

Enterprise Risk Management (ERM) Solution

From Sarbanes-Oxley to Enterprise Risk Management (ERM)

Companies have invested heavily in becoming compliant with the Sarbanes-Oxley Act (SOX) and have discovered the high cost of sustaining that compliance. Companies are now turning to automation technology to reduce costs.

However, selecting a technology solution needs to consider more than just SOX if you are to truly create business value from your investment. SOX is just the tip of the iceberg regarding government regulations and risk management.

The work done on SOX and similar regulations can be the foundation to build enterprise risk management capabilities and integrate with general business processes to more effectively manage risks, streamline your business, reduce costs, and improve your operational performance.

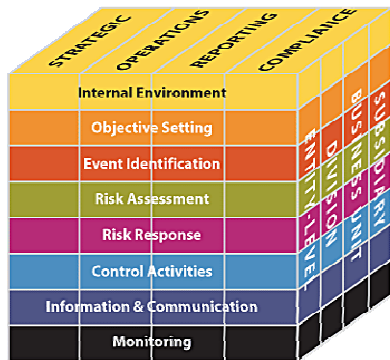
As a result, companies are looking beyond compliance to improve company performance by more effectively managing risks across the entire company.

ERM Integrated Framework

The ERM framework by the Commission of Sponsoring Organizations of the Treadway Commission (COSO) is providing a more disciplined and consistent standard against which to implement a company's ERM program.

ERM provides a more holistic approach that enables the alignment of the organization's strategies and operational and compliance processes across the entire company for managing all the key business risks and opportunities with the goal of maximizing value for the entire enterprise.

ERM is a process-based approach where the various components interact as part of an on-going, iterative process. COSO represents these relationships in a three dimensional cube:



- **Objectives** which are what the company wants to achieve whether strategic, operations, reporting and/or compliance.
- **Internal Environment components** which represent what is needed to achieve the objectives.
- **Entity Level** which represent the various units of the company.

The Compliance Advantage

The Compliance solution breaks down these into a series of processes driven forms and process templates that can be easily customized to leverage your existing investments in risk management and tailored to meet your unique company and industry needs.

With the Compliance solution you can start quickly and then evolve with a standards based approach for consistency across you company and with an alignment of your strategy, objectives, risks and compliance management requirements.

Requirements for Integrating ERM, Compliance and Business Processes

Most solutions today are static (not business process based) and only address one specific regulation or risk management approach. Furthermore, it is typical that business units and divisions within a company develop their own unique solutions which leads to miscommunication and loss opportunities because of the lack of coordination, alignment and common goals.

The right technology solution can facilitate addressing these issues and improve the overall performance of the company. Such a solution needs to meet the following criteria:

- Single system for all entities that can align and link objectives, components and entities.
- Business process management based to automate iterative processes with flexibility and extensibility.
- Automate all aspects of your enterprise risk approach, multi-compliance requirements and business processes from a single system.
- Automated alerts, issue management and remediation.
- Ability to distribute specific tasks to individuals in business units for action to eliminate unnecessary and complex system access and reduce training and support costs.

- Customize your requirements to specifically meet your needs.
- Integrate existing systems and monitor at a transaction level if required.
- Shared central repository with granular security access to control very precisely what can be accessed.
- Complete real-time continuous control tracking, monitoring, audit and documentation management.

Compliance Helps Companies Gain Control

Compliance's Internal Control Management (ICM) has the flexibility to custom tailor the automation of your ERM processes and controls starting with your existing investments and then extending and augmenting them as needed. This provides the most cost effective approach and significantly reduces your cost of management while improving your effectiveness.

ICM provides complete risk and control management capabilities whether it is COSO ERM based or customized to your risk management system, including the documentation, automation and management of all risk and compliance processes, rules based routing, segregation of duties, security authorization, automated testing/auditing, certifications, evidence tracking, issues management and reporting.

The Compliance ICM solution is a single integrated platform that is a compliance designed Business Process Management (BPM) based solution with forms and template driven making it easier to implement and use, is extensible to cover any risk management process and compliance regulatory requirement and can be utilized to automate general operational business workflow processes with built-in regulatory level controls to ensure results.

It enables a new level of ease of use for any level of user and enables a company to truly push down the task ownership to the company business units without requiring them to access the entire system thus reducing training, support and bottlenecks.

Greater Benefits - Greater ROI

Compliance allows you to start fast and expand as needed with a better ROI than single point solutions:

- Better business intelligence across the company about risks and compliance issues.
- More effective risk and compliance management, audit and remediation.
- Integrated, streamlined approach for easier implementation and expansion.
- Greater cost reductions as a result of reduced redundancy and more efficient utilization.

Our research has clearly shown 20-50% increase in savings versus more traditional methodologies and an increase in 20-30% faster response to issues.

Contact Compliance today to learn how we can help you improve your business performance.

About Compliance

Compliance Software is focused on helping companies reduce their costs and improve their regulatory compliance and business performance. Compliance 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.

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

Visit the web site at www.compliance.com or contact Compliance at info@compliance.com or call +1-919-806-4343.

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