# Pervasive GRC at USAA

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**2015 - Case Study**

MetricStream

# GRC
## SUMMIT **2015**
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*Maximize Business Performance Through GRC Journey*

# Pervasive GRC at USAA

1. Setting the Stage

2. Organization Overview: Vision and Key Facts

3. Organizational Structure: Lines of Business and Key Stakeholders

4. Business Challenge Identification: Top Challenges Facing Organization and Industry

5. GRC Program Objectives and Strategies

6. Overcoming Business Challenges

7. Technology as an Enabler

8. Successes and Benefits

9. Key Learnings and Best Practices

10. Audience Questions and Discussion

# Organization Overview

The United Services Automobile Association is a Texas-based Fortune 500 diversified financial services company founded in 1922 offering banking, investing, advice, and insurance to U.S. military service members, veterans with an honorable discharge, and their eligible family members.

- USAA Mission:
    - The mission of the association is to facilitate the financial security of its members, associates, and their families through provision of a full range of highly competitive financial products and services; in doing so, USAA seeks to be the provider of choice for the military community

- Key Facts about USAA:
    - 10M+ Honorable members
    - 25K+ of the world's best employees
    - $24B+ net worth due to conservative financial management

# Organizational Focus

Member Relations Center of Excellence and Enterprise Complaint Management (2010)

- To serve as USAA's member advocate by facilitating the resolution of issues through collaboration with business partners; in doing so, USAA seeks to improve the member experience while satisfying all related legal and regulatory requirements.

- Key Stakeholder Identification
    - CEO Operations
    - Legal/Compliance
    - Line of Business Member Advocacy Teams

# Business Challenges Faced

**Challenges related to People:**

- Change
- Coordination/Collaboration
- Up-skilling

**Challenges related to Process**:

- Legal/Regulatory/Compliance
- Manual processing
- Definition
- Inconsistency
- Processing time vs. internal SLOs
- Volume
- Quality
- Regulatory scrutiny

**Challenges related to Technology:**

- Inconsistent, inefficient, and disparate capture systems
- Scalability/Flexibility
- Quality/Standardization
- Reporting
- Historical data integration

# Program Objectives & Strategies

**Program Objectives:**

- Establish an Enterprise Complaint Management Process
- Develop an Enterprise Complaint Definition
- Establish a single, integrated Enterprise Complaint Registry that supports the capture, resolution, and reporting of all USAA complaints
- Migrate legacy data; retire legacy systems

**Program Strategies:**

- Engage process engineering to study ,revise , and standardize the complaint management process
- Involve legal and compliance partners across all lines of business to develop an Enterprise Complaint Definition,
- Assign IT Architecture to research and select best-of-breed complaint management workflow solutions

**Role of Technology in Program:**

- Implement a complaint management workflow solution to support, automate ,and standardize the Enterprise Complaint Management Process
- Establish a reporting environment

# Technology as an Enabler

**USAA selected MetricStream as the technology solution for its Enterprise Complaint Registry.**

**MetricStream Solution Areas:**

Issue Management Application

**Key Solution Functionality:**

- Hosting options
- Role-based security; integration with LDAP
- Workflow and collaboration
- Extensible platform
- Ability to  configure and/or customize
- Integration with existing systems
- Information capture
- Real-time analytics

# Successes and Benefits

**Key Process Improvements and Efficiencies Gained:**

- Created a single integrated and standardized source for complaint management at USAA

- Improved data quality

- Enhanced reporting capability

- Implemented 5/1/2012 without any critical or high defects

- Initially trained 300 users; currently support ~850 users

- Realized a 25% gain productivity

- Reduced overtime

- Provided ability to meet internal SLOs and ability to absorb surge

- Retired three legacy applications (~55K savings)

# Key Learnings and Best Practices

**Lessons Learned:**

- Onsite  consulting and development model
- Transition

**Best Practices:**

- Utilize dedicated business and technical resources
- Employ strict project management/planning
- Engage in advance process engineering and post-implementation measurement
- Limit customization
- Phase implementation (iterative, agile)
- Test (unit, system, regression)
- Collaborate
- Document
- Communicate
- Standardize
- Provide ongoing governance
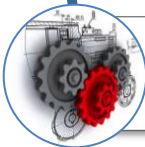
# GRC Journey – How MetricStream Helps

**GRC Maturity: Deriving Value from GRC investments**

*Focus on right priorities to achieve better performance, make better decisions*

**GRC Journey Planning:  Workshops and Deep Dive Sessions**

*Build a clear program with key stakeholders leveraging the GRC Journey Guidebook*

**GRC Libraries:  Building Federated Taxonomies**

*Leverage common org, risks and control models, taxonomies supporting distinct business units*

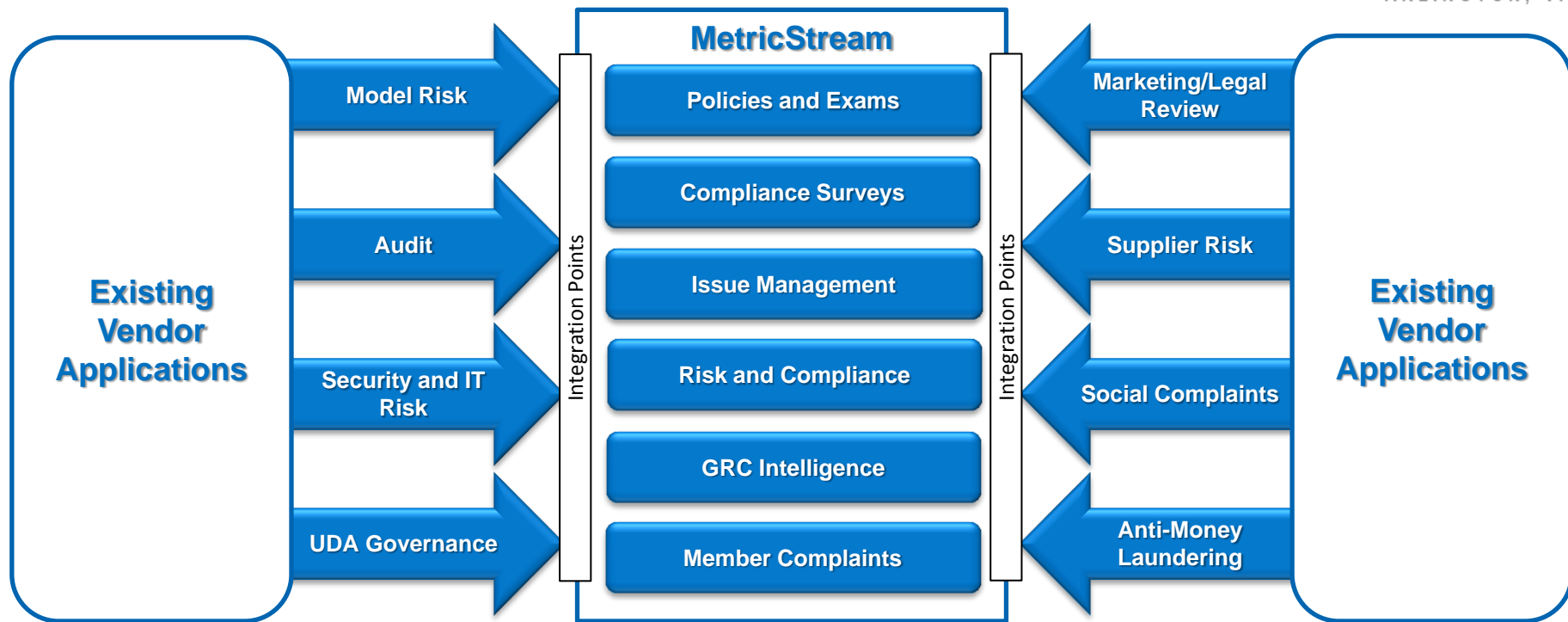**GRC Applications:   Accelerated Deployments**

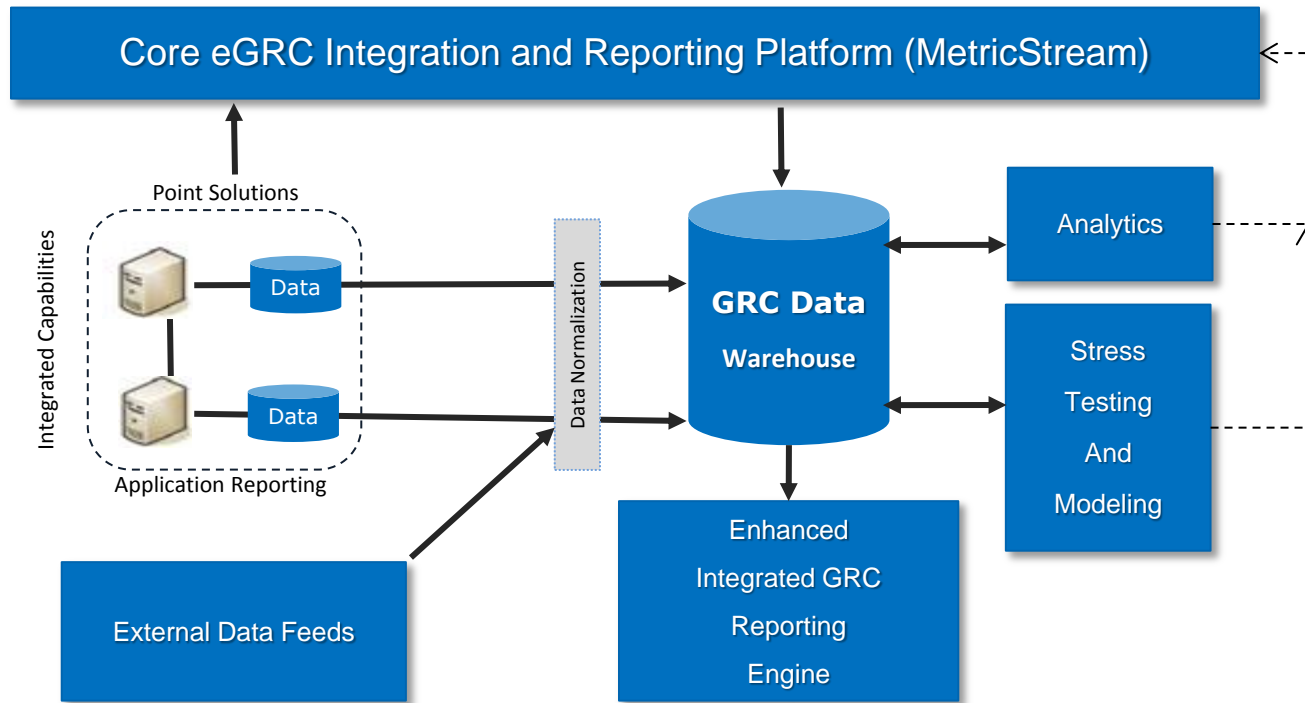*Streamline and automate for high value leveraging baseline apps*

**Continuous Improvement: MetricStream Community and GRC Summits**

*Engage in our MetricStream Community and Events for Innovation and Change*

# eGRC Capability Roadmap

**MetricStream**

**Existing Vendor Applications**

Model Risk →

Audit →

Security and IT Risk →

UDA Governance →

Integration Points

- Policies and Exams
- Compliance Surveys
- Issue Management
- Risk and Compliance
- GRC Intelligence
- Member Complaints

Integration Points

← Marketing/Legal Review

← Supplier Risk

← Social Complaints

← Anti-Money Laundering

**Existing Vendor Applications**

# Domain Architecture for Integrated eGRC

Core eGRC Integration and Reporting Platform (MetricStream)

Point Solutions

Integrated Capabilities

Data

Data

Application Reporting

Data Normalization

GRC Data

**Warehouse**

Analytics

Stress Testing And Modeling

External Data Feeds

Enhanced Integrated GRC Reporting Engine

Technical Architecture is Highly Dependent on Business Architecture
and defined integration points.

# Key Learnings and Best Practices: Outside In View

1. GRC Champion team with MetricStream technical and functional knowledge
    1. Technical training
    2. Functional training
2. Aligning USAA GRC Journey with MetricStream Product vision by contributing to the product roadmap
3. Phase wise rollout
4. Discovery Meetings
5. Enterprise Solution Architects from both USAA and MetricStream side
6. Steering Committee meetings to bring attention at the management level