ERP Risk & Controls
Systems and Process Assurance

Are you confident that your ERP project will achieve the desired control and business objectives?

How did you ensure that your ERP implementation meets all the regulatory requirements and is in line with the business assumptions?

Have you automated your manual procedures, calculations and controls for the benefit of business performance and controls? Have these been properly configured to mitigate financial and operational risk?

Is your management information reporting effectively supported by the ERP system and optimized?

How did you assess system security, access to sensitive data and segregation of duties?
How can PwC support the journey?
Your challenges in ERP risk & controls, our capabilities

PwC meets your challenges both in terms of the assurance you require and optimization of controls for business performance and delivers our capabilities through the following services:

ERP system implementation assurance

- We evaluate the relevant project, business, controls and data risks to provide management with comfort that they will accomplish their desired outcomes;
- We help to integrate financial and business controls to drive opportunities for improvement and costs savings;
- We review the system implementation from the compliance standpoint (accounting, tax and legal requirements);
- We perform a functionality analysis against blueprint assumptions;
- We health check the parameters relating to security and segregation of duties;
- We review the configuration of key automated procedures and controls within the business processes;
- We review the data migration for its completeness and accuracy.

Our Tools and Methodologies

Business process and controls optimization

- We assist in establishing effective and efficient processes and controls within your ERP system at the right cost for your organization, reflecting the business risks and objectives balanced against the risk appetite of management;
- We help to identify areas where manual procedures and controls can be automated for the benefit of business performance and controls;
- We assist in optimizing your management information reporting in the ERP system;
- We perform data quality reviews including fraud detection techniques, verification of interfaces, data quality assessment and cleaning, complex algorithms and verification of reports.

Security and segregation of duties assessments

- We evaluate the potential risks of undetected errors, fraud, or material misstatement to the financial and operating data when business functions and users have incompatible, elevated or powerful access to the system;
- We review critical system parameters settings, verify key user accounts and profiles, and assess the authorization list for sensitive transactions;
- We utilize the PwC automated ACE* tool to identify conflict between critical access and segregation of duties and to assist in taking effective remedial action;
- We optimize the implementation and configuration of third party compliance tools, such as LogicalApps and GRC, to meet clients regulatory, compliance and risk management needs.

Global Knowledge Exchange Portal

The portal is a comprehensive repository for risks, controls, best practices and implementation tasks providing a mechanism to accelerate the development and review of SAP controls. Detailed version specific risks and controls libraries are included for the various releases of SAP (including the ECC 6.0 version) which are updated regularly based on new experiences and control techniques gained during our ongoing client assignments.

Knowledge Exchange and Practice Aids

This PwC global database provides a central repository for best practices, version specific and industry specific practice aids, work programmes and lessons learned from our global SAP security and controls projects. This key knowledge base is updated continuously to leverage the widest risk management expertise across the firm.

ACE* (Automated Controls Evaluator*)

ACE* is our proprietary tool for the automated interrogation of SAP security. It was developed originally in 1995 by PwC and since then has been enhanced continuously and adapted for new functional requirements and new SAP versions (including ECC 6.0).

ACE* is a stand-alone application which interrogates the data extracted from a clients’ SAP system producing detailed reports of users assigned excessive and/or inappropriate access as well as process controls assessment. The tool contains over 2,000 standard cases to identify roles and users that have been assigned profiles containing segregation of duty risks. ACE* allows us to identify risks within SAP security and control design and implement effective controls to mitigate those risks, thus providing management with the confidence that access to the SAP system meets both audit and business requirements.
ERP Risk & Controls
Optimizing controls for business performance

ERP systems are becoming increasingly prevalent across all aspects of company business environments, with the expectation of reaping substantial benefits. By their very nature, as the central nervous system of organizations, ERP systems carry certain inherent risks and, without a well designed control infrastructure, these risks can give rise to both financial and operational issues in the organization. The implementation, configuration and maintenance of an optimal mix of internal controls for managing these systems and their data is therefore vital.

PwC assists organizations in achieving the right balance of automated and manual controls. From security analysis and project management services to system implementation risk management and moving towards optimizing controls, we have the dedicated resources, proprietary tools and leading methodologies to assist you in meeting each of your challenges and achieving the critical mix of processes and controls.

The implementation of an ERP system brings major change to the existing processes and work practices in your business which also present many risks and challenges that must be managed and mitigated. The successful delivery of strategic initiatives, such as this one, can significantly impact an organization’s efficiency, reputation and market value. PwC helps meet your ERP challenges by providing a complete suite of risk and controls capabilities to enable your business to establish a solid foundation for developing and achieving its organizational objectives.

Project management and governance

Define → Design → Build and test → Deliver → Implementation support → Maintain

- **Security analysis**
  - Evaluating the security model for appropriate configuration to mitigate business process risks

- **Segregation of duties assessments**
  - Assessing segregation of duties design to enable the achievement of business and compliance objectives

- **Compliance tool optimization**
  - Reviewing supplied or third party compliance tools for optimal configuration to enable management of ERP risks and meet increased regulatory requirements

- **Segregation of duties assessments**
  - Assessing segregation of duties design to enable the achievement of business and compliance objectives

- **Controls design**
  - Reviewing controls to assess their value and criticality according to the specific processes and risks managed

- **Controls effectiveness**
  - Assessing highly configurable controls within ERP to ensure they are implemented appropriately and operating effectively

- **Data quality**
  - Defining the processes and controls necessary to successfully migrate the business and data from older versions or legacy systems

- **Delivery assessments**
  - Enabling the effective transfer of knowledge between IT and the business to ensure organizational benefits can be realized

- **Project management**
  - Evaluating relevant implementation risks throughout the project to assure stakeholders the ERP system delivers its intended benefits and desired outcomes

- **Business process & control reviews**
  - Modifying business processes, improving documentation and optimizing the control environment
Our contacts

Linda Hoffman, Partner
phone: +36 1 461 9685
e-mail: linda.hoffman@hu.pwc.com

Andrea Major, Senior Manager
phone: +36 1 461 9364
e-mail: andrea.major@hu.pwc.com