



ENLIGHTENED BUSINESS
MONITORING

[WWW.SATORIASSURED.COM](http://www.satoriassured.com)

WHY WE CREATED SATORICCM

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WHAT IS SATORICCM?

Often there is no sure way of knowing if the policies, procedures, and controls created to safeguard the financial integrity of your business are operating correctly.

Duplicate payments, overpayments, payments to incorrect vendors, master file mistakes and fraud, all result in lost revenue that would be better spent on other areas, building and growing your business.

Satori Continuous Control Monitoring (SatoriCCM) was specifically created for high transaction volume companies like yours. We know that even when internal controls exist it is often difficult to check each and every one. Many of the controls are developed over years, are undocumented, or just not understood. How can you be sure that they are working effectively and efficiently 100% of the time?

SatoriCCM can monitor your accounts payable, receivable, payroll, Master files, travel & entertainment, expenses, credit cards, and more, round the clock, proactively identifying unnoticed errors in data and transactions, assigning them to the person responsible and tracking these exceptions until they are resolved, before transactions are processed and they become consequential or catastrophic.

SatoriCCM, the total solution, ensures your business runs the way it should, with total independent assurance.

SATORICCM IS AN
AUTOMATED &
INDEPENDENT
ASSURANCE PROCESS
THAT ENSURES YOUR
POLICIES,
PROCEDURES,
CROSS-SYSTEM CHECKS,
& SYSTEM CONTROLS
ARE WORKING
EFFECTIVELY,
EFFICIENTLY,
ARE WELL DESIGNED,
& ACHIEVE THEIR
FUNCTION AS
INTENDED.

ABOUT SATORI

Our specialty is Continuous Control Monitoring (CCM), with expertise in its application across all business areas and industries.

Satori's suite of CCM solutions shine a light through every transaction, system, process, and control in your business.

We deliver clear insights to you and your management team, enabling you to make smarter business decisions.

WHY WE CREATED SATORICCM

The founders of Satori developed their managed solutions to save the business world's Departments in charge of Business Assurance, Finance, Risk & Governance, Shared Services, Procurement, Audit and more, from failing their accountability requirements, high standards of governance and their ability to meet ongoing demands for financial reporting transparency and accuracy.

Businesses with large numbers of transactions increases their risk of exposure to fraud and process errors. This, along with the requirement for a high level of assurance, created the need for a better solution for executive visibility and governance. This is why SatoriCCM was developed.

Next we explore common business risks, pain points and weaknesses experienced by businesses without managed CCM.

THE RISK WITH EXISTING CONTROLS

- MANUAL & AT RISK OF ERROR
- ADHOC OR INFREQUENT
- LIMITED AVAILABILITY OF SKILLS
- "TELEPHONE BOOKS" OF EXCEPTIONS
- LIMITED VISIBILITY OF OUTCOMES
- MINIMAL OR NO INDEPENDENT VERIFIED ASSURANCE





STATISTICS

- 46% of surveyed organisations reported experiencing fraud.*
- 31% of organisational frauds were committed by Internal Perpetrators.*
- SatoriCCM saves many customers over \$1 million in erroneous payments per annum
- At least 1% of procurement spend was found to have errors***
- The average time to recover those losses was 22 days***
- The average master files has 3-5% of errors***
- Only 58% of occupational fraud cases are referred to law enforcement**
- 81% of victim organisations upgraded their controls after fraud**
- On average, organisations lose 5% of their income to fraud pa.**
- The average loss per case is \$1,783,000 USD.
- The largest contributor at 86% is Asset Misappropriation Fraud that happens from within or it is collusion with internal parties.
- KPMG & PWC report the annual figure for wage theft is more than \$1.35 billion and approximately 13% per cent of the total workforce has been affected – more than a million people

*PwC's Global Economic Crime and Fraud Survey 2022

**ACFE Occupational Fraud Report 2022

***2022 study of Satori's Vendor Risk customer data

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PAIN POINTS & WEAKNESSES EXPOSED



MANUAL

When data is extracted, exported and manipulated to find exceptions, it is tedious and time consuming and often very superficial. The volumes of data make it challenging to find what is truly an exception and worth pursuing. It is difficult to get exception reports developed or modified in the ERP system so users waste time and perform many manual work arounds.

LIMITED AVAILABILITY OF SKILLS

Most organisations are operating with no inside intelligence of controls monitoring. This job is often outsourced to a consulting firm as part of an annual review and can be expensive. The monitoring is difficult to resource internally (due to lack of available skills in this area) and many of the reports are built in the ERP or by someone long gone. The reports are often not easily changed or updated to reflect the current policies and controls and changes that have occurred in the business.

ADHOC OR INFREQUENT

Annual audits remove the ability to act quickly to stop errors and fraud. In high transaction businesses this can quickly add up to huge financial losses. There are constant cases of organisational fraud in the media that slipped through years of annual audits.

"TELEPHONE BOOKS" OF EXCEPTIONS

Manual exception tests and auditing allow no room for timely refinement. The number of errors and exceptions are so numerous they could fill the pages of a telephone book. Not only is this difficult to manage for the end users responsible for producing the reports it also means there isn't time left for refinement of tests. This factor usually leads to a poor experience for the customer with analytics and causes a disconnect between the business and audit and risk departments.

LIMITED VISIBILITY OF OUTCOMES

Exception finding outcomes are often updated on an excel worksheet and not easily tracked. Therefore, exceptions take time to resolve and are difficult to find trends in. Without an automated workflow workflow, issues are easily missed or slip through the cracks.

MINIMAL REASSURANCE

Outdated control monitoring techniques provide management with a minimal level of reassurance and lead to the most important concern; that an Audit may uncover something basic that should have been identified and has cost the company greatly, or a gaping loophole for fraud.

For management, who need to rely on controls working, there are additional high-level problems and risks associated.

CONTROLS & PROCESSES FAIL



Despite your best efforts to implement controls and processes, the data shows that you are better to have assurance in place than allow failures to slip through.

THE HUMAN ELEMENT

We are only human after all, and therefore vulnerable to fault. However, allowing this well known fact to enter into a high transaction, high figure business is incredibly risky when there are much better technological alternatives! When a task is repetitive people can become notoriously complacent. Machine Learning and Artificial Intelligence are buzz words for a reason. This technology, along with fuzzy logic, test refinement and workflow management can give you 100% assurance that errors and fraud don't transpire in your business. Some examples of common "Human Element" failure could be basic data capture where 000189 is entered as 189. Or a transposition of a number entered as 198 and not 189. To get the job done or to get around a control an employee could enter an A or another character after the invoice number creating duplicate payment.

CONTROLS GET TURNED OFF

It is common practice for system controls to be switched off for an upgrade or a batch process. Sometimes these are not switched back on, or the control can now be bypassed. Controls are also often switched off for importing invoices overnight.

Satori has seen businesses that do not become aware that controls were turned off until after the transactions were tested. One such example of this that Satori encountered was with a retailer who believed discounts could not be applied without branch manager approval but with CCM discovered that this control was switched off due to a system upgrade - meaning anyone could apply any discount for any amount without approval. Management may have been unaware that millions of dollars of discounts had been applied to customer accounts over a 2-year period.

COMMUNICATION BREAKDOWN

If there is a breakdown in communication when Policies change - they won't be implemented properly. For example, quite often when potential credit card abuse is uncovered, the card holder says they were not aware of the policy or the policy is not clear.

Another common breakdown is when employees move on or change roles and don't fully hand over to new employees. What if the person responsible for these checks and controls is away or has left the business and no-one is checking, like airport security not having a replacement because the guard goes on holiday.

NO ACCOUNTABILITY

Management often have no visibility across the follow up process on data exceptions, and there is often no mechanism to provide feedback on what the exceptions are and how they are solved or to be solved. In such cases, if this is done at all, it is very manual - often using a static Microsoft Excel file. Without understanding why an issue is occurring, it is difficult to identify the root cause to remediate the problem - and reduce or stop future exceptions and financial losses.



FEATURES OF CCM

AUTOMATED & CONTINUOUS

Ultimate efficiency, the solution removes any room for an exception to be missed by being automated using the latest technologies. SatoriCCM is a system that runs on a daily basis to deliver a manageable number of true exceptions to the user with the ability to fix issues as they arise rather than weeks, months, or years after they first occurred. The system checks daily, so volumes are easily managed, there is awareness that the controls are operating continuously.

AFFORDABLE MANAGED SERVICE

Satori manages the solution from a system administration perspective. All the customer has to do is follow up the exceptions. Satori will add or modify tests on behalf of the customer so there is no need to hire someone internally. Also, it is difficult to manage internally if a person leaves the company or is on holiday and, in addition, the customer benefits from Satori's expertise. Often customers either don't have the resources or the time or skills, especially as this requires a team approach. CCM quickly becomes an operational and daily system, so you need to be on top of the exceptions daily. Satori can also provide this service for you, which allows customers and users to focus on the exceptions they are assigned.

ENHANCED, INDEPENDENT ASSURANCE

With all the above in hand in one SatoriCCM solution, you get greater assurance that the controls are working since the system is continuously testing 100% of the transactions you want monitored 24/7.

ONGOING REFINEMENTS

Satori works with customers to continually refine their tests to ensure the most relevant exceptions are identified. No more telephone books of exceptions. We provide a solution that can change, evolve and update with your business. For example: Your company has a change in policy – this requires the tests performed to be updated. We also want to have the business focused on Highly Probable and valuable exceptions and remove the false positives. Most importantly it is about managing the volume of exceptions to an acceptable level. Adding filters, risk ranking and doing this daily contributes to achieving this.

TASK WORKFLOW

Unique to the SatoriCCM solution is our exception resolution task workflow that ensures all relevant exceptions get followed up and there is a nominated person responsible. We also ensure exceptions are investigated in a timely fashion and escalated when needed.

REAL-TIME VISIBILITY

Most importantly SatoriCCM is able to get a reason, action and outcome for each exception and this gives invaluable business insight into why the exception happened, thereby improving the control and business environment. This clarity also ensures that the business can own and operate the control environment in a continuous way to focus on the most important aspect; following up the exceptions and resolving them.

THE RESULT



Greater Peace of Mind

- Increase the integrity and accuracy of data
- Monitor for mistakes and fraud on a DAILY basis
- Identify abnormalities as soon as they occur, before they escalate
- Continuous monitoring of multiple, disparate data sources

Resource Savings

- Stop erroneous payments BEFORE they are made
- Management of exceptions from detection to resolution to ensure proper action is taken
- Automated testing of high volumes of transactional and Master File data
- Prevent the need for recovery and discourage fraud and policy abuse

Immediate Results

- SatoriCCM delivers value to areas of business where risk or exposure exist
- Analysis of historical data often results in immediate ROI and allows businesses to tailor and refine exception outputs before commencing on live data

LEARN MORE

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