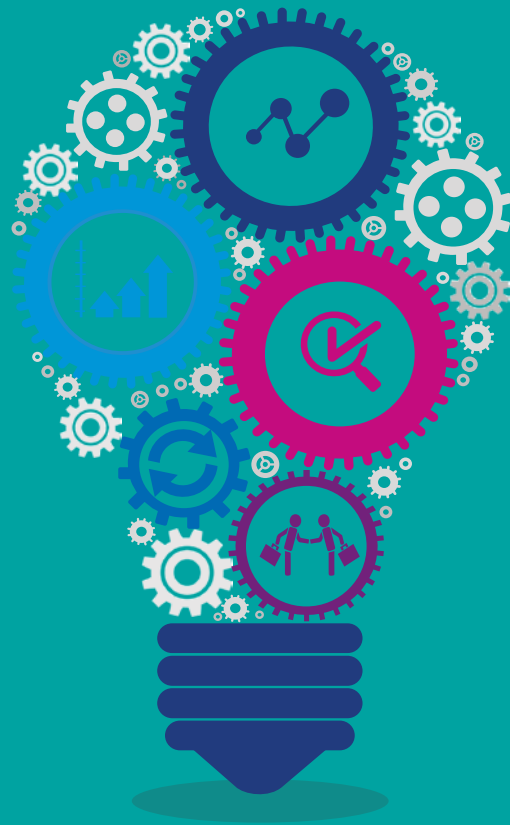




Survey - Governance, Risk and Compliance



May, 2019

2019 EMA GRC: SAP HANA, Segregation of Duties,
Internal Controls & beyond GRC

kpmg.fr

Introduction to the EMA GRC Survey

GRC tooling for SAP is no exception to the rapid developments, many providers offer solutions to keep their clients on track regarding internal control management, including access risks such as segregation of duties. With the increasing regulations also internal controls has developed in past decades from a relative small or even non-existing part of the finance department to an important corner stone of every large organization.

In the world of SAP another recent development is the introduction of the HANA database server and the new application layer of SAP called S/4 HANA in 2015. The HANA database server is revolutionary in terms of in-memory, column-oriented and relational database management. This allows advanced analytics, such as predictive analytics, spatial data processing, text analytics, streaming analytics and graph data processing. The S/4 HANA is the business suite that is built on the SAP HANA database server and is the successor of SAP ERP Central Component (ECC) 6.0.

With all these developments this survey was initiated to get a better insight in the maturity of GRC, the level of internal controls and the adoption of HANA with the organizations running SAP within the EMA region. During 4 months more than 40 large organizations running SAP have been asked to participate in this survey. Their input has been analyzed anonymously and the results are collated in this report.



■ Participating countries

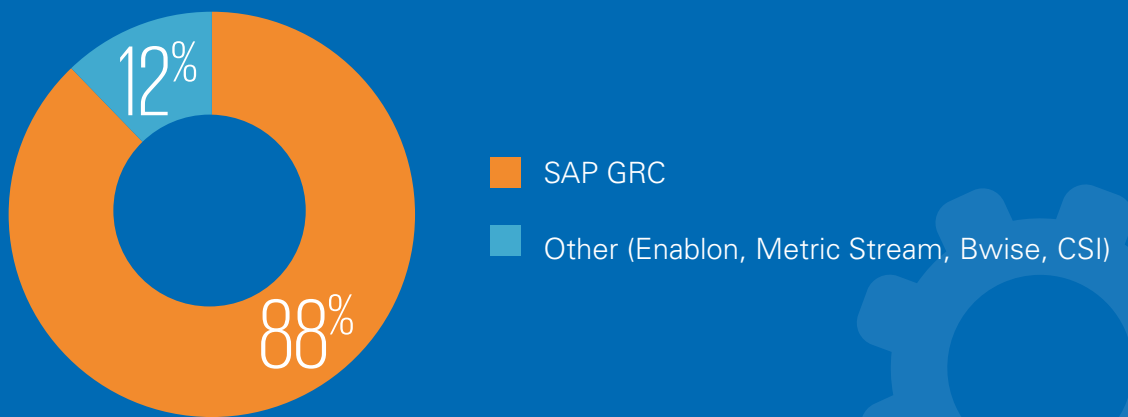
GRC SYSTEM LANDSCAPE

77% of the interviewees have deployed a SAP GRC Solution



18% of interviewees are planning to implement a GRC Solution

Which GRC tools do you use ?



Which functional domains are covered by GRC solutions?

87% Segregation of Duties management

35% Control automation

45% Control campaign documentation

29% Risk Management

39% Internal audit

SOD MATRIX

7% OF INTERVIEWEES HAVE NEVER REVIEWED THEIR SOD MATRIX SINCE THEIR IMPLEMENTATION

79% of interviewees have a clearly defined SOD matrix

88% of them have the SOD matrix communicated across the company



56%

of interviewees perform cross-system SOD checks



35%

have not updated their SOD matrix within the last year






52%

use a dashboard to monitor SOD conflicts (Tableau, Qlikview, MS Excel)

TOP 5 PRIORITIES AROUND SEGREGATION OF DUTIES

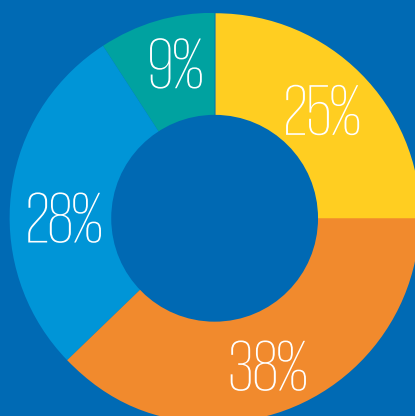


- 1**  Remediation of conflicts (roles and users) **68%**
- 2**  Automate mitigating controls **59%**
- 3**  Review and update segregation of duties matrix **59%**
- 4**  Define mitigating controls **45%**
- 5**  Setting up a dashboard and/or indicators **27%**

The matrix contains

91

risks on average



Number of risks in SOD matrix

- less than 50 risks
- between 50 and 100 risks
- between 100 and 200 risks
- more than 200 risks

INTERNAL CONTROL AUTOMATION

57% OF INTERVIEWEES REPORT HAVING FEWER THAN 10% OF AUTOMATED CONTROLS BUT **72% IDENTIFY CONTROL AUTOMATION** AS A TOP PRIORITY



81% of interviewees have a clearly defined internal controls framework



219

Average number of controls identified in control framework



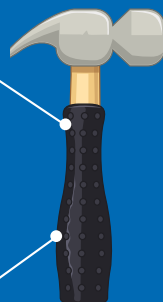
17% of the internal controls are automated on average

69% of respondents state to have a **tool** to report on the effectiveness of the controls

50% of respondents state to have a **dashboard** to monitor and report on the effectiveness of the controls

TOP 4 PRIORITIES AROUND INTERNAL CONTROL SOLUTIONS

72% Increase in control automation rate



48% Collaboration between Internal Control & IT teams

48% Reduce control deficiencies



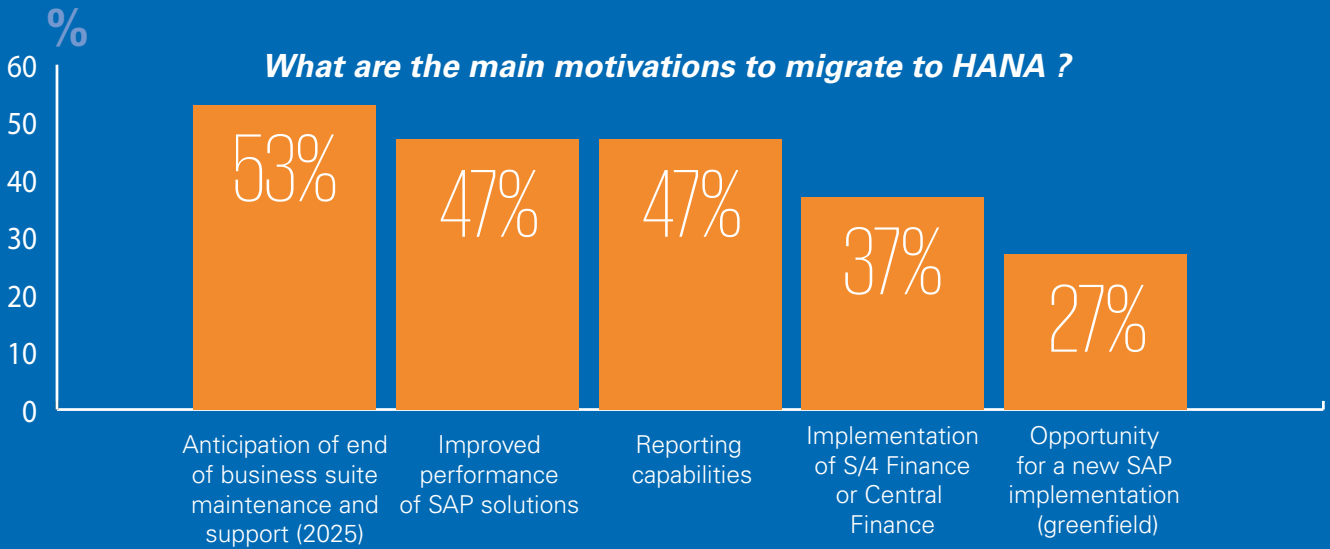
31% Setting up dashboards

GRC WITHIN HANA

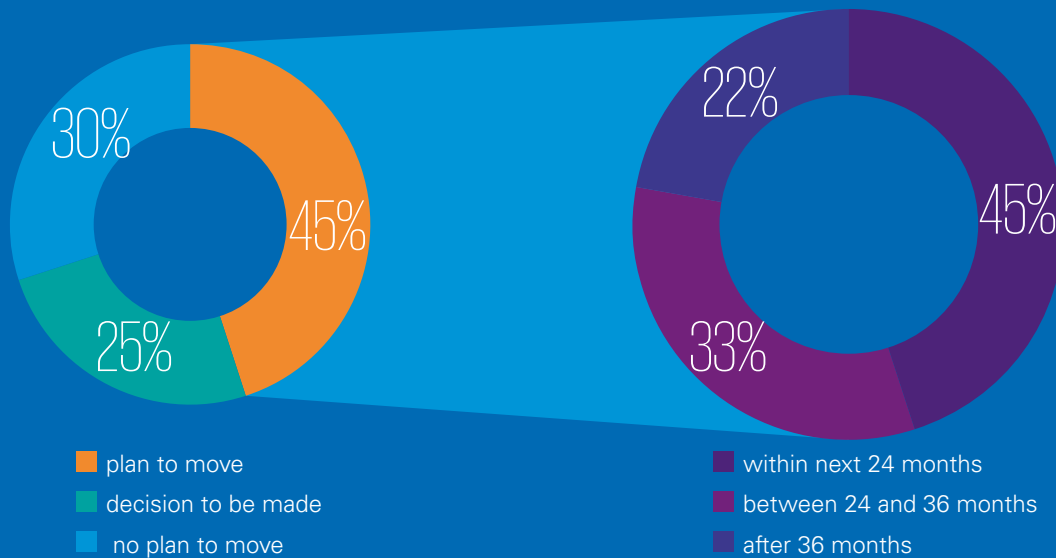
49% of interviewees have implemented SAP HANA



16% of the interviewees are already running SAP S/4 HANA



When are you planning to migrate to HANA platform?



79% of interviewees see SAP HANA as a business case due to process improvement

BUT ONLY 13% OF INTERVIEWEES SEE HANA AS AN ACCELERATOR FOR GRC TOPICS

BEYOND GRC

SAP ON THE CLOUD

44% OF INTERVIEWEES STATE TO HAVE CONSIDERED
RUNNING SAP ON A CLOUD PLATFORM

PRIORITIES TO BE ADDRESSED BY CUSTOMERS ON SAP



58%

**DATA QUALITY
AND GOVERNANCE**



47%

**PERFORMANCE AND
EXECUTION SPEED**



42%

**REPORTING
EFFECTIVENESS**



36%

**DEFINE THE MIGRATION
ROADMAP TO S/4 HANA**

[kpmg.com](https://www.kpmg.com)

The extent and nature of the services detailed in this document is subject to the ethical rules of the profession, as we are auditors or not of your organization. The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. KPMG S.A. refers to a group of French legally distinct entities. KPMG S.A. is the member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity (« KPMG International »). KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

© 2019 KPMG S.A., a French limited liability entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative (KPMG International). Printed in France. Conception: Markets - OLIVER - April 2019.