

How can you optimise your approach to Governance, Risk Management and Compliance?

Your guide to Governance, Risk Management and Compliance

Why is GRC important for you?

The key purpose of embedding GRC within a business is to manage the risk of impairment to the organisation's business model, reputation and financial condition from failure to meet laws and regulations, internal standards and policies, and expectations of key stakeholders such as customers, employees and society as a whole.



- Customers & Suppliers
- Employees
- Third parties/Business
- Investors
- Shareholders
- Governmental bodies
- Regulator
- ...

- Legislation
- Industry Regulation or Standards
- Voluntary GRC Schemes
- International Guidelines
- Corporate Policies and Standards
- Corporate Risk Culture



Your challenge

Hot topics – Governance issues

- How can we embed risk management in all functions and at all hierarchical levels?
- How can we increase levels of accountability across the organisation?
- How can we increase the quality of services provided whilst managing costs?
- How can we ensure that everyone in our departments really knows exactly what her/his role and responsibilities are?
- ...

Today, Governance involves taking proactive steps to:

- Improve the quality of an organisation's management and decision-making abilities,
- Develop standards of governance and a global risk culture that enable an organisation to manage risks confidently as they arise, and
- Determine what customers and other stakeholders want over and above the minimum standards laid down by legislators and regulators.

Hot topics – Risk Management issues

- How can we carry out risk management in a more explicit, consistent and structured way?
- How can we understand our exposure to fraud and security threats?
- How can we use risk management to help meet business objectives?
- How can we identify hidden risks?
- ...

You probably want to build shareholder value. You have then to determine what level of risk you can or want to accept. In this respect, Risk Management is very important for you as it supports the implementation of appropriate governance.

By managing the risk more successfully, you may have more chance to achieve your performance and profitability targets, prevent the loss of resources and ensure effective compliance and reporting.

Hot topics – Compliance issues

- How do we reduce the cost of compliance without compromising effectiveness?
- How do we handle this new regulation?
- How can we address a recent breach of compliance which has resulted in adverse publicity for the organisation and avoid it occurs again?
- ...

The business world is governed by laws and regulations.

You have to understand them and publish internal policies, procedures and commitments which meet their expectations to all external and internal stakeholders. This is compliance. It should be part of your approach to governance.

Our answer

We help you to evaluate, implement, or improve GRC solutions, thanks to:

- Deep knowledge (as co-author) of the main Risk Management frameworks such as the COSO Tradeway Commission's guidance, the ERM II model and the GRC OCEG framework;
- Practical experience at clients of diverse size, GRC maturity and industry sector;
- GRC tools and internally developed methods on the basis of both best practices and practical experience.

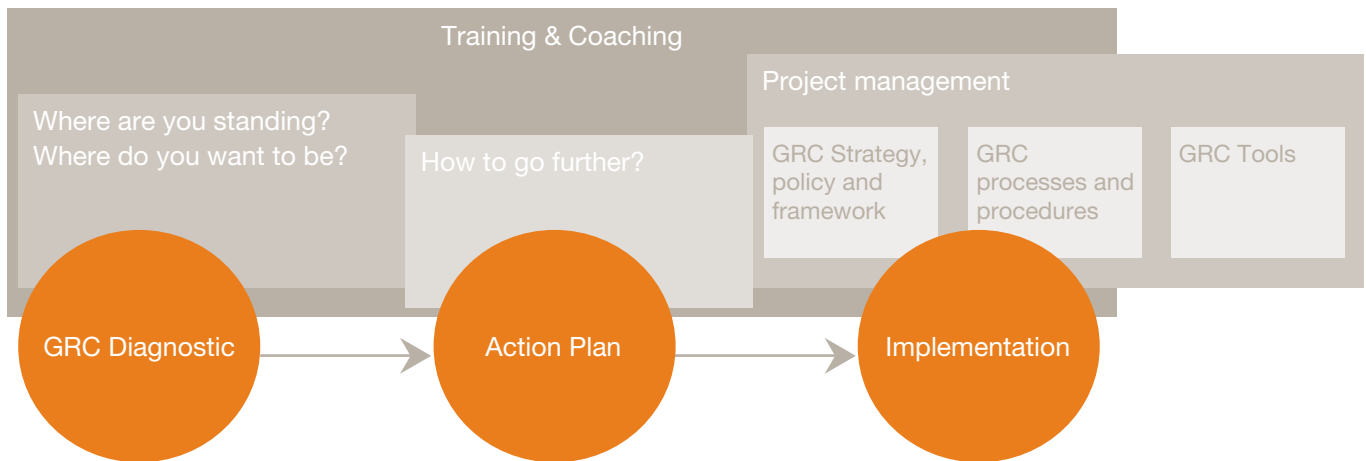
Approach & Deliverables

The inter-relationship between Governance, Risk Management and Compliance is depicted in this diagram with governance, enabled through risk management, delivering compliance as a business outcome. PwC can help you in:

Setting strategy, objectives, tone, policies, risk appetite and accountabilities; evaluating your risk culture; monitoring performance.

Identifying and assessing risks that may affect the ability to achieve objectives and determining risk response strategies and control activities.

Operating in accordance with objectives and ensuring adherence with laws and regulations, best practices, internal policies and procedures and stakeholder commitments.



GRC Diagnostic

- We understand the expectations of your company's stakeholders both in terms of performance (shareholders, customers' expectations) and conformance (legal and internal expectations), and assess how your company is organised to deliver against these objectives;
- We analyse if your company's risk appetite and risk tolerance are adequately defined, validated, communicated, supported by a valuable framework and finally taken into account in your strategy, decision-making process and operational processes;
- We capture your company's risk culture through a Risk Culture Survey specifically designed to give a barometer to the key areas of strength and weakness in the Company's risk and control culture;
- We deliver a "diagnostic" status report with regards to your current GRC system and practice maturity level ("As-Is" situation) in comparison to your GRC needs and requirements (desired maturity level, "To-Be" situation);
- We define a high-level prioritised action plan to address gaps and achieve GRC vision and objectives.

Action Plan

- We define a detailed action plan and a road map for its implementation;
- We design a strategy, but also policies, procedures and processes, specifying the structures, roles and responsibilities as well as the reporting lines within the GRC system;
- We leverage existing technology infrastructure or, where necessary, assisting in the selection, conception/setting-up of additional GRC tools. We have deep knowledge of existing GRC tools and we can help selecting and implementing the most appropriate one to fit to your needs.

Implementation

- We implement and execute framework, policies, procedures and processes, from pilots to the whole organisation;
- We assist you in project management and change management.

Training & Coaching

- We provide training and coaching to support your organisation in the definition and implementation of your GRC framework.

Why PwC Luxembourg?

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To get started call

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