Case Study

Case Study 1 : Assessment of risks in key Digital initiatives for a leading manufacturing company in India

Objective of the Engagement

The client engaged Deloitte to help them identify risks that respective functional teams would be required to manage / mitigate whilst adopting digital initiatives to achieve their stated objectives. As part of the engagement, the client expected to have an independent assessment to perform a study on their Digital Transformation initiative from a contextual and governance risk perspective.

Existing Environment

- The client had a vision of becoming a digital leader in the manufacturing sector. To achieve this vision, a core team was constituted to identify and oversee major digital implementations across all its business units/ functions.
- There were 60+ digital initiatives that were identified and categorized using a staging process. These projects were primarily focused on increasing EBIDTA. Implementation of these projects is being facilitated and overseen by Digital Service Providers, chosen from the client's key business functions.

Activities Performed

As part of the engagement, Deloitte performed the following activities:
- Developed an understanding of the digital program by conducting discussions with relevant teams involved in implementing digital initiatives;
- Studied the existing digital program and digital initiatives undertaken by other departments, from a coverage and completeness perspective w.r.t the client's strategic intent;
- Leveraged leading practices across the manufacturing industry to ascertain if any additional areas/ ideas could be considered for digital;
- Evaluated coverage/ contextual risks in accordance with the identified digital practices across the manufacturing industry;
- Discussed recommendations with the digital team, on feasibility of implementation to manage the risks identified.

Key Recommendations

- Manage risks in implementation of digital initiatives right from the ideation stage;
- Develop a talent pool on digital technologies;
- Ensure cross-functional representation and involvement in the digital program;
- Create a 'Digital-First' mindset among all employees;
- Define a detailed reference framework of 'digital' w.r.t. applicable digital enablers (e.g. IoT, RPA, Analytics, Block chain, AI, Machine Learning), which will be considered for meeting improvement objectives.

Value Delivered

- Embedding a culture of 'pro-digital' across all business functions of the client by extending support in understanding a common definition for Digital;
- Creation of a risk view for sampled digital initiatives at all levels (ideation to execution);
- Assistance in increasing the current maturity of digital implementation;
- Governance support for smooth execution of digital projects undertaken.

Case Study 2 : Digital content security assessment for a major TV network

Objective of the Engagement

A major TV network was looking for potential risks in their digital content creation and delivery priocess

Existing Environment

- The TV network had a 18 stage process from ideation to final delivery of the media content
- Their current mechanisms had many areas where the content was vulnerable
- This created avenues for loss of content and eventually revenue loss

Activities Performed

As part of the engagement, Deloitte performed the following activities:

Risk assessment and Risk Treatment Plan: Performed risk assessment and developed risk treatment plans for 28 in-scope departments such as brand solutions, distribution, marketing, media planning, commercial, syndication, brand strategy, sales strategy, advance sales, programming, and scheduling) based on ISO 27001, Indian IT Act, and industry leading practices

Configuration review: Performed configuration reviews (console and checklist based) on operating system and databases for Hyperion, OnAir, ERP, SAP, and PeopleSoft to identify data leakage related risks.

Third Party Risk Management: Assisted in improving third party risk management and security management practices (For example, vendors and business partners).

Key Recommendations

- Identifies key steps in the process where there were avenues for content loss
- Crated controls mapped to these activities to ensure that the content was protected.

Value Delivered

- Created a framework for content security for the TV Netwrok

Case Study 3: Risks Roadmap for Digital customer centricity initiative for leading automobile manufacturer

Business Functions Impacted

Key Risks

Failed driver assistance equipment such as Blind-spot marking, collision warning, brake-assist that are digitally embedded in the vehicle causing poor vehicle performance/ breakdown/ fatalities.

IT — Service — Sales

Inability of car engines to receive over-the-air updates just like apps and software are updated leading to **vehicle malfunctioning or breakdown.**

IT — Service — Sales

Loss of customer data captured from vehicle leading to privacy issues and customer identification which can result in lawsuits, penalties, loss of customer trust or faulty servicing.

IT — Service — Sales

Failure to collaborate with CSPs, OEMs, financial firms, etc. to enable digital drivers services such as In-Car content, Payment models, communication links, etc.

IT — Supply Chain — Sales

Failed onboard diagnostics that account for incompatibility between systems such as mobile applications, smart sensors leading to incorrect metrics captured for the vehicle thus impacting performance.

IT — Service

Higher complexity of devices running autonomous vehicles with advanced software and equipment leading to **more production time and testing periods**

IT — Sales

■ Productivity   ■ Efficiency   ■ Effectiveness

Case Study 3 : Risks Roadmap for Digital customer centricity initiative for leading automobile manufacturer

Objective of the Engagement

Identify risks and map the right controls for a customer centricity initiative at a luxury car manufacturer

Existing Environment

The client was starting a new digital transformation initiative to increase customer centricity

While doing so the client also was working with many franchises who had to implement some of these initiatives at their end

The client was not sure if all the risks and corresponding controls were identified for the initiative

Activities Performed

We assessed all the activities for digital and identified the key risks

Controls corresponding to the risks were identified

These were classified into key buckets including Sales, IT and after sales

Key Recommendations

Creating a digital mindset

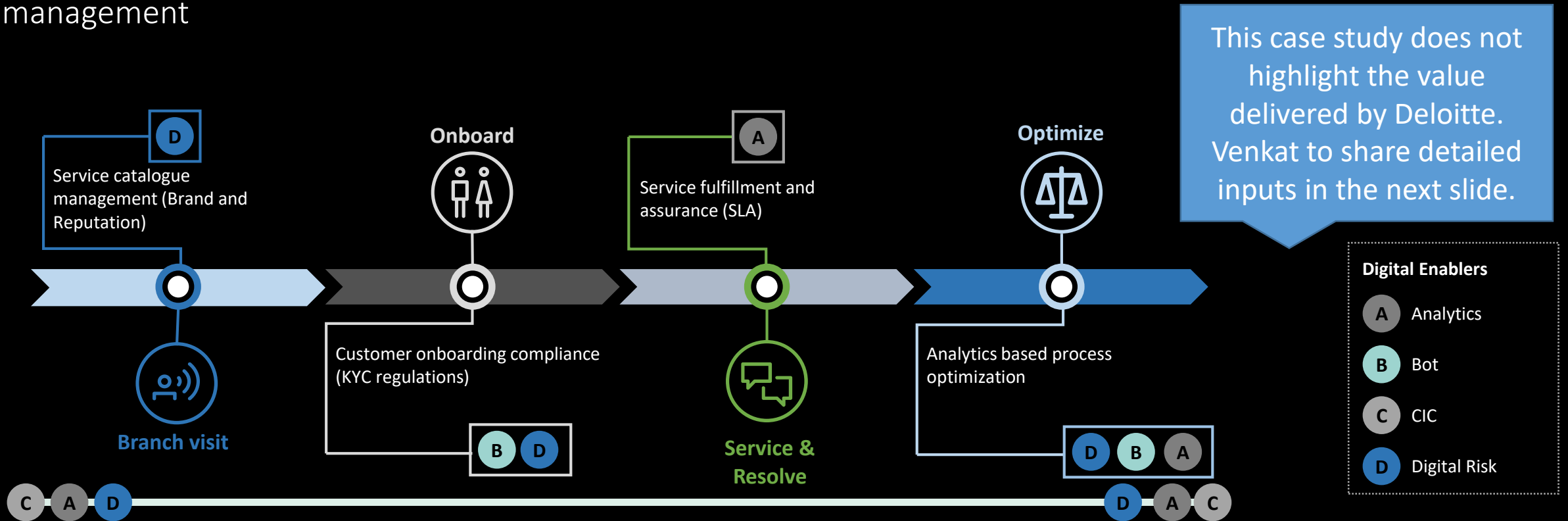**Creating a digital governance framework**

Identification of PII and creation of mechanism to safeguard the same

Value Delivered

Risk framework was created for the digital transformation initiative

Identified potential areas for data loss and PII

Deloitte's Digital Risk Roadmap helps large financial services player identify risks in branch customer lifecycle management

This case study does not highlight the value delivered by Deloitte. Venkat to share detailed inputs in the next slide.

D Service catalogue management (Brand and Reputation)

Onboard

A Service fulfillment and assurance (SLA)

Optimize

Branch visit

Customer onboarding compliance (KYC regulations)

B D

Service & Resolve

Analytics based process optimization

D B A

C A D ─────────────────────────────── D A C

Digital Enablers

A	Analytics
B	Bot
C	CIC
D	Digital Risk

Key areas enabling digital risk identification and management

Analytics	Bot	CIC	Digital
• Regulatory Risk • Process Optimization • Branch Operations – Service KPIs • Network performance • Cyber Analytics	• KYC compliance • Supporting processes • Compliance reporting • Payments and receipts • Customer Credit Management	Monitoring of: • Branch environment metrics • Technical connectivity • Security monitoring • System monitoring	• IOT enabled ambience monitoring, network monitoring • Digital Identity • Secure Digital Payments • Data privacy

Case Study 4 : Deloitte's Digital Risk Roadmap helps large financial services player identify risks in branch customer lifecycle management

Objective of the Engagement

Client wanted to move to a human interaction less experience at the branch

Existing Environment

- The client a major financial institution had many branches to help customers with their queries
- The client wanted to implement a digital initiative that would provide a seamless integration between digital and human touch points

Activities Performed

- Risk assessment and Risk Treatment Plan: Performed risk assessment and developed risk treatment plans for customer experience and brand as per the client policy

- Assessed the branch activities for potential touch points that would lead to enhanced customer experience

Key Recommendations

- Service catalogue management (Brand and Reputation)
- Customer onboarding compliance (KYC regulations)
- Service fulfillment and assurance (SLA)
- Analytics based process optimization

Value Delivered

Created a blue print for a digital branch along with key risk factors and their controls