

Developing the Right Strategy for GRC Implementation



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About Us

- \$2b+ revenues
- Retail and consumer products
- Rapid growth
- Global business transformation

Why a GRC Strategy?

- GRC infancy
- 3 Lines of Defense build-out
- Enhanced regulatory scrutiny
- Maturing GRC tech market
- Global growth
- Increased process and control complexity

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About Us

- GM Financial is General Motors' global captive finance company, headquartered in Fort Worth, TX.
- Earning assets of \$42 billion, with operations in 19 companies.
- High growth, with recent spinoff of GMAC and acquisition of Ally Bank International Operations segment.

Why a GRC Strategy?

- Corporate desire to do the right thing for our customers and investors.
- Desire to understand our risk profile(s).
- Desire to be on one enterprise platform for risk reporting.

Beginning the GRC Journey



- Loaded question - what is GRC?
- What problems are we trying to solve?
- Barriers to entry
- Stakeholder analysis
- Change impact assessment
- Ownership and accountability model

Why does GRC strategy matter?



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- To establish corporate-related process maturity goals
- To solve compliance-related, risk-related, and/or governance-related pain points in your company
- To allow a crisis management team one place to obtain valuable data and information
- Ultimately to leverage company risk information for business growth and risk mitigation

Business Case Challenges



- ***Let's put lipstick on this pig*** = Does the strategy fit, is it executable or it just pretty?
- Telling a story with the right metrics
- Branding the initiative as a 'cost stabilization center' or a 'cost recovery center'
- Aligning the GRC strategy to management's strategic initiatives
- Demonstrating the value of early detection based on risk events

Business Case Success Factors



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- Establishing a Governance Advisory Council
- Inviting international operations to sit at the Corporate GRC table
- Selecting a GRC tool and getting critical IT and business infrastructure into the tool
- Spending time with business and IT on maturing processes
- Prepare internal customers for multiple projects

Key GRC Strategic Challenges



- ***We've got too many chiefs and not enough...***
= Who is the business executive GRC strategy champion?
- Underestimating the change impact
= Expectations are not realistic
- Requirements are not defined
= Pain points are not anticipated
- Inability to convert the strategy into a viable strategic roadmap
- Inadequate infrastructure to support the strategic roadmap
 - No GRC operating model
 - Lack of universal policies and procedures globally
 - Lack of internal resources and SME's to execute
- Lacking a common vision and metrics to measure success

Key GRC Strategy Success Factors



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- Selecting GRC program ownership
- Who owns the GRC services?
- Who owns the GRC tool maintenance?
- Does your company need a GRC tool to drive organizational change?
- What is the end-goal and scope of the program?
- Is this a top-down program or a bottom-up project?
- How are GRC projects like ERP (Oracle or SAP) projects?
- What is the project cadence to support the program?

Key Strategy Development Questions



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- Do we have documented processes that support the vision?
- Do we have clear boundaries for decision making?
- Have we engaged internal SME's for thought leadership?
 - IA, PMO, Organizational Change Mgmt., Security, CIO, CCO, CFO...
- Have we engaged 3rd party resources for best practices and benchmarking (customers and/or consulting firms)?

Key GRC Technology Challenges



- Technology is not the answer for us...yet. People and process come first.
- However, we are starting down the path with the following challenges:
 - Aligning and measuring cross-functional requirements and cost/benefit
 - Building consensus
 - Narrowing a cluttered market
 - Establishing reliable points of reference
 - Identifying a trusted 3rd party partner
 - Securing sufficient funding
- ***‘Driving a parked car.’*** Are we going anywhere? Have the right people in the room for the right conversation. Keep the GRC strategy simple.

Key GRC Tool and Consultant Questions



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- Do you need a single subject GRC tool or an enterprise GRC tool?
- What are specific GRC tool strengths? Weaknesses?
- How does the tool rank to Gartner and Forrester reviews/surveys?
- Does the company require an on-premises license or cloud license?
- If your company is driving organizational change through the GRC tool, how much tool customization is required?
- How will your company's IT department provide ongoing support: in-source, outsource, or hybrid?
- How much security and privacy does the organization need in the GRC tool?
- Are there any volume purchase agreements that exist between you and the tool provider?

Key Takeaways



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- If **strategy** is limited, it could mean confusing goals for the company and users.
- If **tactics** are limited, it could mean no effective strategic measurement.

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DISCUSSION