a future proof solution. Compliancy Software can provide solutions on premise or as a Software-as-a-Service for small/mid-market to large global enterprise companies.

## 1.11 For More Information

For more information, please visit our website: [www.compliancysoftware.com](http://www.compliancysoftware.com)

For inquiries or additional information, contact Compliancy by email at: [info@compliancysoftware.com](mailto:info@compliancysoftware.com) or call +1-919-342-6212.

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