

## Overview of Ba-PRO applications



### **Summary**

Ba-PRO has over 3 years experience with the leading continuous monitoring Governance, Risk management and Compliance (GRC) platform that supports all current and future GRC functions.

On top of the GRC platform we have developed and continuously are developing, in close cooperation with partners, several applications suitable for rapid deployment.

These applications are selected such that they allow us (and our partners) to approach different audiences (IT management, CFO, legal council) in different industries.

Furthermore they are developed such that we can differentiate in offering (ranging from standard licensing to high- and low price subscription fee models).

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## ***Introduction***

Ba-PRO offers a generic Governance Risk management and Compliance (GRC) platform on top of which, together with partners, specific solutions have been developed. After a short introduction these applications are presented.

## **History of compliance and risk management**

So far Governance and Risk management and Compliance have been focused on the documentation of risks, controls and business processes in a 'control framework'. After extensive documentation, periodical risk/control self assessments are executed. These assessments provide information on the risk mitigating effectiveness of the controls.

Maintaining this information can be a challenge, so Ba-PRO provides an easy way to re-use this information and store it in a structured easy to maintain way. The easiest way to cost efficiency for SOX.

After a little while it became clear that more and more evidence needed to be added to these self assessments to back up the 'subjective' opinion of managers with real business evidence. Today it has become obvious that overall risk and control documenting and self assessments are not sufficient and certainly not efficient.

Most of the currently, over 100, available GRC or Sarbanes solutions are only documentation and self assessment tools (Paisley, Axentis, BWISE, SAP mic, . . . ).

## **The now**

The awareness that risk management and compliance regulations are installed to improve the quality of business and not for documentation has lead to a radically new approach to GRC, starting with the monitoring of the actual operation.

Therefore, GRC software should support the real time collection of back office data, generation of alerts and integration with a control framework to support management in taking the appropriate action on an alert. Of course actions can be tracked and traced since GRC software needs to build automatic audit trails.

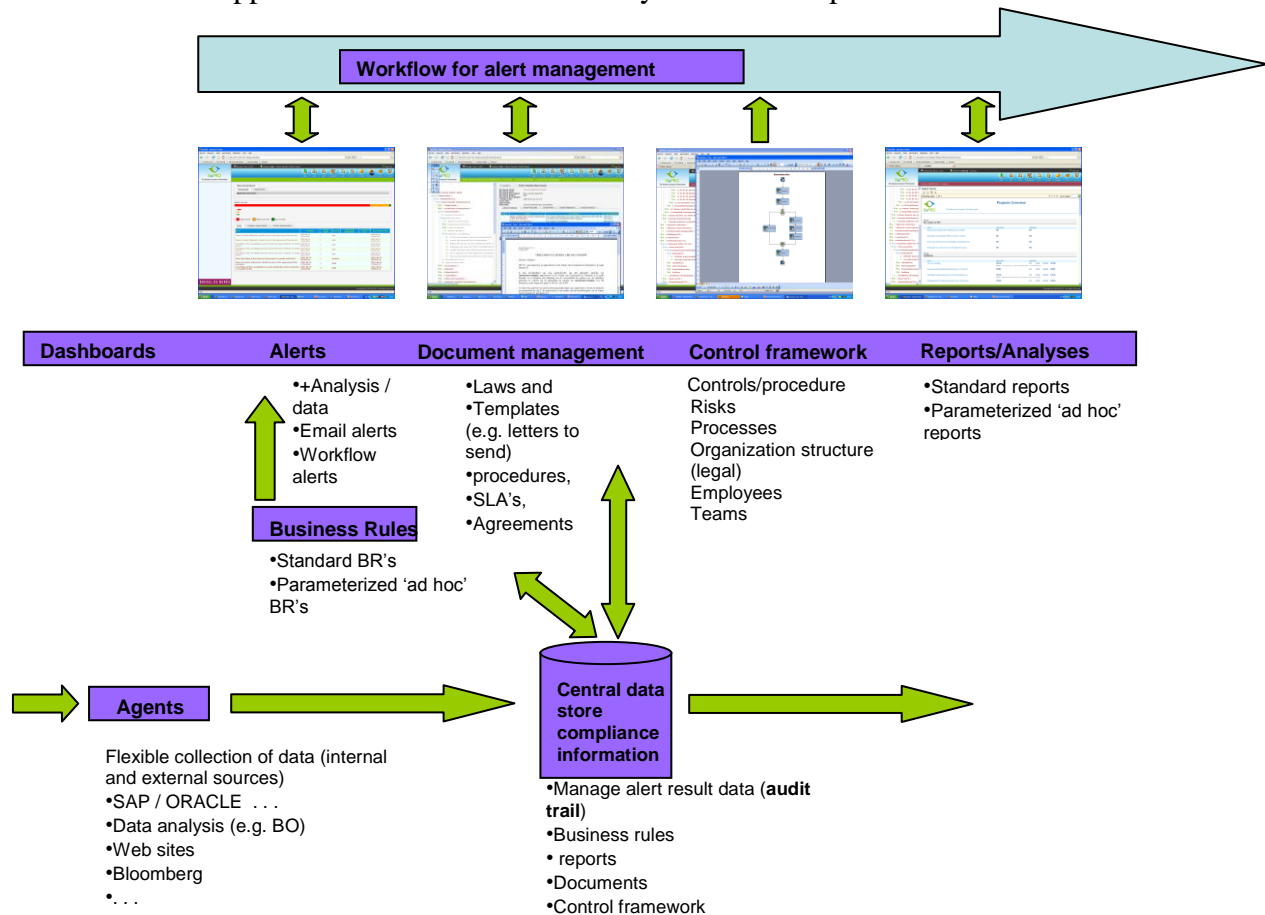
Software solutions that are (partially) developed in this direction for instance are SAP Virsa, Approva and Ba-PRO.

## **Scope**

Governance, Risk management and Compliance are not the exclusive area for Sarbanes Oxley. Many business areas nowadays are confronted with multiple GRC requirements. This is the reason why the solution providers have to build applications that can support one or several of these areas. Approva and Virsa for instance are initially set up to cover the Segregations of Duties analysis on complex applications. Ba-PRO is set up as a generic GRC platform that supports

multiple compliance areas. We are developing many more specific applications on this platform. These applications can be used separately or in cooperation within one organization.

After the brief description of the basic functional components of the platform you will find an overview of the applications available or currently under development.



## Applications

We have developed applications, specifically set up to support a company to quickly manage a compliance area. Apart from a generic GRC platform, typically used for the Sarbanes projects, the following specific applications are available:

- Compliance (e.g. SOX)
- Business Continuity Management (*Ordina*)
- Corporate Legal Compliance (*Boekel de Neree*)
- Project Assurance
- Segregations of Duties (*Ordina*)
- Banking compliance (*ERC portal/Kluwer*)
- Mifid / Financial transactions monitoring

The co-developing partner (not all to be disclosed yet) is between brackets.

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## **Compliance (SOX)**

The key GRC area today continues to be corporate governance. Since there are different ways to approach the topic, we have developed a GRC platform that supports existing results and platforms.

In one single, low cost of ownership, web based application we have joined all the required functions to set up and maintain the most efficient and effective transparent Governance, Risk management and Compliance solution for your company.

### **The generic compliance platform supports:**

- Upload existing compliance (framework) data
  - Word
  - Excel
  - B Wise
  - Approva
  - Axentis
  - Paisley
  - Aris
  - And many more
- Full web based self assessment
  - Control testing
  - Risk assessment
  - Free format
- Support continuous automatic monitoring
- Alerts
- Action tracking workflow including automatic audit trail
- Automatic version management
- Content templates available
- Very extensive reporting and analysis tool
- Document management
- Link to relevant legal information

We have harnessed modern web based technology to ensure the most efficient and effective GRC approach at the lowest cost.

Seeing is believing. Ask for a pilot to find out how Ba-PRO really improves your SOX documentation and control testing in the most efficient and effective way possible.



## **Business Continuity Management (BCM)**

A rapidly evolving awareness of the need to ensure business continuity in case of minor or major events has created a new surge in this market. The solution Ba-PRO offers outpaces the competition (Strohl currently is market leader) by combining for the first time both the emergency plan development function with the BCM strategy and execution documentation. Next to that Ba-PRO is the first to offer automated alerts on continuity threatening events.

Business Continuity Management can be executed at a lower cost and much more effective using the Ba-PRO BCM solution with continuous monitoring. Ba-PRO delivers the first fully integrated Business Continuity Management solution. Fully integrated Business Impact Analysis, Business Continuity Planning, Risk & Control management and automated continuous monitoring.

Continuous monitoring to ensure that you act when action is required! We simply provide it all. The next generation fully web based solution with the lowest TCO and the highest ROI.  
Introduction

The cost of maintaining an up to date transparent BCM organization including the respective plans, SLA's, risk assessments and overview of all the events that matter will increase rapidly over the period to come.

With ever increasing demands and higher penalties on reputation related events, the BCM function has to become preventive rather than detective by nature. This means that an automatic continuous monitoring function on the critical business processes and their supportive systems will become a prerequisite for BCM success.

Now is the right time to select a sustainable BCM platform that supports the leading methods and guidelines and will get you efficiently to the next stage.

For this Ba-PRO has developed a new generation BCM platform that includes all the major BCM functions. The integrated complete approach of Ba-PRO reduces the implementation and maintenance effort of your BCM dramatically. And of course it comes with embedded continuous monitoring, to alert the business and take action before it is too late.

### **Software functions**

Ba-PRO has embedded all the major BCM functions in one web based platform. Unlike the currently available applications that either offer partial functionality or uncoupled functions Ba-PRO is fully integrated. This means that you will only input information once and it will be used throughout your BCM environment. If someone fills out a BIA web form in Ba-PRO, the results are automatically coupled to the relevant BCM information for future reference, action plans et cetera. Ba-PRO offers automatic version management meaning that you can always go back in time to see which specific information was available at that time, alerts when information is outdated and a full audit trail.

### **Overview of functions**

Below we list the main components of the Ba-PRO BCM solution. For a more extensive overview we refer to our functional and technical whitepapers.

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- BCM framework with risk and control management included
- Document management (for SLA's, procedures)
- Legal information (Rules and regulations)
- Plan builder with plan execution support
- Test plans and test result management
- BIA builder, web based self assessment BIA execution and BIA analysis
- BCM coach, training information available (plan, schedule, materials)
- Resources manager (IT/hardware/building floorplans)
- Automatic analysis (for consistency checks of the BCM data)
- Continuous automated monitoring
- Alerts and alerts management
- Reporting (standard reports, built in report engine)

No other software solution available to date is as function complete as Ba-PRO.

### **Benefits**

Ba-PRO offers a long list of benefits over any current BCM application. We have listed a few below:

- Integrated (change a phone nr. Once, BIA results directly visible in BCM framework)
- Efficient (maintenance)
- Automated version management + complete audit trail
- Never outdated
- Continuous monitoring of relevant resources/back office data (with email alerts and full alert management workflow)
- Just like the other vendors we can also provide Varolii based emergency notification
- The best license model ever
- Reuse existing information; Ba-PRO uses agent technology to efficiently integrate with existing information to avoid duplications.



## Corporate Legal Compliance

Corporate legal council and corporate secretaries need to have a transparent overview of all the agreements, notifications, filings, insurances, shareholdings and the relevant laws to act upon this information in a timely manner. Ba-PRO offers a solution to manage corporate records. But not only that, it also provides a way to continuously automatically monitor compliance.

Maintaining the legal information of a large corporation with multiple (international) entities requires a continuous effort. Maintaining consistency and completeness is even more difficult. Word and excel no longer suffice, a decent structured GRC solution is required. Up to now the GRC solutions however, supported SOX projects from a financial control point of view only. Today, Ba-PRO has added the legal component creating transparency where it is most urgent.

Developed in joint cooperation with international law firm Boekel de Neree, the application supports Legal Council of large corporates with their compliance.

Ba-PRO provides a web based, single point of definition solution with 24 \* 7 world wide availability of consistent corporate records information. Different legal entities or departments can store their own information, global procedures and controls can be issued and made available world wide.

Unlike the existing corporate statutory compliance applications that “only” provide a document management function, Ba-PRO includes risk and control management functions to allow for a focus on the key risk area’s and improve the controls, world wide, when necessary. Furthermore, Ba-PRO offers continuous monitoring, not only on the agenized items but also on the content of the actual documentation. Alerts are generated when there is a risk to violate a law or when a scheduled event is due. Preventive control instead of detective after the fact.

The application allows companies to fully document their legal structure including authorizations, key employees/management, chamber of commerce information, share positions et cetera.

A set of predefined controls and templates are provided for several jurisdictions and in cooperation with international law firms this content is continuously updated.

Ba-PRO provides a unique license model: monthly subscription fee model including quarterly legal compliance evaluations and implementation support.

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## **Project Assurance**

Application developed to support large project organizations (like governmental bodies) to maintain the relationship between high level objectives (ambitions), projects and (financial) achievements.

This application allows the users to store several layers of objectives, ranging from high level political- to detailed project objectives. These objectives are related to projects (typically available in project management software) and to financial information.

In this way alerts can be generated when projects are over time, over budget, not complete et cetera. This software allows management to maintain an overview of their objectives against current and past operations and greatly enhances transparency. Alerts directly provide information taken from:

- Financial system
- Project management
- Contracts and project documentation

The project team is supported by implemented project process, risk and control information based on a standard project management method.

Typically projects are supported using project management software. The higher level objectives, often realized via a combination of projects and non-project activities also need to be monitored and managed. Ba-PRO offers a way to include quarterly objective reports, enrich these reports (automatically) with relevant project and financial information to allow management to keep a consistent and transparent view on the objective realization.

Developed in close cooperation with the Dutch Government.

Sales model: licensing model with fixed price perpetual license (unlimited users, data) and annual fee for use of alert generating business rules.



## **Segregations of Duties**

Application to automatically analyze and monitor the SoD implementation in large corporate back office systems.

Creating transparency on the actual implementation of authorizations or Segregation of Duties in large corporate systems so far was almost impossible. Up to date companies annually had one of the big 4 execute an audit to ensure appropriate SoD.

Given the requirements of the Sarbanes Oxley act, this transparency now has become a requirement.

SAP has noticed its deficiency and in may of 2006 acquired Virsa systems, one of the first GRC vendors to provide a SoD function.

Sales model: licensing model with fixed price perpetual license (unlimited users, data) and annual fee for use of alert generating business rules.

## Mifid / Financial transaction monitoring

Banks and financial institutions eligible to trade in the financial markets nowadays have to report all of their transactions to financial authorizations (e.g. AFM in the Netherlands). They all have to analyze their transactions on fraud or misuse of information.

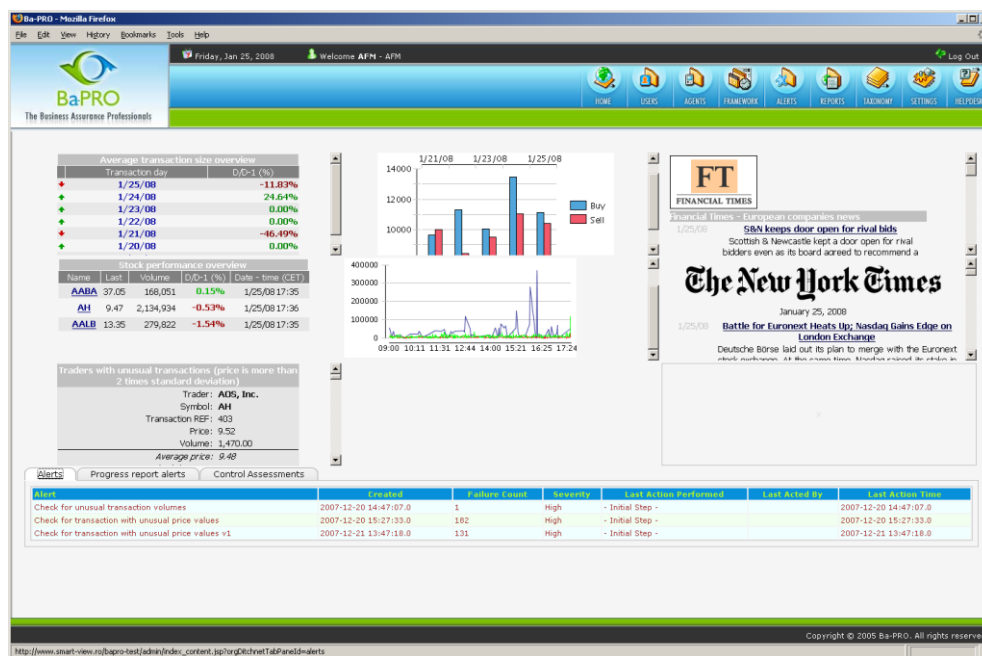
For this there already are standard analytical tools like apama, syfact or mantas available. Downside of these applications is that they only analyze but do not offer the process to actually manage the analysis results.

So the security and fraud managers of Banks can really benefit from this Ba-PRO application. It gives them an automated continuous alerts when certain transactions fall outside of the agreed scope or rules and regulations. Based on these alerts the application immediately starts up a remediation workflow, including templates of letters to send and, most importantly, a complete automatic audit trail for future reference.

The incident which caused the alert can be handled and closed within the same application, which in turn provides procedural and control support for the manager at the task.

Of course relevant web information to evaluate the alert like stock exchange information, financial news feeds et cetera are made available to the end user automatically.

Ba-PRO has developed an application that automatically monitors and analyses the trading data and enriches alerts with automatic analysis and risk and control information to support the actual remediation of the risk.





## **Banking compliance / legal portal**

In joint cooperation with ERC portal an application is provided that allows (currently banks) to get direct transparency on all relevant legal information related to the process executed.

ERC portal is a new provider of a legal portal that supports banks with all up to date relevant (now current Dutch/European) legal information, including laws, amendments, jurisprudential data et cetera. They provide this information as a subscription service.

Banks use this information to ensure that they are up to date on the latest legal changes. However the challenge is to provide this information to the right employees. Banks currently have up to over 10 (para) legals to interpret and dispatch this information to product managers, process owners and legal officers.

The Ba-PRO application integrates basic banking processes (including the risks, controls and banking products) with the right legal information such that the product managers, the process owners or management can automatically identify relevant legal information. Alerts are sent when legal information changes.

Sales model:

Phase I: subscription fee model, hosted by ERC, only read rights.

Phase II: banks that want the basic banking information tailored to their own situation can acquire a Ba-PRO standard license.



## ***Basic functional components***

Full GRC requires the ability to upload data from back office or external systems for automatic analysis. Ba-PRO offers SAP certified agents for flexible data upload from almost any system around.

The data is stored in a centralized repository (Oracle based) which is automatic adjusted to new data (elements) coming in. This data is used by the business rules engine for automated (scheduled) analysis resulting in possible alerts.

Alerts are pushed to the user of the application (dashboard) or sent automatically via email.

An alert has 2 drill down options:

1. into the data details (e.g. which stock was traded with a volume of over 2 stdv of the average daytrade)
2. into the relevant part of the control framework; which control was violated causing which known risk on which basic process and possibly violating which law. When available a direct link to a procedure (e.g. remediation action) is also available.

The alert is pushed to the responsible manager or employee and a workflow is started to follow up on the progress of the remediation actions.

All actions taken in the system, be it an alert generation, change of a procedure, risk and control self assessment are automatically date and time stamped stored in the central repository creating a complete audit trail.

For performance monitoring (since GRC should support business and not hamper it) there is also a dashboard function that can show results of all business processes (e.g. turnover, profit, amount of alerts, new employees ...).

Ba-PRO offers predefined information like business rules, control framework based on known standards like BS25799, Cobit, Coso, reports et cetera to allow a company to get a quick start and a quick win. On the other hand, Ba-PRO is exceptionally flexible and allows all kind of extensions in business rules, alerts, reports, processes, risks, control framework documentation et cetera.

Ba-PRO is fully web based (zero footprint) implemented in Java and platform independent.

## ***Did you not find your GRC solution?***

Please contact us to discuss your needs and we will rapidly let you know what Ba-PRO can do for you.

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