

## Risk and controls agility Create and protect value

CFOs play a critical role in helping their organizations find the appropriate balance between risk and reward. Deloitte's<sup>1</sup> Risk and Controls Agility Solution Set helps Finance leaders identify risk areas, bridge silos to effectively manage risk, and pursue intelligent risk-taking to create value.

### What Finance capabilities does this solution set help to enhance?

Core capabilities	
<b>Finance governance</b>	Develop and implement an overall program—people, processes, and technology—to improve governance, reduce risk, enhance reporting, and improve efficiency of the Finance function.
<b>Enterprise risk management</b>	Integrate risk management into business and strategic processes to allow improved risk-taking to create and protect value.
<b>Readiness and remediation</b>	Plan and execute readiness and remediation efforts related to Finance operations, risk management, governance, and controls.
<b>Operationalizing GAAP</b>	Design and deploy people, processes, and technologies to effectively integrate new and evolving technical accounting standards.
<b>Finance operations controls transformation</b>	Strengthen business processes and controls to reduce risks linked to the financial statement and internal controls. Reduce and control risks resulting from changes in accounting policy, industry-based regulation and compliance, and Finance processes.
<b>Financial model review</b>	Define and review company valuation policies and procedures. Assess/Compare effectiveness and efficiency of financial models.
Value-added capabilities	
<b>Balance sheet analysis</b>	Increase operational efficiency and accuracy when producing financial statements. Implement technologies to support greater efficiency, visibility, and control.
<b>Journal entry analytics and rationalization</b>	Analyze general ledger data to identify financial statement fraud and misappropriation of assets through override of controls, errors, and misclassifications. Increase effectiveness and efficiency of operations and identify control improvement opportunities.
<b>Workforce transition and talent strategy</b>	Develop and implement Finance workforce transition and change management plans to maintain business continuity.

<sup>1</sup> As used in this document, "Deloitte" means Deloitte & Touche LLP, which provides audit and enterprise risk services; Deloitte Consulting LLP, which provides strategy, operations, technology, systems, outsourcing and human capital consulting services; Deloitte Tax LLP, which provides tax services; and Deloitte Financial Advisory Services LLP, which provides financial advisory services. These entities are separate subsidiaries of Deloitte LLP. Please see [www.deloitte.com/us/about](http://www.deloitte.com/us/about) for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.

**Bottom-line benefits**

- Create a broad enterprise risk management strategy that supports intelligent risk-taking
- Execute effective risk management processes and controls with minimal operational disruption
- Expand Finance capabilities and improve controls
- Accelerate financial reporting timelines and increase confidence in the accuracy and quality of reporting

**Case study**

Leaders of a diversified financial services provider engaged Deloitte to help improve their key business processes—especially allowance for loans and lease losses (ALLL) and SEC reporting—which were strained following several years of rapid growth. A recent audit had revealed ALLL processes that were inconsistent, overly manual, and reliant on poor data. As a result, management lacked the visibility needed to analyze and anticipate results.

Deloitte’s cross-functional team introduced leading practices, helping management identify data needed to improve decisions—and followed through by defining end-to-end improvements to streamline processes and sustain business growth.

**Indicators that action may be needed**

- Events—fraud, negative press, financial restatements, or regulatory change—reveal need for improved governance, controls, and risk management
- Rapid growth, increased complexity, or compliance changes result in inefficient Finance operations
- Transaction—IPO, merger, acquisition, or divestiture—generates a need for more effective risk controls, governance, and strategies

**Find out more**

If you have questions or need additional information about Finance Transformation Solution Sets, contact:

**Rich Rorem**  
Principal  
Deloitte Consulting LLP  
[rrorem@deloitte.com](mailto:rrorem@deloitte.com)

**Justin Silber**  
Principal  
Financial Advisory Services LLP  
[jsilber@deloitte.com](mailto:jsilber@deloitte.com)

**Bob Comeau**  
Principal  
Deloitte Consulting LLP  
[rcomeau@deloitte.com](mailto:rcomeau@deloitte.com)

**Mark Lazzaro**  
Partner  
Deloitte Tax LLP  
[mlazzaro@deloitte.com](mailto:mlazzaro@deloitte.com)

**John Gimpert**  
Partner  
Deloitte & Touche LLP  
[jgimpert@deloitte.com](mailto:jgimpert@deloitte.com)

Learn more by visiting our Finance Transformation website at [www.deloitte.com/us/ft](http://www.deloitte.com/us/ft).

**About Deloitte’s Finance Transformation practice**

Deloitte’s market-leading Finance Transformation (FT) practice helps CFOs and other finance executives drive business performance and shareholder value while improving operational effectiveness and efficiency within the Finance organization. Our cross-functional, integrated FT Solution Sets help address the most critical finance issues facing our clients, including finance vision and strategy, organization and talent, business processes, and technology. Each FT Solution Set is composed of select cross-functional FT offerings configured to provide more value—faster—for the clients we serve.

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