

The Business Value of AuditBoard's Connected Risk Platform



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Executive Summary

This document describes the experiences of businesses that deployed AuditBoard's solutions to effectively manage governance, risk, and compliance (GRC) activities throughout their risk and compliance functions. The goal is to demonstrate how the overall platform contributes to increased productivity, cost savings, and result accuracy, enabling management and lines of business to make informed and effective risk decisions and receive a comprehensive view of risk and compliance posture across the different domains. Additionally, this report highlights the benefits of a centralized GRC platform with a single source of truth about risks and business opportunities across the organization.

Key benefits of deploying AuditBoard solutions:

- **Improved risk visibility and posture:** AuditBoard's platform has increased visibility across all different lines of defense, providing real-time, holistic views that enable a better understanding of risk and proactive risk management.
- **Decreased silos:** Organizations have experienced a reduction in silos among risk functions and dramatically increased visibility of risks across the business.
- **Increased control testing efficiency:** Across the audit functions within organizations (as well as external auditors), there is no longer a guessing game regarding testing and documentation of results. Efficiencies around communication and coordination have significantly increased between internal, external, and co-source auditors. Everyone has the same view of evidence, issues, and controls. The speed of communications and coordination of follow-up activity with auditees has significantly increased productivity and decreased wait time.
- **Increased performance and productivity:** Across the board, cybersecurity; IT; risk management; environmental, social, and governance (ESG); and audit teams have experienced increased productivity, leading to faster assessments, increased accuracy, and better focus on organizational priorities.



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BUSINESS VALUE HIGHLIGHTS

\$1 million
average benefits annually

281%
three-year ROI

7-month
payback period

CONNECTED RISK BENEFITS:

34%
reduction in time to make risk-related decisions

50%
improvement in stakeholder engagement

49%
deeper understanding of organizational and operational risk

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- **Greater control of audit ownership:** Control owners have been empowered to access their sphere of control and take immediate action.
- **Streamlined audits:** Audit processes have been streamlined through orchestration and automation, reducing the time needed for audit activities.

To quantify these benefits, IDC conducted a series of in-depth interviews that explored the value and benefits for organizations using AuditBoard to simplify the complexity of audit, risk, and compliance–related tasks and operations.

Based on an extensive data set and a specialized Business Value methodology, IDC calculates that these customers will achieve benefits worth an annual average of \$1 million on a per organization basis (\$103 thousand per 100 internal users) and a three-year ROI of 281% by:

- Improving the overall performance and productivity of various teams, including audit and compliance, risk management, InfoSec, and ESG
- Connecting risks throughout the company by providing a streamlined, automated, user-friendly approach to auditing and compliance that is integrated within the existing ecosystem
- Increasing visibility by centralizing audit, risk, and compliance–related work efforts, reporting, and documentation
- Decreasing external audits, insurance premiums, and travel costs annually



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HIGHLIGHTS CONTINUED

45%

more productive audit and compliance teams

40%

more productive InfoSec and IT compliance teams

34%

more productive risk management teams

39%

more productive ESG teams

\$165,273

in annual cost avoidance

63%

improvement in real-time data reporting

Situation Overview

Risks permeate entire organizations on a continuous basis, from security threats to supplier management to ESG, and often, organizations approach each of these risk areas in isolation. Further, they leverage various solution sets, perpetuating this disconnected view of risk and compliance. IDC research indicates that 62% of organizations use more than one software solution to manage organizational risk and

compliance, with nearly a one-quarter of respondents using four or more solutions (*GRC Software Buying & Use Survey*, IDC, July 2021). This ends up creating an unbalanced view of how risks are measured and scored, leaving business leaders with a very skewed view of how secure or compliant they really are. In many cases, executives and board members are being provided incomplete and inaccurate information that leads to a perpetuation of bad practices and an overall lack of resilience to cyberattacks. While GRC software in many organizations continues to be siloed by departments or capability, there is a growing trend toward integrated solutions to provide a more comprehensive and unified risk perspective. IDC anticipates that integrated platforms as a percentage of total GRC software revenue will increase from 58.7% of software sales in 2023 to 71.3% in 2028.

As the number and pace of regulations impacting organizations around the world continue to grow and the penalties for noncompliance become greater, business executives and governing boards are demanding holistic views of their businesses from a governance, risk, and compliance perspective. Over the past several years, there has been a movement for organizations, especially those operating in highly regulated industries, to orchestrate company-wide initiatives, rolling up the entirety of their audit, risk, and compliance posture into a consolidated platform.

Benefits realized by utilizing an integrated GRC platform include the following:

- Reduction in financial expenses, internal resource drain, and reputational damages derived from unmitigated and unmonitored risks
- Visibility and transparency into the mass of enterprise data from which potential risks may arise from a common single pane of glass
- Automation for more effective risk management, quick identification of potential risks, and freed-up resources for risk mitigation and strategy
- Reduced redundancy with other enterprise systems and processes via integration
- Collaboration across departments and roles to ensure that risk and compliance efforts are focused on common enterprise goals, provide a common language as a baseline for communicating these goals, and minimize redundant work efforts
- Portfolio consolidation and reduced costs

AuditBoard Overview

AuditBoard provides an integrated audit, risk, and compliance management platform to some of the largest global organizations. With a foundation in SOX compliance, the platform has rapidly transitioned over the past several years into a full-suite integrated risk management platform or connected risk platform. AuditBoard offers a multitude of risk and compliance modules, including Audit (Audit Program Management and Financial and Operational Controls Management), Risk (Enterprise Risk Management and Operational Risk Management), IT Risk and Compliance (IT Risk Management, IT Framework Management, and TPRM), and, most recently, ESG (ESG Program Management and ESG Controls Management).

While each component of the AuditBoard platform has intrinsic value in managing a particular element of audit, risk, or compliance, a higher level of value is derived when the solutions are used in unison to provide a holistic, integrated view of an organization's risk landscape.

AuditBoard's Connected Risk platform provides a central repository (a de facto source of truth) for risk and compliance management, unifying teams across the organization to collaborate and improve efficiencies. The intelligence overlay enables the automation of processes, driving efficiency and efficacy of risk management activities. This drives better executive and board involvement, informed decision-making, and responsible budget management for mitigation.

Further, implementing the AuditBoard platform can reduce the number and types of GRC platforms typically found in siloed risk and compliance functions. In addition to the annual and overall savings by using one platform, many different internal organizations realize significant increases in productivity, collaboration, and performance. It is crucial to establish a single definition of risk and risk appetite and consolidate all risk and compliance issues into a single repository — a source of truth. Executives can now have one single and complete view of risk and compliance for the entire organization.

The Business Value of AuditBoard

Study Firmographics

IDC conducted research that explores the value and benefits for organizations using AuditBoard to simplify the complexity of audit, risk, and compliance–related work. The project included 18 interviews with organizations that use AuditBoard and have experience with and/or knowledge about the platform's benefits and costs. During the interviews, companies were asked a variety of quantitative and qualitative questions about the offering's impact on their IT, audit, and compliance operations, core businesses, and costs.

Table 1 presents the study firmographics. The 18 organizations that IDC interviewed had an average base of 28,865 employees and total average annual revenues of \$9.3 billion. On average, these companies had 297 business applications, and 16 companies were based in the United States, with the remainder in France and Switzerland. From a vertical market standpoint, IDC's survey included organizations from the financial services (3), hospitality (2), manufacturing (2), software (2), biotech, consumer services, construction, education, insurance, IT services, paper, technology, and wholesale sectors.

TABLE 1
Firmographics of Interviewed Organizations

Firmographics	Average	Median	Range
Number of employees, scale of global operations	28,865	7,000	75–250,000
Number of business applications	297	115	3–2,000
Total organizational revenue	\$9.3B	\$3.2B	\$2M–\$83.4B
Countries	United States (16), France, Switzerland		
Industries	Financial services (3), hospitality (2), manufacturing (2), software (2), biotech, consumer services, construction, education, insurance, IT services, paper, technology, wholesale		

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Choice and Use of AuditBoard

The organizations that IDC interviewed described the decision criteria involved in their selection of AuditBoard to manage and optimize their overall risk management profiles. The platform's robust features and modules were a clear factor in their decision. Interviewed companies especially appreciated the built-in automation functionality included with AuditBoard to reduce the complexity of highly manual processes and workflows. In addition, they called out the benefits of improved global visibility and the innate flexibility of AuditBoard's user-friendly interface.

Study participants elaborated on their selection criteria:

Control management (Manufacturing):

"My organization is a SOX-regulated company and previously had a bad application that monitored internal controls. We chose to replace this application with AuditBoard, not only to manage internal controls but also to help with internal audit and risk management."

Automation and consolidation (Consumer Services):

"My organization started off with SOXHUB for audits. We went from spreadsheets to AuditBoard. The goal initially was just to automate and consolidate workflows. Once AuditBoard proved itself with SOXHUB, we decided to use CrossComply to achieve similar automation for IT compliance."

Flexible user interface (Financial Services):

"My organization chose AuditBoard because of its flexible user interface. It is very easy to understand and has an innate usability factor. AuditBoard really worked with us to create something unique. We needed a GRC tool that the whole company would be able to use."

Need for integrated risk management (Education):

"My university was trying to implement integrated risk management. We wanted a way to be able to effectively answer any questions that a regulator or external auditor may have about how we are managing our institutional risk. We selected AuditBoard because we needed a tool that could provide management insight and help us with that enterprise view. The main scoring criteria for the RFP were ease of use, features, and value for money. AuditBoard scored the highest out of the solutions we evaluated."

Table 2 (next page) provides a quantitative view of the organizational usage of AuditBoard across all companies at the time of interviews. On average, AuditBoard affected 184 business applications. In addition, 944 internal users and 71 external users performed 67 audits annually. Additional metrics are provided below.

TABLE 2

Organizational Usage of AuditBoard

AuditBoard Usage	Average	Median
Branches/sites	24	7
Internal users	994	430
External users	71	8
Business applications	184	5
Audits performed annually	67	23

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Business Value and Quantified Benefits

IDC's Business Value research evaluates the benefits for companies in adopting AuditBoard to help elevate their audit, risk, ESG, and InfoSec teams with an intelligent, automated, and collaborative risk management platform. In decreasing silos across these teams, the platform enabled interviewed organizations to manage risks in a connected and efficient manner. This significantly improved their overall risk profile and posture. Importantly, study participants appreciated having a user-friendly, centralized, and integrated platform that helped streamline risk-related operations and automate once-tedious manual tasks, improving efficiency and increasing employee satisfaction.

Study participants elaborate on the most significant benefits of AuditBoard below:

Smoother auditing (Technology):

"AuditBoard definitely helps smooth our audit processes. All of our external and internal compliance audits are more efficient and quicker. Our TPRM and RiskOversight modules help with categorization, grouping, and follow-up. All the risks cycle through risk workflows."

Platform flexibility (Manufacturing):

"The most significant benefit of AuditBoard is the pure flexibility of the system and how

quickly you can set up an advisory effort, IP audit, compliance audit, and financial audit. We have a lot of templates, such as base audits, set up where we can pull those in. Even if you don't have a template, it's really quick to get things set up and ready to go."

Improved risk posture (Consumer Services):

"The most important and critical benefit of AuditBoard is that it has improved risk posture for my organization. With CrossComply, there's vulnerability management (integration) that we use, and this decreases risk."

SOX testing efficiencies (Paper):

"The largest benefit of AuditBoard for my organization is the efficiencies in SOX testing among our several communication entities — internal auditors, external auditors, co-source auditors. There are significant efficiencies around this from a coordination and testing standpoint. Everyone is looking at the same evidence requests, issue list, and list of controls. In addition, evidence requests and follow-ups have been sped up significantly. We worked in spreadsheets before; the process changes are tremendous."

Figure 1 (next page) presents IDC's calculations of cumulative customer benefits after the adoption of AuditBoard. As shown, average annual benefits were quantified at \$1 million per organization (\$103 thousand per 100 internal users).

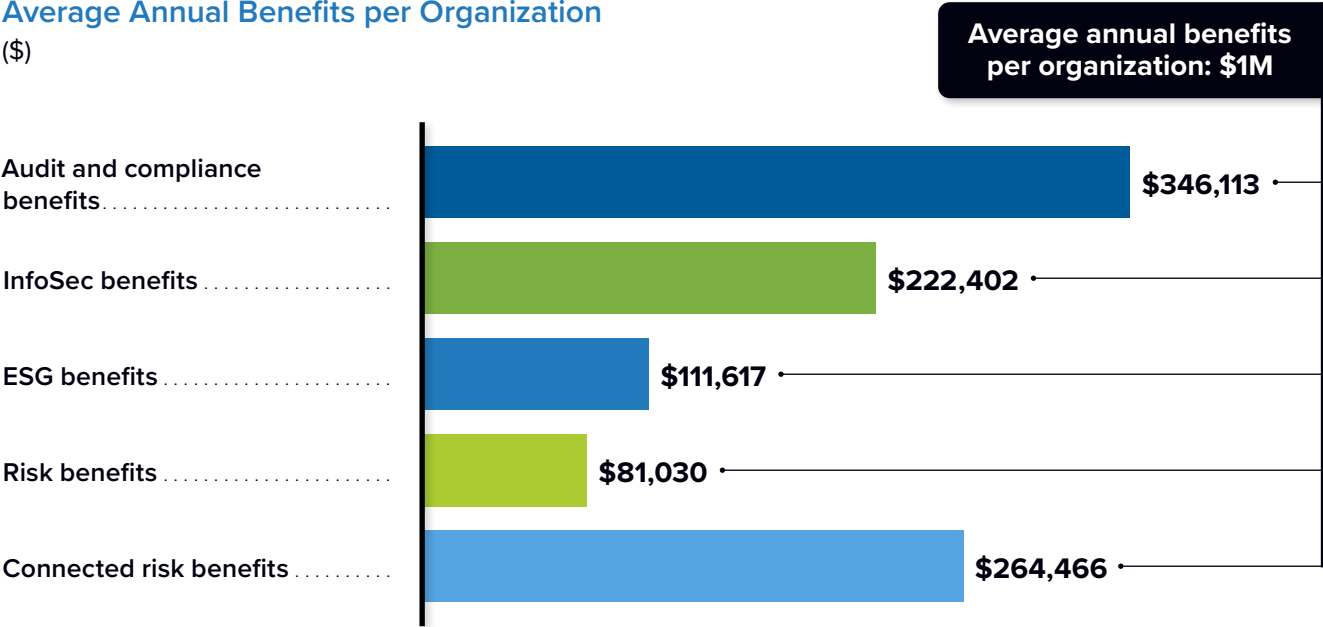
The figure breaks down these benefits further in terms of:

- **Audit and compliance benefits:** Teams gained productivity with AuditBoard through centralized audit management that was rich with workflow automation.
- **InfoSec benefits:** AuditBoard modules gave InfoSec teams greater visibility and real-time information regarding risk.
- **ESG benefits:** Interviewed organizations found that their ESG teams benefited from AuditBoard's information-rich dashboards and data consolidation.
- **Risk benefits:** AuditBoard provided risk teams with company-wide visibility to better manage, prioritize, and mitigate risks.
- **Connected risk benefits:** AuditBoard enabled study participants to decrease operational costs and increase frontline end-user productivity by breaking down organizational silos and raising the importance of proper risk management.

FIGURE 1

Average Annual Benefits per Organization

(\$)



n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Connected Risk Benefits from AuditBoard

Elevating the importance of risk management throughout the company was a critical goal for interviewed organizations when adopting the AuditBoard platform. The platform was found to be incredibly user friendly, which fostered an environment rich with collaboration and communication across previously very siloed business units. Teams appreciated that data was accessible, there were fewer redundant efforts, and reporting was timelier. This encouraged risk-related conversations from the front lines to the C-level, which ultimately led to a deeper understanding of the impact of risk and better decision-making.

Study participants elaborated as follows:

Real-time look at auditing activities (Manufacturing):

“AuditBoard fosters easier collaboration between sites and teams. As an example, before, monitoring activities was difficult. All the information was held locally on paper or on servers. Now, we have reminders to upload and certify. The activity log helps users see in real time what is going on.”

Reduced cyber insurance costs (Consumer Services):

“Compliance is tied to our cyber insurance. AuditBoard drives the cost of cyber insurance down because we show them that we are proactive and are addressing vulnerabilities. AuditBoard is driving a lot of savings due to compliance.”

Better risk decision-making (Construction):

“AuditBoard really put risk in the eyes of our C-suite. That wasn’t something that they were able to visualize as much. The dashboarding and reporting capabilities that live within AuditBoard help us easily present risk. We are able to give our leadership information with which they can make better decisions.”

Strong collaboration and risk management (Financial Services):

“AuditBoard is a tool to accelerate or enable efficiency. We consider it the single source of truth. There is a level of strong collaboration when it comes to data being looked at from different points and divisions. There is seamless integration of identified issues into the workflows for strong risk management.”

IDC then gauged the impact of AuditBoard on connecting risk management across the interviewed organizations. Critically, these important KPIs demonstrate that AuditBoard helped raise the importance of appropriately managing and mitigating risks before they become impactful. This speaks to the elevation of risk-related discussions across all levels of the organization. A financial services organization noted: *“My company really didn’t consider risks the way a company should consider risks. In deploying AuditBoard, we have been able to get everybody to buy into a control and risk environment. It helps us do more audits than we did before because of the discipline we have put in.”* Interviewed organizations also found that stakeholders were more engaged with the audit process and related that back to the user-friendly nature of the platform.

Connected risk KPIs are presented below:

- **50% improvement** in stakeholder engagement
- **49% deeper understanding** of organizational and operational risk
- **40% reduction** in redundant work efforts
- **38% reduction** in reporting time
- **34% reduction** in the time it takes to make a risk-related decision

As **Figure 2** (next page) shows, the AuditBoard platform was impactful for interviewed organizations across all levels of users. Due to the innate usability of AuditBoard, efficiencies were noted in several audit and compliance–related tasks. Most notably, real-time data reporting was 63% more efficient with AuditBoard. IDC also noted that data analysis (54%) and evidence collection (53%) processes were improved. These KPIs demonstrate potential efficiencies across entire organizations, such as consolidating the audit and compliance process into one centralized platform that breaks down silos and boosts visibility.

FIGURE 2
Impact of AuditBoard on Interviewed Organizations
(% more efficient)



n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Additionally, interviewed organizations reported that AuditBoard improved end-user (e.g., finance, legal, frontline) performance by helping them improve audit-related aspects of their operations. This group of employees benefited from AuditBoard, which decreased the complexity of audits through automation, better visibility, and real-time data availability. A software organization noted, “*When I think of our businesses, nobody likes an audit. AuditBoard has helped with the audit process overall. Users know where their PBCs are and their requests; they don’t have to hunt through a bunch of emails. They just have their task listing in AuditBoard. They know what to do and what the expectation is.*” Factoring in a 15% operating margin, AuditBoard helped end users work with the equivalent productivity level of having 1.8 additional FTEs on staff. IDC valued this productivity gain at \$126,638 per year (see **Table 3**).

TABLE 3
Connected Risk — End-User Productivity Gain

	Before AuditBoard	With AuditBoard	Difference	Benefit
Equivalent productivity level, FTEs	153.5	165.6	12.1	8%

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	Before AuditBoard	With AuditBoard	Difference	Benefit
Equivalent net productivity level, FTEs	153.5	155.3	1.8	1%
Calculated value of productivity	\$10,745,000	\$10,871,638	\$126,638	1%

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Finally, by better managing risks across entire organizations, AuditBoard significantly decreased operating costs for those interviewed. These organizations found that external audits, insurance premiums, and travel costs decreased annually as a result of better processes and visibility. A paper organization stated, *“From a SOX perspective, prior to AuditBoard, we were unable to obtain full SOX coverage every year. There were significant gaps between what our staff and external auditors were able to accomplish. We are now able to test SOX correctly and obtain lower fees from our external auditors as a result. We went from almost zero external auditor reliance to over 50%.”* As shown in **Table 4**, IDC calculated the total annual cost avoidance at \$165,273.

Organizations found that external audits, insurance premiums, and travel costs decreased annually as a result of better processes and visibility.

TABLE 4
Connected Risk — Annual Cost Avoidance

	AuditBoard Impact
Third-party cost reduction	\$133,000
Additional operating expense reduction	\$32,273
Annual cost avoidance	\$165,273

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Audit and Compliance Benefits

The AuditBoard platform offered audit and compliance teams at interviewed organizations three modules (i.e., OpsAudit, RiskOversight, and SOXHUB) to streamline audits with real-time access to risk assessments, supporting documentation, and policies. The platform centralized the entire audit workflow, which greatly increased operational visibility while also minimizing redundancies with integrated out-of-the-box testing and reporting workflows. In addition, study participants found that the platform automated once-tedious manual processes and workflows, enabling audits to be more accelerated and accurate. Study participants also appreciated that template centralization was a distinct benefit that made processes easily repeatable.

Study participants made these detailed comments:

Workflow requirements (Manufacturing):

"AuditBoard is easy to use, and it is quick to set up an audit and has everything you need to start work. It enforces the workflow, which is a requirement when it comes to the Institute of Internal Audit Standards. That is a big benefit. In the audit world, you're going to have auditors doing audit work, and then you need to have certain levels of leadership performing certain levels of review and approvals. That's all inherently built into the system."

Easier communication (Consumer Services):

"Communicating to leadership is a lot easier now that my organization is using AuditBoard. We have set up automation that sends out reports and shows asset inventory. The policy is a big win as well. With AuditBoard, it is streamlined. We now have a life cycle of policies that can be automatically reviewed."

Process centralization (Wholesale):

"AuditBoard allows our audit and compliance team to do more with less. It really manages the global program and allows us not to have to be onsite to perform an audit. Most SOX audits are remote now. There are a lot of benefits provided by client management, and interaction with management is easier. There are no lost emails; users log in and can send reminders. One of the biggest benefits is that interaction with our external auditors and getting them documentation is faster with AuditBoard. This enables them to start their reviews faster. There's less back and forth."

IDC then evaluated AuditBoard by identifying and measuring several KPIs commonly associated with audit and compliance efforts. As shown in **Figure 3** (next page), after the adoption of AuditBoard, the greatest improvements were seen in evidence management (52%), assigning audit resources (49%), and audit creation/action plans (43%). It was made abundantly clear that the workflow automation and visibility provided by AuditBoard directly benefited the team in these key areas.

FIGURE 3
Impact of AuditBoard on Audit and Compliance Efficiency
(% more efficient)



n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

IDC applied its Business Value methodology to validate this anecdotal reporting by quantifying benefits for AuditBoard compliance-related modules. All study participants used OpsAudit (67%), RiskOversight (61%), and/or SOXHUB (61%) within their audit and compliance teams. It was reported that these teams benefited from centralized audit management that fostered greater collaboration, increased stakeholder engagement, and automated workflows and processes that were previously manual tasks. With these benefits in place, it took companies 26% less staff time on average annually to complete an audit, and there were 21% fewer internal control failures.

Table 5 (next page) quantifies overall team benefits in terms of productivity impact. After adoption, interviewed companies saw a 45% productivity boost whereby audit and compliance teams could produce the equivalent productivity level of having 5.5 additional FTEs on staff. IDC calculated that this resulted in an annual productivity-based business value of \$382,030 for each organization.

TABLE 5

Audit and Compliance Team Productivity Gain

	Before AuditBoard	With AuditBoard	Difference	Benefit
Equivalent productivity level, FTEs	12.1	17.6	5.5	45%
Value of staff time per year	\$848,956	\$1,230,986	\$382,030	45%
Weighted modeled value*	\$848,956	\$1,230,986	\$382,030	45%

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

*A weight of 100% was applied based on organizational usage at the time of interview

Information Security Benefits

In their detailed conversations with IDC, study participants discussed how their organizations benefited from the use and deployment of the AuditBoard CrossComply, TPRM, and ITRM modules for IT and third-party risk management and information security and compliance. These modules provided frameworks and policies to help AuditBoard customers streamline and scale IT risk management processes. In their comments, interviewed companies appreciated that AuditBoard provided automated communications, increased risk visibility, and enhanced policy management. In addition, they noted that the platform provided greater visibility with increased collaboration and helped identify vendors that had suboptimal security postures. They noted that AuditBoard was considered highly reliable and a single source of truth.

Study participants explained these benefits in greater detail:

Certification support (Manufacturing):

“AuditBoard affects our IT security team greatly because they can look at what is happening at the sites. They are not blind anymore. The IT security team is using it outside of what was originally planned. We had planned to use it only for SOX regulation, but now it is also used to document over controls for TISAX certification.”

Increased risk visibility (Software):

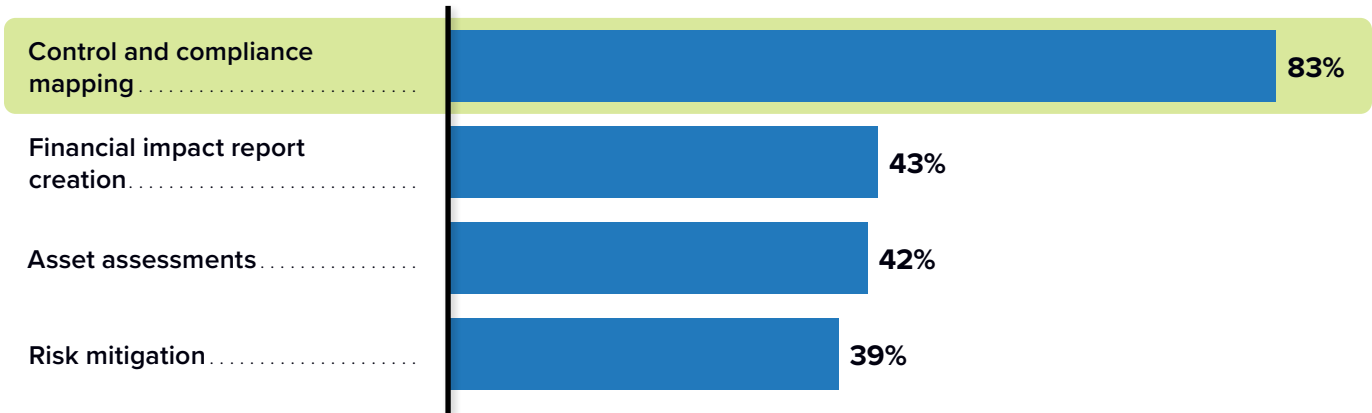
“AuditBoard has helped our InfoSec team gain efficiency and visibility into the risk that we didn't know we had before. We have 27 businesses; it was hard to keep tabs on risks manually. The fact that everything is now housed in AuditBoard has significantly added to visibility enterprisewide.”

Increased collaboration (Hospitality):

“AuditBoard has helped my organization identify vendors that we do not want to do business with because of their security posture. It helps us say no, and it also helps the teams collaborate more. That collaboration helps us be able to quickly review a vendor, where in the past it would’ve been a manual, decentralized process.”

IDC then drilled down on various aspects of compliance operations by quantifying InfoSec-related key performance indicators (**Figure 4**). After adopting AuditBoard, the greatest efficiency improvements were seen in control and compliance mapping (83%), financial impact report creation (43%), and asset assessments (42%). These task efficiencies further illustrate the impact of AuditBoard providing organization-wide visibility and highly trusted data.

FIGURE 4
Impact of AuditBoard on InfoSec
(% more efficient)



n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

At the time of the interviews, 72% of the organizations interviewed were using AuditBoard to manage IT and third-party risks. CrossComply had the greatest level of deployment among study participants at 44%. This was followed by TPRM (33%) and ITRM (17%). These AuditBoard modules provided InfoSec with greater risk visibility, real-time information, collaboration, and automation, which greatly improved overall process efficiency.

Table 6 (next page) illustrates that, after adoption, interviewed companies saw a substantial 40% productivity enhancement for these teams. This enabled them to perform at the equivalent productivity level of having 4.9 additional FTEs on the team and resulted in an annual productivity-based business value of \$245,481 for each organization.

TABLE 6

InfoSec/IT Compliance/Third-Party Risk Team Productivity Gain

	Before AuditBoard	With AuditBoard	Difference	Benefit
Equivalent productivity level, FTEs	12.2	17.1	4.9	40%
Value of staff time per year	\$854,144	\$1,194,041	\$339,897	40%
Weighted modeled value*	\$616,882	\$862,363	\$245,481	40%

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

*A weight of 72% was applied based on organizational usage at the time of interview

Risk Management Benefits

The AuditBoard RiskOversight module increased the effectiveness of risk management programs at interviewed organizations by providing better visibility into internal and external risk profiles and prioritizing items that need immediate attention. Organizations noted that the module provided out-of-the-box functionality that enabled visualization of impactful risks with self-service reports, dashboards, and heatmaps. This enabled better overall risk mitigation and posture.

Study participants further discuss the benefits of AuditBoard

RiskOversight below:

Broader risk visibility (Insurance):

"AuditBoard has improved risk management reporting and visibility. There is better visibility into overall risk events and items needing action. It was all very siloed before, and now we have a much broader picture of enterprise risk."

Timely risk response (Software):

"AuditBoard enables my organization to respond to new risks in a much more timely and efficient manner. It has been a huge game-changer for us. Things don't sit there for weeks at a time. We get notified when there is a new risk and the level. We can respond to it very quickly and mitigate it or at least set up a mitigation plan."

Deeper insight into risk impacts (Financial Services):

"RiskOversight has given my organization deeper insight into how different issues are impacting our business from a regulatory perspective."

Out-of-the-box functionality (Biotech):

“My organization is using RiskOversight for enterprise risk management and compliance. We used a different system before to execute our annual risk assessment, and it was very complex, very customized, and very hard to use if you needed to make a change. AuditBoard is self-service in that a lot of the functionality is already built and out of the box. That’s been the biggest value-add. In terms of the assessments, you can automate the scheduling and set up everything within the assessment to directly manage and monitor. It is very easy in terms of managing a project within AuditBoard compared with other systems.”

Further illustrating the commentary above, **Figure 5** shows the impact of AuditBoard on risk management–related operations and activities using KPIs that reflect common tasks. After the adoption of AuditBoard, risk assessments and reporting operations improved substantially (51%). In addition, risk prioritization and evaluation improved by 46%, and evaluating risk trends improved by 44%. These three areas helped risk management teams improve risk posture, prioritize their time, and mitigate risks appropriately.

FIGURE 5
Impact of AuditBoard on Risk Management
(% more efficient)



n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

In summary, 67% of interviewed organizations were using AuditBoard RiskOversight at the time of their interviews. They found that AuditBoard RiskOversight provided their risk teams with better risk visualization, timely mitigation response, better insights, and self-service functionality. The platform’s functionality provides automated distribution and aggregation of risk assessments, close monitoring of established action plans, and increased engagement with business stakeholders. In fact, **Table 7** (next page) shows that after

the adoption of RiskOversight, interviewed companies saw a 34% productivity gain from their risk team. IDC calculated that this resulted in an annual productivity-based business value of \$89,439 for each organization.

TABLE 7
Risk Team Productivity Gain

	Before AuditBoard	With AuditBoard	Difference	Benefit
Equivalent productivity level, FTEs	5.6	7.6	1.9	34%
Value of staff time per year	\$394,583	\$528,742	\$134,158	34%
Modeled value*	\$263,056	\$352,494	\$89,439	34%

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024
*A weight of 67% was applied based on organizational usage at the time of interview

ESG Team Benefits

IDC also assessed the impact of AuditBoard’s adoption on environmental, social, and governance teams. AuditBoard’s ESG module is designed to simplify evidence collection to establish assurance and improve efficiency. The module enabled organizations to leverage ESG data to streamline and consolidate reporting and provide more effective engagement with customers, employees, and other stakeholders. As a result, interviewed companies reported that they were able to better manage and create frameworks for their ESG initiatives.

The following statements discuss the impact of AuditBoard on ESG teams:

Data consolidation (Financial Services):

“In terms of ESG and sustainability, in particular, AuditBoard is really helpful. It helps us streamline and consolidate data. We use AuditBoard automations that give us a good overview of where we are on our ESG sustainability journey.”

Dashboards and framework (Insurance):

“The AuditBoard ESG module has helped my organization frame our whole ESG program into material topics across the enterprise. I report quarterly to our Enterprise Risk Management

Committee, and now, I have dashboards that I can show them and all the information I need for our Taskforce for Climate-Related Financial Disclosures report.”

Less field travel (IT services):

“Since deploying the AuditBoard ESG module, we are traveling less because we are being more efficient in internal audits. If we need to send someone for fieldwork in another country, instead of sending two or three auditors, we are sending just one because of the efficiency that AuditBoard brings to us.”

Keeping in mind the quotes above, **Table 8** quantifies the productivity impact for ESG teams on the interviewed organizations using the module (42% of organizations) at the time of their interview. After adoption, interviewed companies saw a substantial productivity increase of 39%. This resulted in an annual productivity-based business value of \$123,200 for each organization.

TABLE 8
ESG Team Productivity Gain

	Before AuditBoard	With AuditBoard	Difference	Benefit
Equivalent productivity level, FTEs	10.9	15	4.2	39%
Value of staff time per year	\$760,000	\$1,052,600	\$292,600	39%
Weighted modeled value*	\$320,000	\$443,200	\$123,200	39%

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024
*A weight of 42% was applied based on organizational usage at the time of interview

ROI Summary

Summing up the financial and business-related benefits presented for study participants' use of AuditBoard, IDC calculated an average three-year ROI. As shown in **Table 9**, IDC projects that these companies will achieve three-year discounted benefits worth an average of \$2,433,900 per organization through better risk management, enhanced staff efficiencies, and improved business results. These benefits compare with total three-year discounted costs of \$639,000 per organization. These levels of benefits and investment costs are projected to result in an average three-year ROI of 281% with a payback period of seven months.

TABLE 9
Three-Year ROI Analysis

	Per Organization	Per 100 Internal Users
Discounted benefits	\$2,433,900	\$244,818
Discounted investment	\$639,000	\$64,275
NPV	\$1,794,900	\$180,543
ROI	281%	281%
Payback	7 months	7 months
Discount factor	12%	12%

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

Challenges/Opportunities

Often, in an organization, different departments assess each domain of risk (e.g., fraud, finance, cyber), but they rarely unify them in a consolidated risk analysis. There remains a degree of departmental isolation that can impede collaboration and negatively impact the potential efficiencies of an integrated GRC solution. Furthermore, as multiple stakeholders focus on solution selection and funding, conflicting interests can offer

additional hurdles to solution selection and implementation. Holistic GRC platforms offer the potential to bridge the gap between isolated risk assessments to migrate toward a broader spectrum of risk analysis.

In addition to technology, humans/culture can play a significant role in integrating risk and compliance activities across an organization. The ability to continuously attract senior consulting talent that can guide organizations through the mist of silos, differing risk definitions, and various levels of risk appetite can be the difference between a successful implementation that results in dramatic efficiencies versus an implementation that leaves customers struggling. A strong partner ecosystem will also offset these human/cultural challenges. To help rally, AuditBoard has built strategic alliances with major management consulting firms.

Conclusion

Risks and compliance deficiencies permeate entire organizations on a continuous basis, from security threats to supplier management to ESG. Organizations often approach each of these risk areas in isolation, which, over time, can become a huge expense and ultimately leave executives with a disjointed and incomplete view of risk and compliance across the organization.

The pace of regulatory change is accelerating, exponentially increasing the difficulty of keeping up, maintaining consistent knowledge, and complying with a range of overlapping regulations. Organizations could run afoul of regulatory compliance, which could result in paying fines and penalties or being impacted in other ways.

Executives and board members are becoming increasingly accountable for keeping their proverbial fingers on the pulse of their organizations' current states of governance, risk, and compliance. In today's volatile environments, executives and board members struggle with a disjointed and incomplete view of their respective organizations' states of governance, risk, and compliance.

This study provides exclusive and demonstrative evidence that AuditBoard provides measurable, practical, and pragmatic benefits to organizations seeking to rein in the costs and inefficiencies of their current GRC programs.

Appendix 1: Methodology

Table 10 presents a summary of IDC's Business Value calculations.

TABLE 10
Specific Calculations: Benefits from Use of AuditBoard

Category of Value	Average Quantitative Benefit	Percent of Weight Applied	15% Margin Applied	Calculated Average Annual Value*
Audit and compliance team productivity gain	45% higher productivity worth 5.5 FTEs, \$70 thousand salary	100%	No	\$346,113
InfoSec/IT compliance/ third-party risk management team productivity gain	40% higher productivity worth 4.9 FTEs, \$70 thousand salary	72%	No	\$222,402
Risk team productivity gain	34% higher productivity worth 1.9 FTEs, \$70 thousand salary	67%	No	\$81,030
ESG team productivity gain	39% higher productivity worth 4.2 FTEs, \$70 thousand salary	42%	No	\$111,617

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Category of Value	Average Quantitative Benefit	Percent of Weight Applied	15% Margin Applied	Calculated Average Annual Value*
Annual cost avoidance	\$165,273 in annual cost reductions	100%	No	\$149,734
Business enablement — end-user productivity gains	1% higher productivity worth 1.8 FTEs, \$70 thousand salary	100%	Yes	\$114,731
Total average annual benefits	\$1M per organization per year			

n = 18; Source: IDC Business Value In-Depth Interviews, April 2024

IDC's standard ROI methodology was utilized for this project. This methodology is based on gathering data from current users of AuditBoard as the foundation for the model.

Based on interviews with organizations using AuditBoard, IDC performed a three-step process to calculate the ROI and payback period:

- Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of AuditBoard:** In this study, the benefits included IT cost reductions and avoidances, staff time savings and productivity benefits, and revenue gains.
- Created a complete investment (three-year total cost analysis) profile based on the interviews:** Investments go beyond the initial and annual costs of using AuditBoard and can include additional costs related to migrations, planning, consulting, and staff or user training.
- Calculated the ROI and payback period:** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of AuditBoard over three years. ROI is the ratio of the NPV and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on a number of assumptions, which are summarized as follows:

- Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and productivity savings. For this analysis, IDC used assumptions of an average fully loaded \$100,000 per year salary for IT staff members and an average fully loaded \$70,000 per year salary for non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- To achieve an accurate aggregate model, weights were applied based on the organizational usage of AuditBoard modules at the time of the presentation.
- The net present value of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.
- Further, because AuditBoard requires a deployment period, the full benefits of the solution are not available during deployment. To capture this reality, IDC prorates the benefits on a monthly basis and then subtracts the deployment time from the first-year savings.

Note: All numbers in this document may not be exact due to rounding.

Appendix 2: Additional Quotes

Business Value and Quantified Benefits

Decreased silos (Software):

"A big benefit of AuditBoard is that it has decreased silos and increased visibility to risk. We are able to spin up a risk assessment in a matter of seconds, push it off to the business, and ask them to respond to it. The efficiency in terms of the timeliness has just been a huge game-changer for us."

Audit ownership (Wholesale):

"AuditBoard has given my organization communication, visibility, and ownership. It empowers control owners to have access to their controls and interact within the tool to do control certifications. It enables them to really take ownership."

Increased visibility (Biotech):

"AuditBoard gives my organization visibility across all different lines of defense within our control environment and can be used cross-functionally as well. The most significant benefits of AuditBoard are visibility, efficiencies, automation, and excellent customer support."

Process standardization (IT services):

"The main benefit of AuditBoard is that my organization has standardized our audit process. The result of one audit, if compared with another, will be comparable because we are using the same methodology."

Connected Risk Benefits

User friendly (Biotech):

"AuditBoard gives my organization interactivity. If we need to request documentation, send certifications, or send out a risk assessment, it's a lot more intuitive and user friendly for the end user."

Sandbox access for users (Software):

"AuditBoard has definitely increased user satisfaction. We give everyone access to the sandbox where they can try things out, and because the audits are more streamlined now, everyone seems to have more time for trial and error. They know exactly what is on their work plate with the tasks list and dashboards. It's allowed everyone the opportunity to explore, uncover unrealized value, and try new things."

Audit and Compliance Benefits

Automation of manual processes (Software):

"Prior to AuditBoard, compliance processes were completely manual. We've changed so many things with AuditBoard as we get better and better with the platform. As we tweak and automate within the platform, our efficiency continually goes up."

Document digitalization (Manufacturing):

"The effectiveness of AuditBoard is clear and simple — beforehand, we sent out emails or faxes with documents for signature. This could take weeks. Now, it's all done electronically in a minute. Everything in the right place, in the right control, in AuditBoard."

Template centralization (Financial Services):

"AuditBoard definitely is helping our audit and compliance team. AuditBoard is easy to use, and all the templates they need are in one location. It makes it more straightforward as opposed to using a spreadsheet or various templates stored in different locations. AuditBoard just puts everything in one place. It makes its processes easily repeatable."

Information Security Benefits

Automated communications (Construction):

"AuditBoard takes care of a lot of our communication for issue resolution, risk mitigation, policy management, policy approval, and cycle management with automation. Our InfoSec team does not have to take the time to send emails out regarding this. It was very nice for a small team."

Single source of truth (Technology):

"AuditBoard is the primary source of truth for anything related to compliance. We used to leverage spreadsheets for a lot of our risk management, and we've integrated that with CrossComply. It is much easier now to manage those spreadsheets, but we also did replace some spreadsheets within each of the modules."

Reliable information source (IT services):

"AuditBoard enables InfoSec to have updated, reliable information at any time. It is really valuable to the company."

About the IDC Analysts



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Amy Cravens is Research Manager contributing to IDC's Sustainable Strategies and Technologies Team and IDC's Security and Trust Group. In this role she is responsible for the GRC and ESG Management and Reporting Technologies research program, providing strategic guidance and research on market trends, technology usage, and business strategies. Amy has provided strategic market consulting to companies for over two decades.

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Phil Harris is the Research Director for RAMP. He is responsible for developing and socializing IDC's point of view on risk, advisory, and privacy services including surrounding as governance and compliance with enterprises, IT suppliers, and service providers. Phil develops research on business strategies and, the impact of relevant service offerings on enterprises. Phil also works with other worldwide and regional analysts to develop a holistic set of thought leadership and actionable research for IT buyers and suppliers. Phil's primary focus will be advising technology-based clients on business strategies related to their investment in risk, privacy, governance, and compliance advisory and management services.

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Megan Szurley is a senior research analyst for the Business Value Strategy Practice, responsible for creating custom business value research that determines the ROI and cost savings for enterprise technology products. Megan's research focuses on the financial and operational impact of these products for organizations once deployed and in production. Prior to joining the Business Value Strategy Practice, Megan was a consulting manager within IDC's Custom Solutions division, delivering consultative support across every stage of the business life cycle: business planning and budgeting, sales and marketing, and performance measurement. In her position, Megan partners with IDC analyst teams to support deliverables that focus on thought leadership, business value, custom analytics, buyer behavior, and content marketing. These customized deliverables are often derived from primary research and yield content marketing, market models, and customer insights.

[More about Megan Szurley](#)

Message from the Sponsor



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Nearly 50% of the Fortune 500 leverage AuditBoard to move their businesses forward with greater clarity and agility. Customers on G2, Capterra, and Gartner Peer Insights top rated AuditBoard, and Deloitte recently ranked it as one of the fastest-growing technology companies in North America for the fifth year in a row.

To learn more, visit AuditBoard.com.

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