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## **WILL OPENPAGES DELIVER INTEGRATED RISK MANAGEMENT WITH AN OPEN BOOK?**

*IBM has just announced a new software version of OpenPages – an integrated risk management provider – which IBM acquired last October. This upgrade dovetails nicely with IBM software to provide a comprehensive dashboard of risk and control data within a business intelligence context. The following analysis illustrates key benefits and opportunities for the combined solutions of OpenPages and IBM.*

- 1. Integrated Risk Management:** *The IBM OpenPages offering builds on an enterprise platform for managing internal audit, compliance, operational risk, financial controls, risk policies, and IT risks.*  
→ **Opportunity:** A centralized governance, risk, and compliance (GRC) platform will help large companies manage various risks across client, location, product, and service domains. For financial firms, integrating financial risk dimensions (e.g., credit, market) will augment the challenge substantially.
- 2. Business value:** *The integration of OpenPages within IBM software suite seeks to empower diverse lines of business to act upon relevant GRC issues and their financial impact (e.g., operational losses).*  
→ **Opportunity:** We find that predictive and advanced analytics will prompt timely decisions to avoid losses or reputational damages more effectively. A business intelligence context of risks and rewards should also encompass financial analyses such as scenario modeling and stress testing techniques.
- 3. Presentation:** *IBM OpenPages will enrich GRC data with IBM-Cognos business intelligence suite and deliver insights through Microsoft Office, mobile platforms, dashboards, and a mashup service.*  
→ **Opportunity:** We believe that pervasive delivery of comprehensive GRC data will further the utilization throughout the enterprise. The ability to personalize proactive alerts by business function, process or project activity, key risk indicators, and thresholds will greatly enhance GRC's effectiveness.
- 4. Process:** *IBM OpenPages will enable financial firms to gradually map disparate audit, operational, and regulatory activities, and integrate them in a more cohesive, efficient, and transparent manner.*  
→ **Opportunity:** We envision a GRC interaction framework that will transcend the risk and control functions. Ultimately, end-to-end automation should embed risk management interactions and control events transparently within all the line functions that process financial products and services.
- 5. Data:** *Using a common repository of granular data and tapping the flexibility of metadata structures, IBM OpenPages consolidates and unifies diverse risk management and compliance information.*  
→ **Opportunity:** Scalability in computing power will allow the fast processing of millions (and possibly billions) of granular data objects. To transcend an operational GRC purpose, financial firms should tap a broader range of internal and external sources, and combine risk management data more dynamically.