KPMG   **servicenow**

Integrated Risk Management

Digital transformations of risk and compliance with ServiceNow

2021

Old perception of risk

Risk management has traditionally been viewed as a siloed, reactive function. Many decisions have been based on human prediction and best guesses. Because of this reputation, risk functions have struggled to prove their proactive strategic value. In addition, old ways of managing risk also resulted in:

— Fragmented data resulting in lengthy report building

— Inefficient and manual processes

— Lack of coordination of risk and compliance activities that increase the time and dollars spent on regulatory response

— Outdated technologies that are siloed to one group.
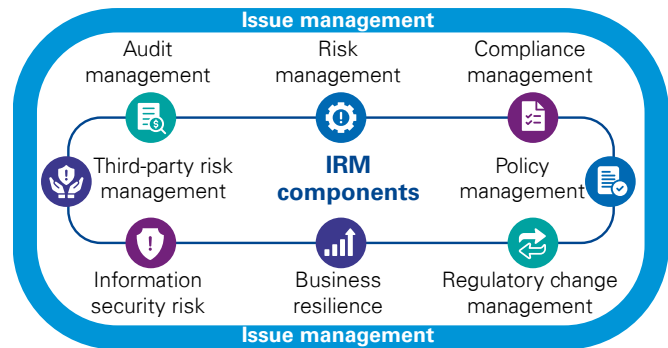
Digitizing risk

As a risk and compliance leader, you seek not just to comply with rules and avoid noncompliance or costly problems, but to also contribute real business value and bottom-line impact. A properly integrated risk management framework enabled by technology can deliver analysis and insights that help inform decisions and improve business performance.

In our CEO Survey 2020, 74 percent of leaders are planning to **accelerate the digitization of operations** to create a next-generation operating model. However, almost 70 percent of these types of digital transformation efforts have failed.* Using the right approach and technology strategy is crucial for the success of these transformations.

The power of an integrated approach

We believe effective risk management is about strategy, design, and delivery. Our focus is on embedding deep and sustainable change that allows your risk management capability to continue to mature through coordinated, consistent, and automated risk activities.

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* *Digital Transformation Research Report 2018: Strategy, Returns on Investment, and Challenges*, 2018, Tech Pro Research

Issue management

Audit management · Risk management · Compliance management

Third-party risk management · **IRM components** · Policy management

Information security risk · Business resilience · Regulatory change management

Issue management

Outcomes

— Increased stakeholder confidence and trust

— Predictive technology

— Single and common view of risk

— Informed analysis and actionable insights

— Aggregated reporting

— Proactive risk posture

— Efficiency and cost savings

Experience powered by innovation

ServiceNow Integrated Risk Management (IRM) is an enterprise workflow platform that helps organizations connect their Risk and Compliance functions to provide a holistic view of risk. The Governance, Risk, and Compliance (GRC) suite leverages the workflow power and portals of the ServiceNow platform to provide consistent, scalable, and automated ways to improve management's view of risk.
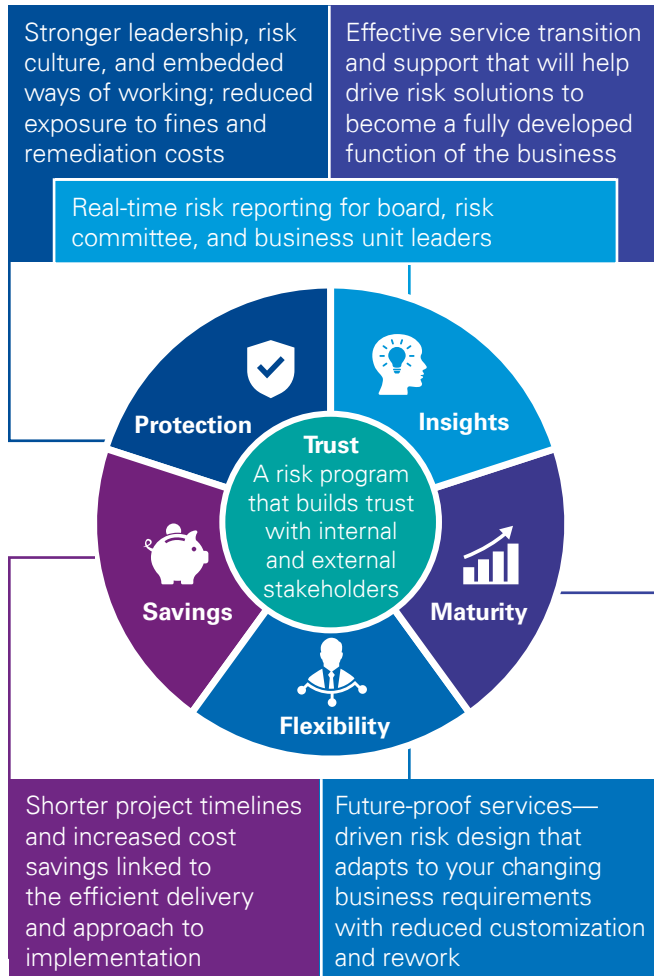
> The new GRC system—ServiceNow—brings together various aspects of risk and compliance management into a single platform, providing greater insight and decision-making power across the firm. This is a great stride forward in our ability to automate our processes and drive meaningful insights in risk and compliance.
>
> **—Director of Technology Risk, Services Provider**

Potential benefits of IRM

Stronger leadership, risk culture, and embedded ways of working; reduced exposure to fines and remediation costs

Effective service transition and support that will help drive risk solutions to become a fully developed function of the business

Real-time risk reporting for board, risk committee, and business unit leaders

Trust — A risk program that builds trust with internal and external stakeholders

- Protection
- Insights
- Maturity
- Flexibility
- Savings

Shorter project timelines and increased cost savings linked to the efficient delivery and approach to implementation

Future-proof services— driven risk design that adapts to your changing business requirements with reduced customization and rework

KPMG is qualified to deliver IRM solutions

At KPMG, we understand the opportunities and challenges leaders face when creating an integrated view of risk and how to help organizations transform. We have the experience, assets, and accelerators to address evolving risk requirements and to provide insights that drive success in meeting those needs.

Know-how: KPMG is a recognized leader in IRM and GRC. We offer leading methodologies and accelerators that deliver IRM through the ServiceNow platform.

People: We offer a global team of professionals with tested experience driving risk transformation in organizations around the world.

Credentials: ServiceNow has named KPMG its "2020 ServiceNow Americas Transformation Partner of the Year."

Let us show you a new way to manage risk

Every business is different. We can work with you to shape a solution that fits your needs. To start, have a discussion with one of our risk specialists to help us understand your challenges and goals.

With a sound understanding of what we can achieve together, we can help you design a course of action.

KPMG and ServiceNow

We understand the keys to success and how to get there. KPMG supports you through your transformation starting with strategy through execution:

- Integrated risk strategy
- Foundational data and alignment
- Program management
- Change management
- Technology implementation

Case study: Powering up the risk function

The Internal Audit team of one of the largest energy providers in the United States needed a way to centralize its GRC program and to meet its goal of modernizing its approach to data and technology in line with leading practices.

By using KPMG Powered Risk assets and accelerators, we helped our client adopt an agile approach to building scalable GRC capabilities for Internal Audit, as well as for IT Compliance and other groups.

Our approach provided better visibility and accountability for our client's first and second lines of defense. Also, Internal Audit greatly improved its ability to review, monitor, and report audit results while interacting with other parts of their business in the U.S.

We are on your side, all the way.

Introducing Powered Risk enabled by ServiceNow

KPMG Powered Enterprise Risk (Powered Risk) is our flagship offering for risk management transformation. Utilizing ServiceNow as the core of an integrated risk ecosystem, Powered Risk offers organizations the ability to identify, assess, mitigate, monitor, and report on risk and compliance exposure.

Enabled by the ServiceNow platform, Powered Risk provides you with access to decades of risk management experience, along with leading practices, tools, and assets that are prebuilt into the framework, offering your organization a jump start to risk transformation.

Learn more: read.kpmg.us/PoweredRisk

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