Building a Strong Business Case for **GRC Automation**

Camms.

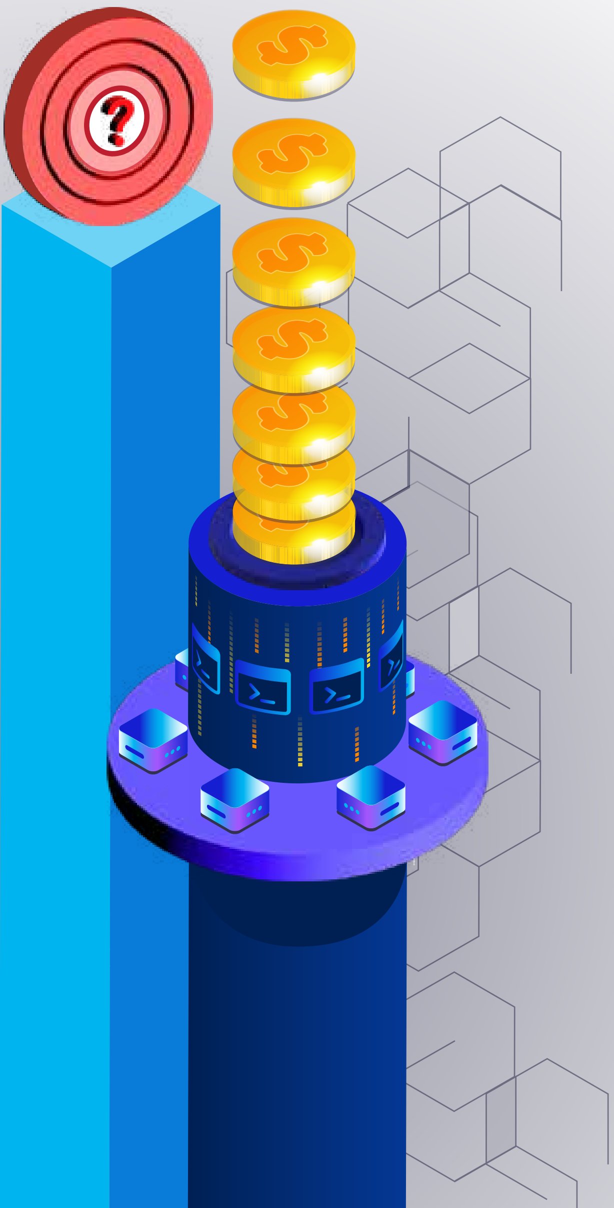
Software to Change Tomorrow.

Intro

You could be fooled into believing that implementing a shiny new governance, risk & compliance (GRC) management tool will solve all your GRC problems, but every solution is different and every business has different needs, therefore scoping out the right tool is critical to success. Without proper consideration and planning you may overlook the need to align it with the business strategy and engage stakeholders, potentially resulting in the adoption of technology that's unfit for purpose. Rather than wasting time and money on purchasing something that fails to add value, take steps to justify the investment based on its expected operational and commercial benefits.

Senior decision-makers won't give the green light to such a significant investment based on a hunch; they must understand the system's merit before allocating the necessary resources. The creation of a solid business case that highlights the business value by presenting relevant, supportable facts provides the foundation for informed decision-making, top-level buy-in, and achieving an integrated GRC programme that meets the needs of the organisation.

Opportunities come at a cost in business. Unfortunately, budgets aren't bottomless meaning organisations must ask themselves: What projects offer the best return on investment? The answer is never straightforward, so strategic decisions like selecting a new software tool must be supported by relevant information. To facilitate this, essential elements of costs, benefits, risks and return on investment are presented as a business case. This aims to convince senior decision-makers that a particular course of action will result in the best outcome for the business – but it isn't guaranteed to succeed.



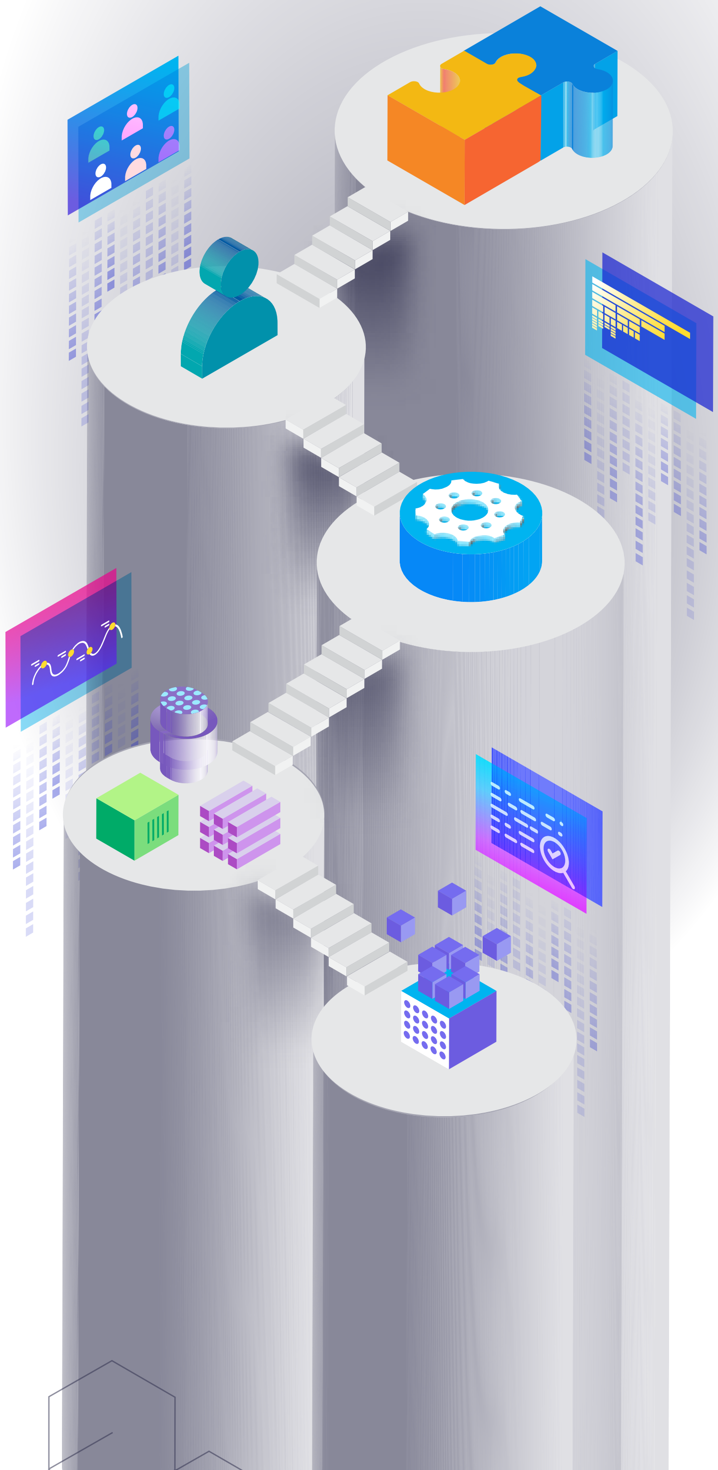
Business cases for specialist software sometimes fall short of the mark – common hurdles include:

- They fail to view GRC through the lens of opportunity, instead viewing it as a risk mitigation tool that doesn't add value
- They misunderstand the problem
- They are based solely on assumptions
- They only offer one solution
- The cost-benefit analysis is not convincing enough
- They fail to align with business objectives
- They carry a high level of risk or uncertainty
- They are too complex, failing to convey key messages clearly and concisely

Comprehensive GRC business cases on the other hand present a compelling case for investing resources in a solution to a problem. To achieve this, they answer the following questions:

- What is the problem?
- Why do we need to solve the problem?
- Who are the stakeholders?
- What value will the business draw from the project?
- Are there any potential savings for the business?
- What are the potential risks involved with undertaking the project?
- What are the risks to the business if we don't implement a new solution?

A strong business case also understands the organisation's technology procurement strategy: a process that aligns with the corporate strategy to support the business objectives and direction, providing a roadmap for technology procurement activity. By recognising the value of this process, the business case will demonstrate a determination to select a reputable vendor that best meets the business's requirements at an affordable cost.



Robust GRC management tools that facilitate best-practice GRC programmes require well-planned and executed implementations. However, the process of implementing innovative platforms in an integrated and synchronised manner, aligned with business processes and strategic objectives, is often mismanaged – leading to crippling pain points. The business case must, therefore, establish a structured framework for setting up the organisation to successfully take on a GRC solution.

What should your GRC solution business case look at?

Key objectives of the project

The holistic nature of a successful GRC digital transformation means the business case should engage the highest level of the organisation. Therefore, management objectives, including greater oversight, improved business performance, control efficiency and value creation should be covered.

Key objectives may be to:

- Increase productivity and cut back on admin tasks
- Avoid manual GRC processes
- Increase GRC transparency
- Achieve tangible efficiency & resource improvements
- Mitigate unforeseen events & risks
- Manage GRC in one tool and eliminate siloed work
- Improve the quality of GRC oversight through evidence-based assessments
- Adapt to regulatory change or legal requirements expeditiously
- Risk reduction and corporate ownership
- Better strategic decision-making and performance
- Increase accountability for risk & compliance
- Better understand incidents and near misses to understand key risk indicators
- Allow for calculated risk talking by aligning risk management with strategic goals & objectives

Project Scope

Deloitte underscores the importance of defining the project: "The first and the most important task to complete before running any project is to define its scope – e.g., objective, budget, timeline, and measures which will help to evaluate the project once it is completed."

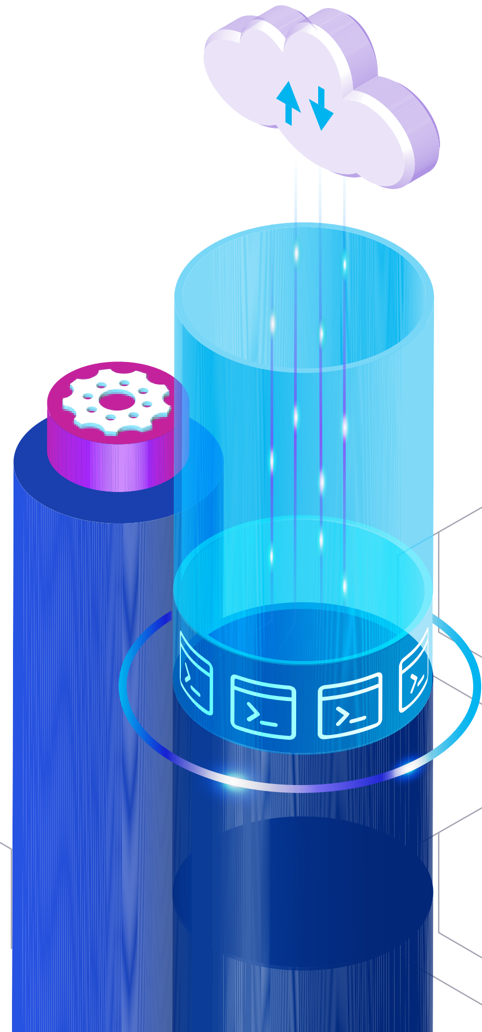
The project scope outlines the tasks and deliverables that will be executed as part of your project to achieve your business objectives – and the business functions that will be impacted. It should describe the key interdependencies with other projects within the business – including the benefits of these dependencies – and consider the potential failure of those projects.

By clearly outlining the project scope, senior decision makers will have a clear understanding of the resources that must be allocated to make it a success, how long it will take, and how it might impact other areas of the business.

Ensure the project will avoid information silos

Businesses are often restricted by two common obstacles when managing their GRC requirements: the use of cumbersome manual processes and the implementation of disparate GRC tools in silos, none of which integrate. This lack of efficiency and connectivity prevents them from establishing an integrated approach to GRC, creating information silos. Deloitte identifies four negative impacts of these silos: limited collaboration across the business, reduced data accuracy and credibility, incorrect analysis, and bad customer experience.

A proactive GRC management tool has the power to overcome this fragmentation by aligning previously siloed GRC programmes with your business strategy. Therefore, your business case must communicate how the tool will eradicate information silos by seamlessly connecting to and co-existing with other IT applications to provide a structured 360-degree view of GRC.



How will you ensure users accept the new technology?

To get your project over the line by achieving buy-in from senior leaders, you must prove to them that the end users will buy into the new technology once it's implemented. Use your business case to outline the provisions you will make to engage users, such as:

- The creation of a working group that prioritises the new tool and ensures it meets business requirements. Stakeholders at every level of the business are encouraged to collaborate towards achieving this common goal, acting as representatives of the wider organisation.
- The creation of clear channels of communication – including the working group – that ensure stakeholders understand the project objectives, their role, and the progress. By being transparent throughout the project lifecycle you will eliminate any confusion or fear that may be associated with change.
- The development of engaging training programmes that recognise everyone has different learning requirements.

Resources required

The business case must outline and justify the resource allocation needed for the project. Therefore, include all resources that your project needs to be successful, including physical assets, intellectual resources, human resources, and financial resources – and communicate how using these resources will add value to the business. This will help senior decision-makers to understand the cost and time implications of the project and how it might impact other areas of the business.

Be transparent, because not having resources available at key times, such as the design phase, might result in delays, missed requirements, or require rework – possibly leading to increased timelines, escalating costs, and poor-quality delivery.

How will the project stay within budget?

Large IT projects are a significant investment – therefore extensive planning is essential to mitigate delays that could negatively impact cost. Potential budget overruns are typically used to decide if the project should go ahead during the assessment process.

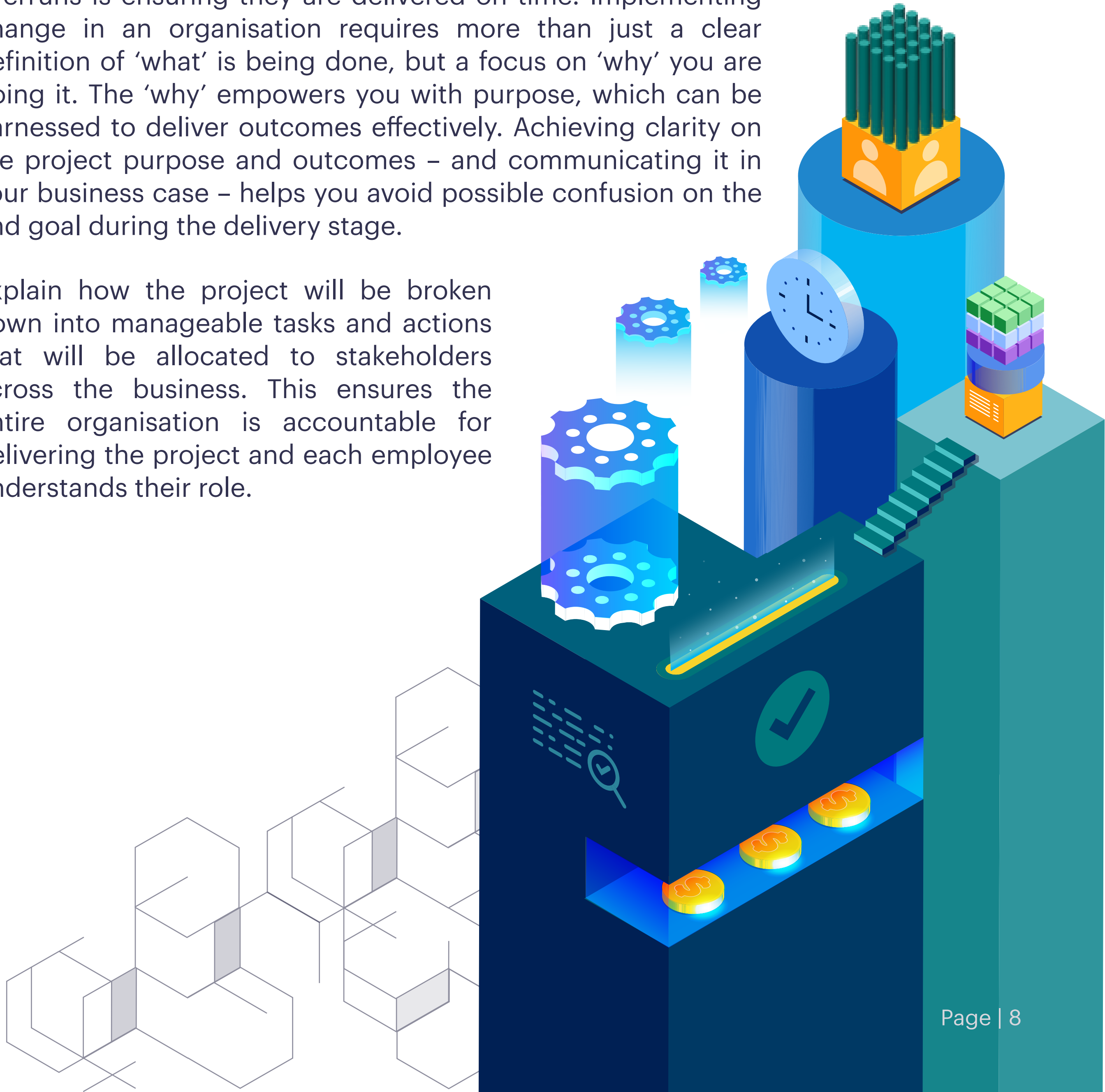
To mitigate the likelihood of cost increases, establish key performance indicators (KPIs) and detail them in your business case. These reactive yardsticks will help you measure forthcoming results, including spend, by ascertaining how much has been spent on the project and the extent to which the project's actual budget differs from what was planned. Whether they are met or missed, KPIs will provide a roadmap for progress in the future by measuring historical performance.

The budget is ultimately defined by stakeholder expectations and deliverables, so take the time to understand their requirements. They should be accurately identified, documented, and confirmed with all stakeholders – and communicated to the relevant parties. This will reassure those making the ultimate decision that the project is initiated around needs not wants, reducing the risk of budget overruns.

How the solution will be delivered on time?

Another crucial element of shielding projects from budget overruns is ensuring they are delivered on time. Implementing change in an organisation requires more than just a clear definition of 'what' is being done, but a focus on 'why' you are doing it. The 'why' empowers you with purpose, which can be harnessed to deliver outcomes effectively. Achieving clarity on the project purpose and outcomes – and communicating it in your business case – helps you avoid possible confusion on the end goal during the delivery stage.

Explain how the project will be broken down into manageable tasks and actions that will be allocated to stakeholders across the business. This ensures the entire organisation is accountable for delivering the project and each employee understands their role.



How will you align stakeholders?

The process of getting all stakeholders to agree on assumptions and strategy as a project moves from a concept to market-ready is notoriously difficult. Therefore, you must use your business case to communicate how you will align the stakeholders to the overall project vision.

Having identified the stakeholders, explain how you will meet three key requirements that underpin their alignment:

Ensure senior leaders champion cooperation:
Leaders can serve as role models for stakeholder management, and they can clear obstacles for projects to move forward. When leaders do not initiate stakeholder alignment, it does not work.

Involve stakeholders from the beginning and plan for uncertainty:
Provide stakeholders with a platform to share their perspectives – such as a working group – and align them in the project planning phase. Collaboration at this stage increases the chances of buy-in later in the development cycle. When challenges arise, they must know who to contact and how.

Regularly engage stakeholders about their assumptions:

While it's vital to get stakeholder buy-in during the planning and launch phases, it's equally important to understand their assumptions about what's required for it to be successful throughout the project lifecycle. This identifies where stakeholders have differences in perception that need to be addressed.

Also outline the benefits of hearing each stakeholder's voice:

- Two-way communication
- Regular engagement
- Reflecting workforce views fairly
- Feeds into the decision-making process
- Encourages participation

Steps to building a strong GRC business case

Examine your current GRC approach

Before you can identify any issues with your business's GRC strategy, you must summarise your current approach to managing your GRC requirements – from who is responsible (directly and indirectly) and the current systems used to the key deliverables required by the business and your regulatory requirements.

Outline any issues with your current GRC approach

This will help you define the all-important 'why' we should do it. So, provide an honest and detailed appraisal of your current GRC approach. List current – and future – challenges, the risks they present to the business, and definitive examples of how and when things have gone wrong, including tangible impacts, such as time, cost, and reputational damage.

Attempt to answer two key questions: What are the current pain points? How can we avoid them? These typically include things like requirements, scope, intuitiveness, data migration, user acceptance, stakeholder engagement, and resources.

Take data migration for example:

Pitfalls:

- Disparate data in different formats
- Data transfer and formatting issues
- Manual data entry, leading to inherent risks and audits

How to avoid them:

- Ensure the software allows for automated upload during the implementation process.
- Ask yourself what data is available to upload from the outset and where is it currently stored.
- Allocate resources to collate and clean the data.
- Ask the vendor for the data upload template so you can understand any formatting limitations.

Outline the current costs

If you currently manage GRC using a disparate architecture – whether multiple systems or multiple spreadsheets – you might find it difficult to identify and attribute the tangible and intangible costs associated with your programme, but it is important to collate those costs to build a realistic comparison.

Having managed to refine your list of costs – staff, IT, inefficient processes, and operational loss events – include them in a simple Return on Investment (ROI) calculator along with the cost of your proposed new GRC platform. This will help you understand the potential opportunity cost of inaction – a crucial determining factor when presenting the case for making a significant financial outlay on a GRC management tool.

Conduct a cost-benefit analysis

Cost-benefit analysis provides a means of objectively comparing options. This proactive tool is commonly used to determine whether to proceed with a new investment by comparing the projected or estimated costs and benefits (or opportunities) associated with a project against the cost of inaction. By condensing the assessment into a single price figure, it helps decision-makers to determine whether the investment is viable from a business perspective.

A cost-benefit analysis typically requires you to tally up the total costs of a project and subtract that amount from the total projected benefits – this value is sometimes represented as a ratio. If the projected benefits outweigh the costs, the decision to implement a GRC management tool appears a beneficial one to make. If, on the other hand, the costs outweigh the benefits, then you may need to rethink the project.

Analyse the business's current risk capability

Conduct a self-assessment of your current level of capability from a risk perspective – and your desired state. A risk maturity model can help you understand the type of changes needed to reach a higher level of risk maturity over time.

The model outlines key indicators and activities that comprise a sustainable, repeatable, and mature risk management function. This risk maturity self-assessment allows you to benchmark how aligned your current risk management practices are with key risk attributes, such as:

- Adoption of risk-based process
- Risk process management
- Risk appetite management
- Uncovering risks
- Performance management
- Business resiliency and sustainability
- Opportunity management & calculated risk taking

A robust business case will show how a GRC management tool can propel your business up the risk maturity model and achieve strategic risk intelligence – as outlined by the Deloitte model:

Risk Maturity Model

Understanding your risk capability - current and desired state

The goal is to move up the maturity model

1. How capable is the organisation today to manage its risk profile?
2. How capable does it need to be?
3. How can it get to its desired state? By when?
4. How can we leverage existing risk management practices?

Illustrative risk management practices

• Ad hoc/chaotic • Depends primarily on individual heroics, capabilities, and verbal wisdom	• Risk defined differently at different levels of the organisation • Risk managed in silos, and risk interactions identifired in limited manner	• Common risk assessment, program statement, policy • Enterprise-wide integrated risk assessments • Communication of top strategic risks to the board • Executive/streering committee • Knowledge sharing across risk functions • Dedicated team to manage risk • Awareness activities	• Coordinated risk management activities across silos • Risk appetite fully defined • Enterprise-wide risk monitoring, measuring, and reporting • Technology-enabled processes • Contingency plans and escalation procedures • Risk management training	• Risk discussion embedded in strategic planning, capital allocation, product development, etc. • Risk sensing and early warning risk indicators used • Linkage to performance measures and incentives • Risk modeling/scenarios • Industry benchmarking used regularly

Source: Risk Intelligent Governance: Lessons From State-of-the-art Board Practices

A risk intelligent culture comprises the following characteristics:

- Risk accountabilities and responsibilities are understood and clearly defined.
- Appropriate policies and practices are implemented, including formal processes to communicate, escalate, and report risks.
- Employees are encouraged to challenge the organisation.
- An engaging code of conduct is used to promote the values and beliefs of the business.
- Risk management is supported by education and awareness, providing employees with appropriate skill sets, knowledge and other risk competencies.
- Leaders use risk data to guide business decision making and talk calculated risks

For a comprehensive self-assessment, also take the time to scan your business's recent history from a risk perspective to identify any events or near-misses – such as reputational damage, fraud, regulatory fines, or system downtime – that would have been avoidable with an integrated GRC approach.

What about your current risk reporting capabilities? Achieving visibility of your risk profile, compliance status, strategy progression, and understanding your overall performance – this information is essential for leaders to guide the business and make informed decisions. This requires access to intuitive functionality that automates internal reporting from executive to board level and satisfies auditor & regulator requirements. Manual reporting is cumbersome, time-consuming and error-strewn, and often doesn't provide the quality of information needed – so highlight how moving away from these antiquated processes will benefit the business.

Communicate with stakeholders at every level of the business

A well-rounded business case will gather input from stakeholders at every level of the business. Having already engaged them through working groups and clear channels of communication during the planning phase, explain how integrated software facilitates ongoing worker engagement, participation, and leadership. It achieves this by facilitating effective communication at every stage of the risk cycle – identification, analysis, evaluation, and response – via intuitive tools, providing the structure and understanding required to achieve the ultimate goal: a holistic GRC approach that is driven from the top down and implemented from the bottom up. Having removed the barriers between employees and the board, GRC software creates more visibility and transparency in the business.

Highlight the benefits of the GRC management tool

Having clearly outlined your approach to GRC, the current issues, your risk capability, and your objectives, the benefits of a GRC management tool will be amplified. This is your chance to communicate and relate the current issues and potential impacts directly to the core benefits of a newly proposed solution – so don't be shy.

Let the powers that be know the right tool is equipped with the agility required to keep pace with the evolving demands of GRC. Illustrate the benefits of integrated solutions in risk, compliance, strategy, projects and people that eradicate silos, drive informed decisions, manage risks, and align the talents of your business.

The Robust Business Case

Identifying the gaps in your current GRC approach is the easy part of your journey to implementing an integrated GRC management tool; obtaining the necessary budget and leadership support is more arduous. To reach your end goal, you must demonstrate to senior stakeholders that it adds value to the business by debunking the common misconception of GRC as a reactive non-value-adding function. If done correctly a GRC programme, can uncover process efficiencies, save time & resources, and reduce regulatory fines & penalties. These fundamental advantages should not be overlooked when determining the ROI of a GRC solution.

Use your business case to frame GRC in the context of strategic decision-making and improved performance through transforming risks into opportunities. This will provide the foundation to build a case that outlines the tangible benefits of implementing the right GRC software at the right cost. A GRC tool should not be selected for the sole purpose of ticking the regulatory box and reducing risk - it can offer so much more than that. Organisations who link their GRC programmes to their strategic goals & objectives and enterprise performance initiatives, use GRC information to make strategic and sometimes high-risk decisions in an effort to grow the business and make financial gains. Having access to the right data in the context of risk, enables a business to remain agile and make critical business decisions with a clear understanding of the likely outcomes and associated risks.

The human element should not be overlooked on this path to GRC enlightenment, relevant departments and stakeholders should understand the benefits the tool will bring to their team and the organisation itself, otherwise they will feel disenfranchised and unwilling to adopt the new tool.

GRC may be moving up the corporate agenda, but senior leadership will not allocate resources to achieve an integrated approach unless the business case demonstrates value clearly and concisely.

About Camms.

Camms offers a cloud-based SaaS GRC solution that aligns with your corporate strategy, so you can manage your GRC programme in line with your strategic goals and objectives. The solution uses a modular approach, allowing organisations to scale and mature their GRC programmes and strategic planning at their own pace.

Set up obligations libraries and risk registers, manage incidents, monitor compliance, administer policies & regulations, and roll out your corporate strategy – all within one solution. Automatic workflows & alerts link to a defined framework of KPIs, controls, and tolerances, to form a complete end-to-end solution. Check out the capabilities in detail:

Risk management

Set up a comprehensive risk register, track progress, and define KPIs and tolerances based on your risk appetite. Use the structured framework to define ownership and set key risk indicators, use automatic workflows & alerts to flag problems, and implement structured approval processes.

Compliance management

House a comprehensive obligations library of relevant regulations, legislation, policies, and internal procedures. Set a structured process for version control, approval, ownership, and regulatory change. The solution integrates with third-party regulatory content providers to offer regulatory horizon scanning.

Governance

Implement workflows, registers, and sign off procedures for any business process – including safety checks, feedback & complaints, gifts & disclosures, inspections, whistleblowing, chemical registers, questionnaires & surveys – and more.

Strategy management

Break down your strategic goals and objectives into projects and tasks and allocate them across the business to easily monitor performance and track progress.

Incident management

Facilitates incident and near miss reporting in real-time and triggers the investigation process post-event.

Audit management

Schedules and manages internal and external audits and formalises the results and required actions.

Cyber and IT risk

Manage the complex framework of compliance requirements & risks related to standards such as ISO 27001, NIST, HIPAA, PCI DSS, SOC 2 and GDPR.

API integrations

Transfer data from other business systems in and out of the Camms solution via API connections, enabling you to base KPIs on operational and transactional data.

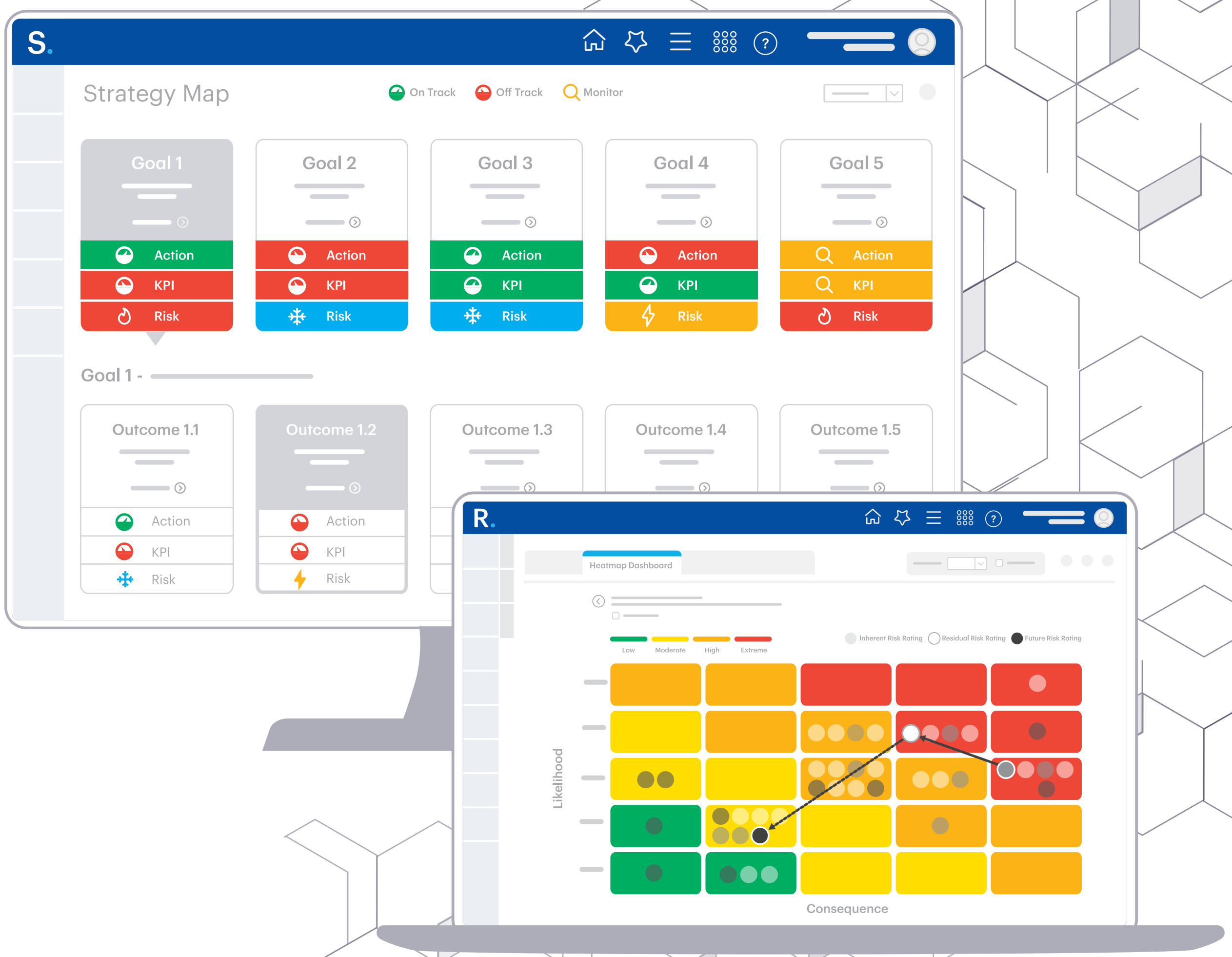
Stakeholder dashboarding

Intuitive functionality provides executives and the board with key risk, compliance, and strategic progress information when required. Built-in dashboards and standard reports provide critical risk insights and executive reporting that satisfies requirements from auditors and regulators.

ESG

Plan and execute your ESG strategy and confidently report on the progress of key metrics and initiatives to uncover opportunities for growth, reduce costs and enjoy operational efficiencies.

Managing these different business functions in a centralised platform fosters collaborative working and the sharing of data across teams. It enables communication from the top-down and bottom-up and ensures business operations follow best practice processes to keep leaders, auditors and regulators satisfied.



Start improving your Governance, Risk, and Compliance processes today and build a successful business case to secure the budget you need for a new and improved GRC platform.

By choosing a solution from Camms, you will reap the benefits of a best-practice GRC solution with enhanced functionality in regulatory compliance, risk management and strategic planning, designed to streamline processes, satisfy regulators, and support organisations to meet their strategic goals and objectives.

Request a demo from Camms today and start your journey to GRC success.

Visit Website

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