



Risk and Control Transformation

Leveraging data and technology to set the conditions for achieving regulatory and legislative requirements

Whether getting the foundations right, or working towards streamlining and optimization, a Risk and Control Transformation approach must be tailored to the specific needs of the organization, its culture, and ways of working. It must also be linked to the overall strategy. In order to be successful, it must have ongoing leadership buy-in and appropriate change management support.

Transitioning from the Status Quo

In today's rapidly evolving environment, organizations need to embrace innovative risk management and internal control strategies to effectively execute program goals and comply with regulatory and legislative requirements. This can be a daunting task considering the demands and obligations of leadership. If organizations fail to establish a proactive and adaptable risk management and internal control program, they will be faced with escalating enterprise-wide risks that will result in operational inefficiencies, increased costs, and unreliable reporting—adversely impacting the organization's goals and objectives.

The KPMG Perspective

Integrating established operations with ingrained practical proficiency and effective, sustainable technological advancements can cultivate a work environment where potential risks are easily identified, and decision-making processes are strengthened at every level. KPMG Risk and Control Transformation services focus on enhancing risk management and internal controls, while assisting agencies obtain and/or sustain unmodified opinions and improve business operations that are important to their mission. Adopting our perspective necessitates the application of practical expertise, assimilation of cultures, and use of an adaptable framework that leverages disruptive technology.



Disruptive Technology

Disruptive technology is innovative or advanced technology which has significantly altered the way organizations operate by reducing the need for repetitive tasks through automation. At KPMG, we pinpoint areas where disruptive technology can be employed and incorporated into our entire range of service offerings to create opportunities for effective and efficient operations for our clients. Through process learning and stakeholder feedback, active improvements are continuously executed, thereby, achieving a high level of accuracy and precision that's not possible in a manual environment. This technology provides increased efficiencies and enables organizations to devote more time to higher-level decision-making processes—all while fostering data protection and integrity.



Our integrated Approach

KPMG takes a wide-ranging approach to project management that involves examining control processes to identify fundamental risks and opportunities for value. Our approach includes open and candid dialogue that addresses risks confronting organizations at all levels, as well as the utilization of disruptive technology to enhance efficiency and help minimize costs. We believe in beginning every project by conducting a complete assessment of the risk and control framework to evaluate the maturity of business processes. Through our wide range of skills and experience, we're able to provide clients with the insights they need to address risks, enhance efficiency, and help minimize costs.

The Journey

Our tailored approach to Risk and Control Transformation provides a detailed five-step approach that assesses an organization's risk management and internal control program. We begin with conducting preliminary assessments to evaluate the current state and maturity of the risk and control environment. We assist our clients with identifying and linking strategic objectives to risks and priorities and develop tailored roadmaps specific to the organization's needs, while addressing capability gaps, opportunities, and redundancies. Our approach provides organizations with actionable insights, continuous process improvements, and key stakeholder engagement that provides project management transparency throughout the journey.

2. Define Objectives

Identify and align strategic and mission objectives to risks and priorities (i.e., governance structure, capabilities, strategic communication functions, automation, etc.).

4. Implement and Monitor

Execute the action plan and monitor progress against defined objectives and milestones. Utilize disruptive technology (i.e., Robotic Process Automation, eGRC, Artificial Intelligence) to enhance efficiency of operations and help minimize costs as part of the implementation process.

1. Initial Assessment

Conduct a preliminary assessment to evaluate the current state of the risk and control environment. As part of this assessment, identify gaps or areas for improvement.

3. Develop Action Plan

Create a tailored roadmap specific to the organization's needs, including clearly defined assessments, milestones, timelines, and deliverables.

5. Evaluate and Improve

Conduct periodic evaluations of the risk and control framework to inform continuous improvement efforts.

The KPMG Risk and Control Transformation Services

Discover our wide-ranging Risk and Control Transformation services that are designed to cater to the unique needs of federal agencies. KPMG offers both traditional services in line with OMB A-123 as well as leading technology and automated solutions that assist with the transformation of operations, increased efficiencies, and generation of substantial cost savings. The following is a listing of, but not limited to, our Risk and Control Transformation service offerings:

01

Assessments and Gap Analysis

- ✓ Enterprise Risk Management Assessments
- ✓ Entity-level Control Assessments
- ✓ Internal Control Over Reporting Evaluations
- ✓ Fraud Assessments
- ✓ Audit Roadmaps

03

Sustainment

- ✓ Standardization of Risk Assessment, Processes, Controls and Evidentiary Artifacts
- ✓ Internal Control Testing
- ✓ Substantive Testing
- ✓ Analytical Procedures
- ✓ Oversight and Monitoring

02

Remediation

- ✓ Policies and Procedures
- ✓ Root Cause Analysis
- ✓ Corrective Action Plans
- ✓ Control Validations
- ✓ Training

04

Assessments and Gap Analysis

- ✓ Robotic Process Automation
- ✓ eGRC Tools Selection and Implementation
- ✓ Artificial Intelligence
- ✓ Process and Data Mining
- ✓ Dashboards and Reporting

Learn more about how KPMG can help your organization meet Risk and Control Transformation milestones.

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