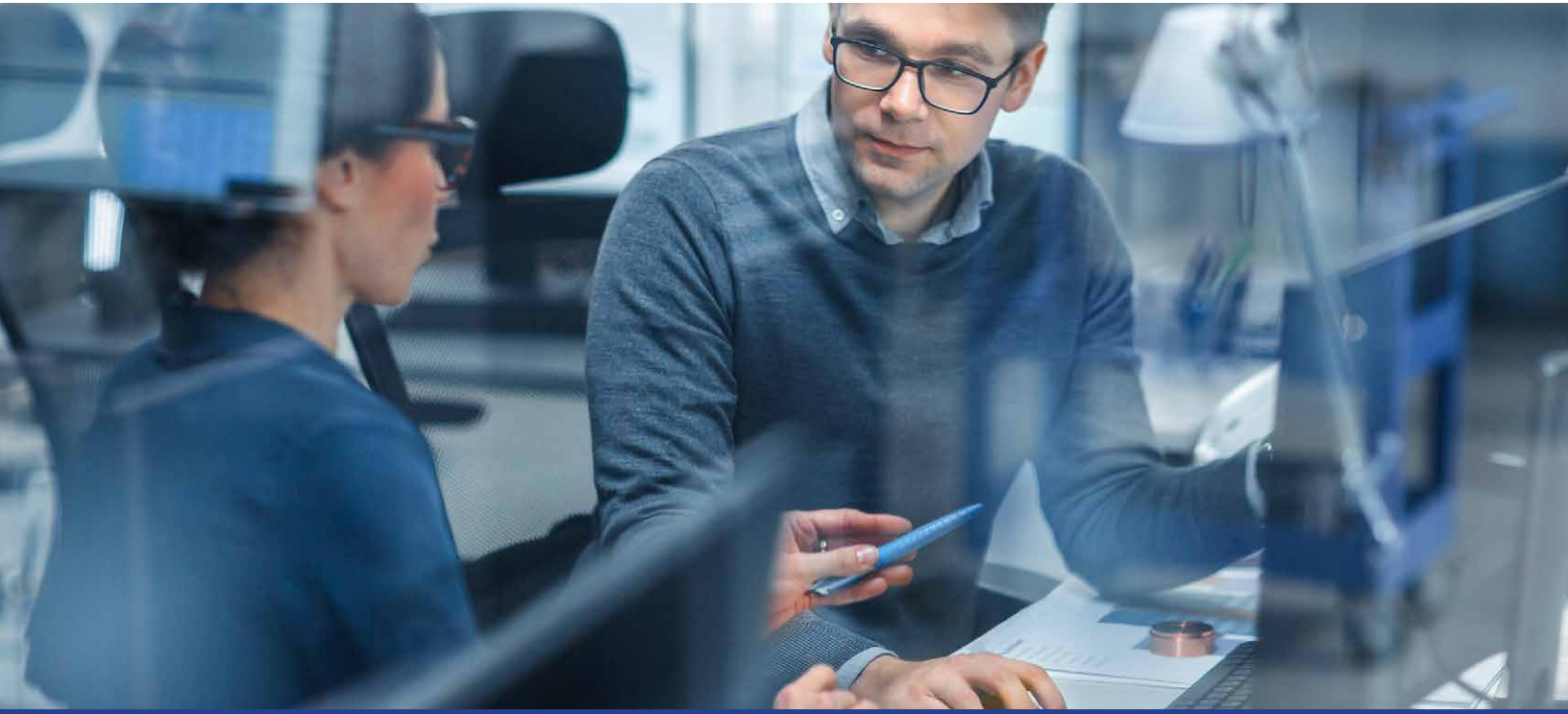


Risk Management Best Practices



When it comes to security, businesses must take every precautionary measure to best manage risks of all types. Your risk management strategy needs to be strong and comprehensive from its foundation, which means you must establish clear policies, procedures and training so that all personnel are aware and prepared.

Once you have a baseline security strategy in order, you have a better chance of mitigating threats, such as those that arise from improper spreadsheet management. For many companies, spreadsheets are critical to everyday business processes, and they include data that drives strategic decisions impacting revenue and reputation.

If improperly managed, the spreadsheets can negatively affect multiple aspects of your business. Accordingly, your risk management strategy must include implementing proper spreadsheet controls, such as technological tools, that will mitigate your chances of financial and reputational ruin.

Making a start

To identify and address threats, firms often focus on known threats and [established risk management techniques](#): their policies, procedures, people controls (such as access and training), auditing or validation procedures. However, companies need to address unknown threats too, such as the risks inherent in spreadsheets. In order to best mitigate all types of risk, businesses need to enact different approaches unique to their processes.

Spreadsheet errors are usually human errors. As such, relying on human controls can be inadequate and risky.

Accordingly, beginning with simple [precautions, training and protocols](#) are appropriate first steps. However, they may not go far enough to counteract management and user biases. That is why technological, automated solutions are critical to effectively managing spreadsheet risk.

Computerized solutions reap multiple benefits

Leveraging spreadsheet risk management technology makes it easier to identify potential problems with your spreadsheets and strengthens your defense against spreadsheet threats. Technological safeguards put your spreadsheet risk management efforts on autopilot, eliminating the natural employee bias that often leads humans to miss errors - whether in complex calculations or simple typos.

Automated analysis software can look for specific risk criteria, such as inconsistent formulas, hidden cells and other known potential risks. It can also catch errors in initial spreadsheets before they are picked up and applied in other spreadsheets as correct data, thereby helping to preserve the credibility of those consequent spreadsheets.

In today's post-Sarbanes Oxley regulatory world, automated tools enhance regulatory controls and help protect against financial misrepresentations. The technology is designed to manage the complexities of spreadsheets across multiple risk points. Software solutions offer integrity checks to sample calculations and relationship tools to identify data sources. Additionally, spreadsheet software solutions can ensure version control, review calculations, flag problems and identify other risks.

Respected risk management tools

Spreadsheet software is popular and ubiquitous partly because of their ease of use and reliability. The ideal risk management solution should be simple and scalable, offer low total cost of ownership, offer ease of use and provide stress-free adoption, all of which is crucial to managing risk effectively.

Complex, critical spreadsheets are undoubtedly at the core of many of your business activities. With your business's revenue and reputation - in addition to your employees, customers and shareholders - riding on the financial information your spreadsheets contain, a modern and comprehensive risk management solution is a business imperative. Adopting technological tools will provide your organization deeper confidence in your data and a reduced exposure to spreadsheet risk.

To learn more about how Incisive can help you manage your spreadsheet risk, [contact us](#) today.

ABOUT INCISIVE

Based in San Jose, California, Incisive provides award-winning and innovative spreadsheet risk analysis and management solutions. Our enterprise offerings provide visibility and control to all business areas that use or interact with spreadsheets. Incisive products have been recognized for accurately and reliably highlighting risks to give users confidence in their spreadsheet information. For more information about Incisive and the company's solutions, visit www.incisive.com.



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