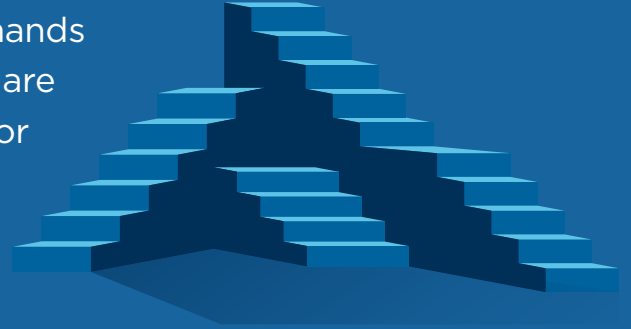


The Trends Shaping Your Control Environment

Today's CFOs and compliance teams are rethinking risks to make an impact beyond the most pressing demands of audit season. [Based on a Riveron webinar](#), here are key factors impacting businesses and takeaways for elevating your risk management program.



Macro Factors

Economic Uncertainty

In an environment of abundant risk and rising debt expense, organizations will seek ways to cut costs and preserve profitability. Process automation will remain a priority, and layoffs will increase.

KEY TAKEAWAYS

- ▶ Proactively identify **future state control ownership and SoD** considerations
- ▶ **Focus on high risks** such as impairment testing, revenue recognition, and share-based compensation
- ▶ Prioritize controls related to **cash management and cash forecasting** as these matters remain top-of-mind for leadership

Evolving Compliance Environment

As companies embed ESG within their strategies, stakeholders are driving the need for timely, consistent, investor-grade reporting on ESG data.

KEY TAKEAWAYS

- ▶ Involve finance teams in ESG-focused discussions as the **office of the CFO will ultimately own ESG reporting in the future**
- ▶ ESG reporting will draw from the muscle memory of financial and SOX disclosures—and will need to be **easily digestible by investors**

Labor Market & Turnover

Companies are smoothing out their hybrid arrangements in response to employees' desire for remote work. Leaders must also prioritize upskilling and reskilling their teams to hedge against dissatisfaction and turnover.

KEY TAKEAWAYS

- ▶ Remain vigilant of headcount reductions that can impact the organization's ability to achieve **appropriate segregation of duties**
- ▶ Consider whether your organization has the right **monitoring controls** in place to mitigate these risks

\ Micro Factors

Integration of Record M&A

After business combinations, companies must reassess scope and coverage of risk and controls programs in order to ensure continuity of compliance.

KEY TAKEAWAYS

- ▶ Recent M&A activity may have slowed but there's often a lag in integration, which means there's a **backlog of integration-related risks** to manage
- ▶ **Plan, Plan, Plan** - Being proactive results in fewer surprises. Scope out integration efforts early, anticipating the impacts to people, processes, and technology

Reconfiguring Supply Chains

Since the pandemic, supply chain paradigms have shifted to include considerations for diversifying sources and increasing ownership for environmental responsibilities.

KEY TAKEAWAYS

- ▶ IA/GRC should **provide assurance to management** that ESG strategies are being achieved operationally
- ▶ Consider leveraging **cradle-to-grave involvement of IA/GRC on any supply chain technology transformations**

Technology Transformations

The speed and agility with which new technology is being adopted requires companies to also assess impact on risk and controls.

KEY TAKEAWAYS

- ▶ **Develop a detailed transformation project plan**, and provide independent monitoring of progress and transformation assurance—leveraging IA/GRC resources
- ▶ **Refresh IA/SOX Risk Assessment** to understand impact of transformation on the organization's compliance program

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We support the [Office of the CFO](#) in navigating today's multifaceted challenges and equip accounting and finance teams to make strides before, during, and after the demands of audit season.

Through our cross-functional expertise, Riveron helps CFOs elevate performance, manage risks, respond to evolving regulations, and enable teams through finance modernization. To learn more, connect with an expert today.

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