Towards Pervasive GRC

Innovations from MetricStream labs

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MetricStream Labs - Vision

"**MetricStream Labs designs and prototypes new applications and methodologies leveraging the *latest Technology trends such as Internet of things, Social Media, Big data* etc. which will define the next wave of Governance, Risk and Compliance requirements across Global organizations.**"

Technology trends influencing MetricStream Labs

MetricStream
GRC
SUMMIT **2014**
MIDDLE EAST
December 10 - 11, 2014 | Dubai, UAE

Digitalization of data (Big Data)

Hyper connectivity

Social Media

Cloud Computing

Key MetricStream Lab Initiatives

Social Media Risk & Compliance

Spreadsheet Governance

Towards Pervasive GRC

Social Media Risk & Compliance

Data is new Oil*

It needs to be
- Explored
- Extracted
- Refined
- Deployed
- Profiteered

Social Media is Pervasive...

More than 204 million Email messages

48 hours of new YouTube videos

$272,000 spent on e-commerce

EVERY SECOND OF EVERY DAY

684,000 bits of content shared on

2 million+ Google search queries

3,600 new photos shared on Instagram

Social Media- Key challenges

Velocity of Data

- One post, blog or video can create a high impact in a short span of time.

Volume of data

- User generated content is constantly increasing and expanding.

Variety of data

- Most of the new data being created is in formats like Video, Audio and Social Media posts.

Value of data

- Identifying the relevance and value of the information is a constant challenge.

## Veracity of data

- Verification of the identity and credentials of author is a challenge
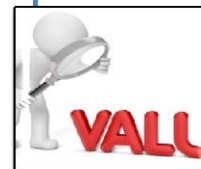
Social Media Risks – Key Challenge
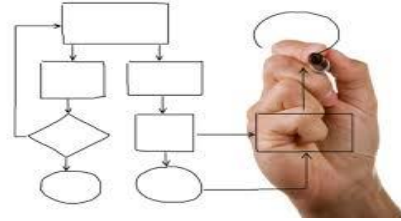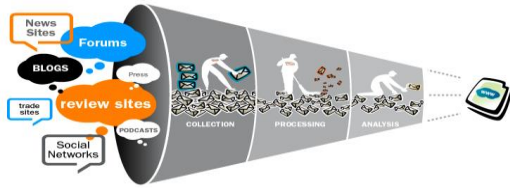
How to separate Voice from Noise?

How to correlate and analyze?

How to create Actionable Insights?

Key Use- cases for Social Media Risk

Reputation Risk
- Early detection of any product or organizational issue
- Mitigation before reputational damage

Supply Chain Risk
- Predicting & Managing Supply chain disruptions
- Putting early warning signs in place

Regulatory Intelligence
- Monitoring Social media comments on new rulings and changes
- Identify the key issues & changes and act fast

Reputation Risk Management

Identify the key data sources for gathering the Product Safety and quality feedback

Aggregate & Process the data using Hadoop DFS and MapReduce framework

<u>Detect</u> the risks using natural language processing based rules, keywords and author profiles and influence

Inform the relevant stakeholders through trend analysis reports and dashboards

Social Media site Postings

Call center transcripts

Support Emails

Internal data & reports

Hadoop DFS
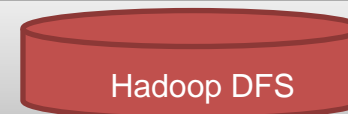
Store the complete data in a Distributed File system

Create risk detection rules based on key words, repetition frequency & Author influence
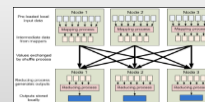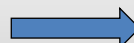
Analyze the product feedback data based on the rules on a real-time basis
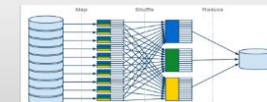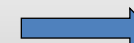
Reduce the data to highlight the key product & brand reputation risks and their causes

Create trend analysis dashboards to highlight key product feedback categories and risks and causes highlighted based on the analysis

Supply chain Risk Management

Trends predict Super Cyclone in India → 90% of Manufacturing Plants impacted

Anticipate, Counter disruption with remedial plan and publish it ← No supply till plants restored

Stock stable

Super Cyclone in India → 90% of Manufacturing Plants impacted

News of disruption in supply ← No supply till plants restored

Stock volatile

Advanced Rules Engine for Risk Detection

Ability to create complicated text analysis rules based on to facilitate real time text analysis and risk assessment.

Sample Analysis Reports

Detect risky content across articles and flag it for user to analyze and decide on future course of action.

Analyze risk content on each article and display risk assessment scores on each article for prioritization

Display Author information to allow user to gauge the author influence by the system score as well as other configurable parameters.

Towards Pervasive GRC

Spreadsheet Governance

1 in 7 people

Over 1 billion people use Office. That's 1 in 7 people on the planet. (Source: Microsoft)

And how much in Business?

Spreadsheet Management
Not what you figured

Large New York bank ($20+ trillion in assets).
- UDT Definition – User Defined Technology. Defined as Excel, Access, BI tools
- **Bank has an 25,000 UDTs** spread across all lines of business and geographies.
- The approximate rate of introduction of new UDTs to the bank IT landscape is about **5% YOY**..

Which option best describes the **level your company utilizes spreadsheets to support business processes or financial reporting?**

Votes received:	2,804
Heavy. We rely on spreadsheets for critical portions of the business	70.1%

Deloitte.

So What is the Problem?

- **Spreadsheets are largely uncontrolled**

- **Confidential Information contained in these Spreadsheets can be shared with anyone**

- **Enterprise applications do not address the spreadsheet "problem"**

- **File-level solutions (SharePoint, Box, Dropbox) do not address the problem**

- **Spreadsheet control technology not incorporated into governance, risk and compliance (GRC) software**

Operating Margin
7%

Value at Risk
1.5 Billion

Total Deal Value
350$

70% of the Fortune 1000 organizations assert that spreadsheets are critical assets in their business decision making. *

And if things go Wrong?

- **A US utility company found in a lengthy spreadsheet formula that parentheses were out of place –** **projected gains fell from $200 million to $25 million**

- **Executives from a healthcare service provider admitted preparing a false spreadsheet for auditors that inflated assets, thus falsifying the company's worth –** **earnings were overstated by at least $3.5 billion**

- **County of Bakersfield California overlooks, then finds, taxable property worth $****1.26 billion based on spreadsheet errors**

MetricStream Spreadsheet Governance

Enable organizations to create and manage business processes on spreadsheets leveraging the ease of Microsoft Excel over a Concurrent, Multi-user Collaboration and Audit-enabled environment
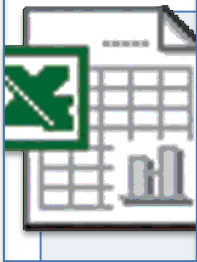
Ease of Microsoft Excel
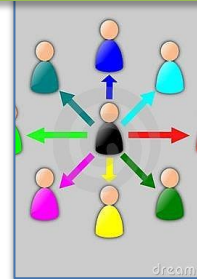
Multi-user cell level collaboration
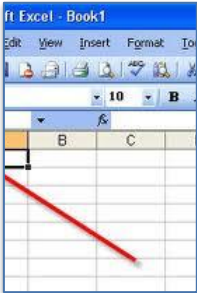
Cell level security and access control
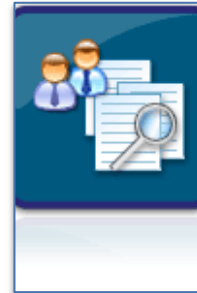
Automatic Version Control & Full Audit Trail

Cell data Management

Cell-Level Audit Trail/Change Management

MetricStream Spreadsheet Governance

Enabling a Multi-user, Concurrent and Hierarchy controlled Functionality with Automated Multi-level Consolidation of Data elements

Multi-level Access and Audit Control

Vice President- Sales & Marketing

Director- Sales

Director - Marketing

Manager- Sales

Manager- Sales

Manager - Marketing

Full Access

Partial Modification Access

View only Access
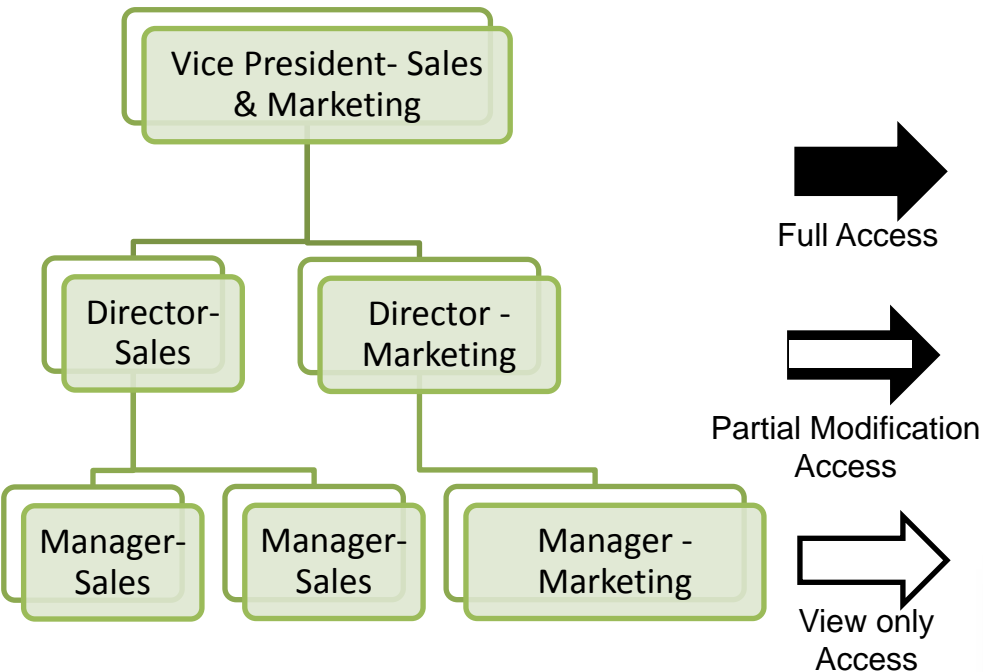
Complete audit trail of changes across hierarchy

Multi level real time excel consolidation

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Upcoming Initiatives

Upcoming Initiatives

Towards Pervasive GRC

Thank You