

MetricStream

GRC

SUMMIT 2017

November 6 - 7, 2017

L O N D O N

Case Study: Enabling Risk Management

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Presenter Details



Aadila Hashim
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Agenda



Who is MMI?



MMI Holdings Limited (MMI) is a South African based financial services group listed on South African stock exchange, the JSE.

MMI was formed on 1 December 2010 from the merger of Metropolitan Holdings and the Momentum Group.

Our solutions include: Insurance (long-term and short-term) , Health, Employee Benefits, Lending & Investment and Savings.

Our client facing brands are:



MMI Strategy



MMI Risk Management Strategy



Purpose

To enable MMI to achieve the appropriate balance between risk and reward, while challenging business to manage risks better, thereby enhancing MMI's reputation with all stakeholders

Strategic Focus Areas



Client Centricity



Growth



Excellence

Financial Aspirations

Earnings at Risk

Embedded Value at Risk

Economic Capital

Stakeholder Aspirations

"Provide a trusted forward looking view of risk"

Enablers

Culture

Relationships with
Regulators

Analytics

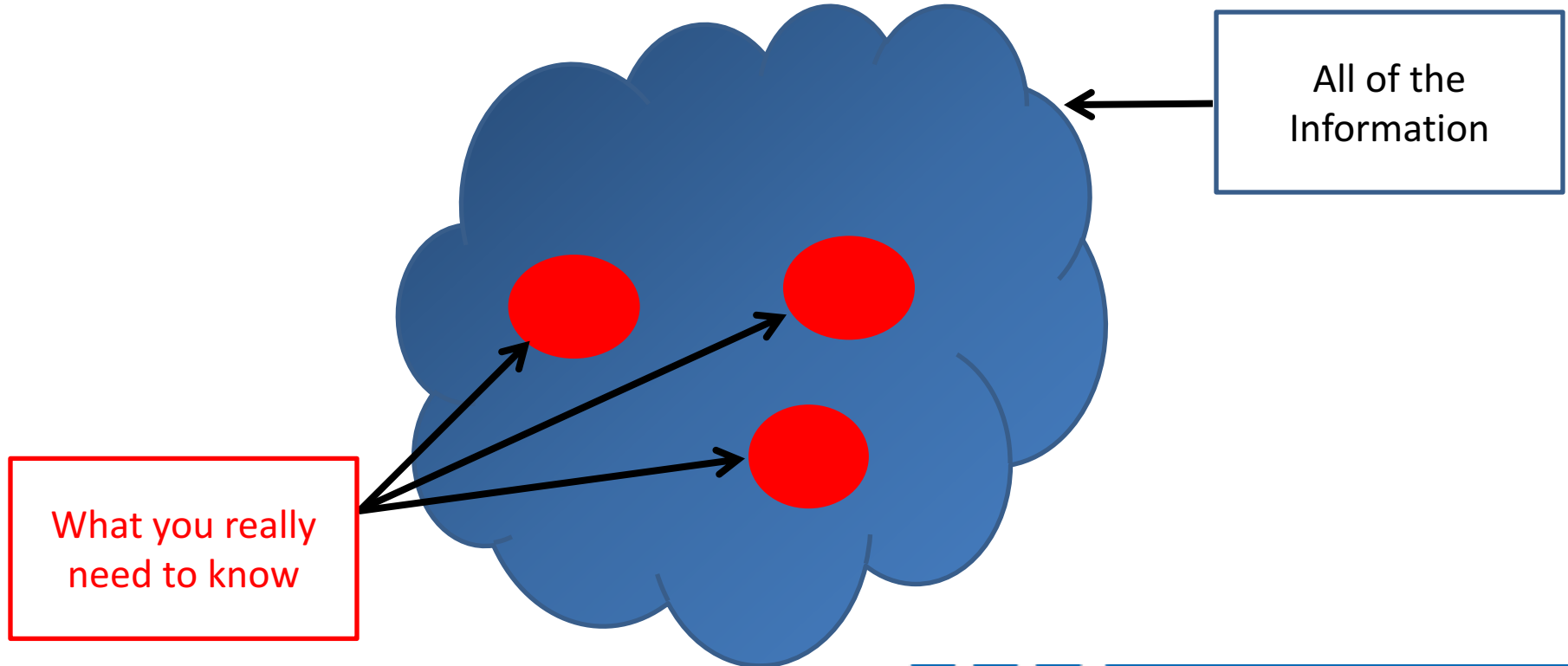
Operating Model

Combined
Assurance

Agenda



Expectations of Risk Management



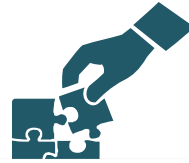
Expectations of Risk Management



Trusted and
valued
business
partner



Insights: What,
Why, Impact,
Action



Correlation
between risks



No surprises



Forward
Looking
Insights



Trends –
Spotting slow
deteriorations



Innovation



Risk Culture

Agenda



The need for GRC – Risk Management Perspective



- Complexity and **information** overload
- **Coordinated** and relevant assurance activities focussed on key exposures
- Reduce **inefficiency** in assurance activities (silos, duplication)
- Synchronisation of reporting – **one version of the truth** and transparency of information
- **Harmonisation** of taxonomies and “way of work”
- **Cost effective** and **efficient** delivery of assurance
- **Enable** different lines of defence to deliver on their **individual accountability** through **collaboration**
- Satisfy **regulators expectations** of control functions (risk, compliance and audit)
- **Balance** “how we spend our time”

GRC Program Strategies



Program Strategies

- Appoint an accountable person for driving the implementation of the program
- Established strong accountability and governance with Risk Executives and Risk Teams
- Establish committees to address aspects related to changes in the way of work and changing expectations of existing roles
- Dedicate existing resources in MMI to implement the technology component (MetricStream)
- Transparent, regular communication
- Consultants used for guidance and insight

Drive the implementation of **Combined Assurance**

- Risk, Compliance and Internal Audit capabilities working together for the purpose of assuring that MMI meets its objectives
- Combined Assurance allows MMI to set priorities for assurance activities and harmonise across Management, Internal Assurance Providers and External Providers

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Internal Governance

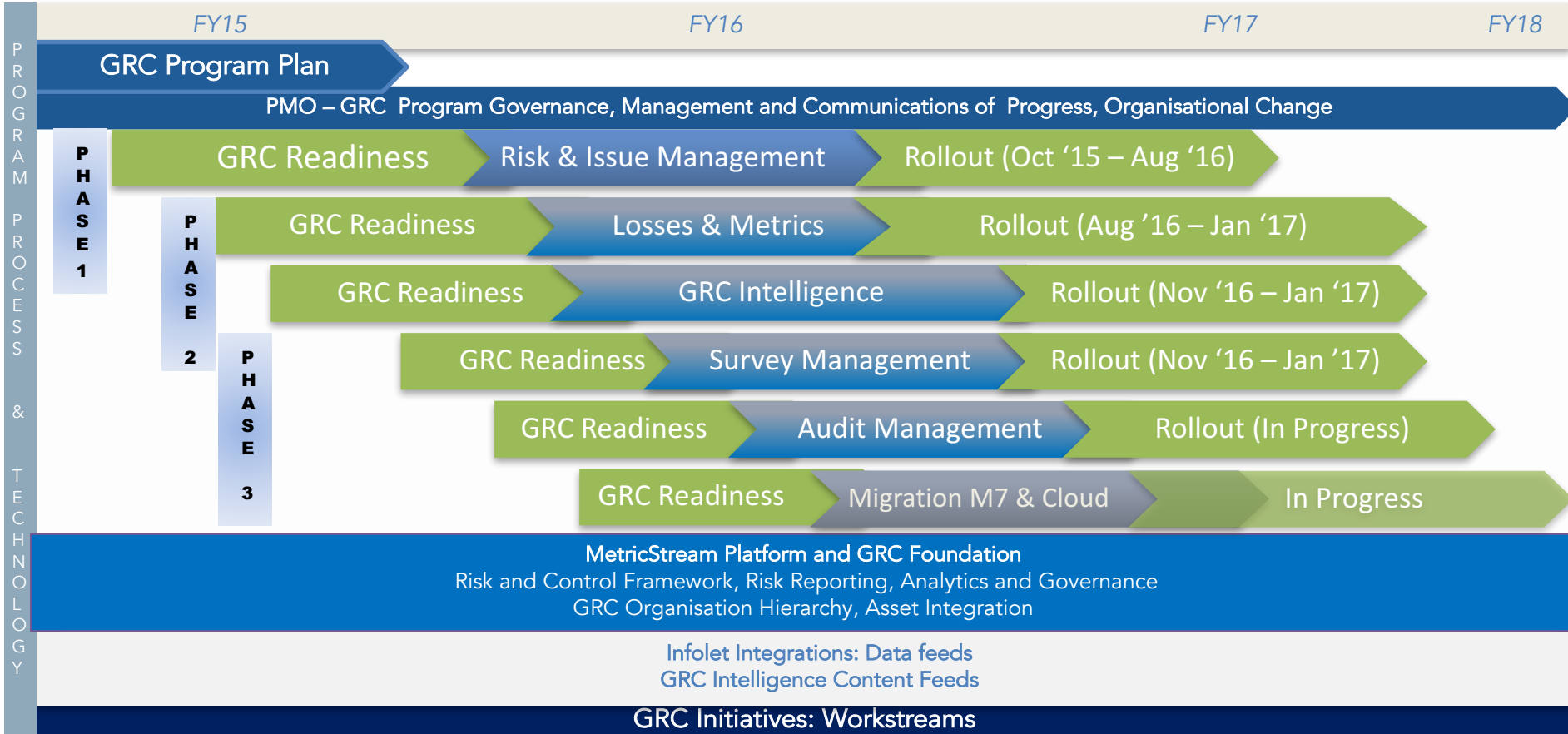


Challenges



- 👉 Many small teams across MMI
- 👉 Different ways of work and no enforcement of methodologies and risk processes
- 👉 No technology solution in place for 5 years (Excel and Powerpoint)
- 👉 Changes in Leadership
- 👉 Evolving operating model for MMI, requiring new and different skills and thinking from risk management community
- 👉 Availability of resources

MMI GRC Program Roadmap and Rollout



MMI GRC Program Roadmap and Rollout



Roadmap:

- We started with the end in mind
- Needed to build the end-vision and interdependencies between the different applications we required
- Requirements gathering, build and user testing
- Deployment to end users – staggered approach, staged differently to technology build and testing (GRC readiness)

Implementation Rollout Strategy:

- Life after UAT: Maintain enthusiasm and end-user adoption
- Organisation change management
- Communication
- Continuous improvement

Agenda



Successes



- ✔ Shift from traditional project methodologies to Agile
- ✔ Focused support from the MetricStream project team
- ✔ Delivery of meaningful minimal viable products to demonstrate system functionality and enable teams to take the implementation forward
- ✔ Recognising that GRC is a *JOURNEY* and an organisation-wide initiative
- ✔ Engage change management champions
- ✔ Communication
- ✔ Collaboration between teams in MMI

Key Learnings and Best Practices



People

- Visible executive sponsorship
- Realistic expectations (change management)
- Shared ownership
- Begin with the end in mind
- Drive the business value and address changes on roles and expectations

Process

- Utilize a single Taxonomy and Framework
- Understand business case, define outcomes upfront but be willing to change as your journey progresses
- Realign business processes and design for the future
- This is a journey – take the time to get it right

Technology

- User-friendly product
- Long term solution
- Elimination of other systems (incl. Excel)
- Use the out-of-the-box / standard functionality as far as possible (avoid over-customisation)

The road ahead for MMI's MetricStream implementation



- Introduce more collaboration between technology and business teams
- Dynamic production support team to assist with technology adoption and maturing the risk management function's usage of the current sets of technology
- M7 Upgrade
- Change from on-premise hosting to Cloud hosting
- Creating cross-functional, self-organized teams to take MMI's GRC Journey forward

Benefits Realization



- Consistent risk taxonomy
- Consistent application of risk processes and rating methodology
- Aligned views of the organization and processes
- Reduction of key person dependency for information

Now that the technology is in place...



- Drive maturity and uptake of MetricStream
- Streamline operating model
- Look for further automation opportunities
- Focus on meeting expectations for more forward looking insights and trends



Q&A

MetricStream

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Continue the conversation online

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Thank You!

