



THE RISING NEED FOR COMPLIANCE MANAGEMENT POST-COVID-19

From left: Ranjit, Veerinderjeet, Yeap: A well-thought-out GRC strategy will assist organisations to function effectively and efficiently so that they can mitigate the risks of disruption to their operations and growth

The public health and economic crisis caused by the coronavirus outbreak have had a huge impact on businesses, particularly those that are engaged in industries most susceptible to global public health and economic challenges.

These entities are resuming their operations, but it is undeniable that the crisis has thrown into sharp focus the need for unique approaches in light of the unprecedented new normal. This has forced business leaders to revisit risks they had neglected, such as implementing security measures, managing risks effectively and keeping up with compliance requirements.

"The main strategic risks that have significantly impacted global business this year are the Covid-19 pandemic risk and business continuity management (BCM) risk. The pandemic exposed many companies that lacked adequate BCM," says Ranjit Singh, Regional Managing Director of Tricor Axcelasia.

He points out that these risks were not addressed prior to the pandemic because they were not considered to be a major problem for Malaysian companies. The Covid-19 risk was identified as a Top 10 risk, albeit in the last position, in the World Economic Forum Global Risks Perception Survey 2019-2020. This explains why many organisations were in trouble at the height of the crisis.

"None of the pandemic's ensuing risks, such as security and compliance, were identified as a top 10 risk among Malaysian companies, and the pandemic clearly showed us all that many companies in Malaysia did not have adequate strategic and operational plans in place to address these two unforeseen risks in 2020.

"Companies tended to focus on operational risks rather than on the key strategic risks or the top 10 risks to the organisation," says Ranjit, who has more than three decades of experience in matters relating to enterprise risk management, internal audit, forensic accounting and transformation and programme management services.

The pandemic underscores the importance of having a strong governance, risk and compliance (GRC) framework and culture in addition to an adaptive human resource approach, stresses Dr Veerinderjeet Singh, Non-Executive Chairman of Tricor Malaysia.

Only then will businesses be efficient and quick

Steps for strengthening governance, risk and compliance frameworks

While the Covid-19 pandemic commands our undivided attention, cybercriminals continue to sharpen their skills and wreak havoc on IT infrastructure. With the world's attention distracted and the concept of business as usual changing daily, the recent uptick in cyberattacks comes as no surprise.

4 STEPS COMPANIES CAN TAKE TO FORTIFY THEIR IT ECOSYSTEM



1. ENHANCE PERIMETER NETWORK DEFENCES:
Review and update firewall rules. Consider introducing or upgrading anti-spam protection.



2. IMPLEMENT SECURE REMOTE ACCESS:
Restricting hours for remote access and enforcing 'two-factor' authentication can raise resiliency to brute force attacks.



3. SECURE ALL DEVICES ACROSS THE IT ECOSYSTEM:
Conduct timely patching of servers, endpoints and anti-virus updates. Maintain an audit trail for file servers and applications.



4. REMOTE SUPPORT AND RESPONSE:
Offer comprehensive user awareness training and remote support. Enforce or update security policies and procedures.

4 BEST PRACTICES FOR MANAGING A REMOTE WORKFORCE



1. AUTOMATE REGULAR BACK-UPS:
Companies should ensure that data is regularly being backed up to storage spaces outside of local disks or home servers.



2. PRACTICE POSITIVE CYBER HYGIENE:
Exercise caution and be particularly wary of untrusted websites, free applications and COVID-19 themed emails with links or attachments.



3. EXERCISE SAFE SOCIAL MEDIA CONDUCT:
Establish responsible guidelines for posting on social media. Take precautions in protecting against unintentional leakage of sensitive work information.



4. VERIFY AND REACH OUT:
When you receive an email instruction to execute a payment, disclose information, open links or attachments that seem out of the norm, verify with the sender via phone or other methods.

in responding to changes in regulatory and tax requirements, arising from the unprecedented economic turmoil caused by the pandemic, he adds. Veerinderjeet has nearly 40 years of experience in tax matters and is a notable authority on Malaysian taxation. He also serves on the boards of a number of Malaysian corporates.

In the face of mounting challenges and external upheaval, business leaders need to be on their guard. For that, comprehensive BCM and robust risk management processes have proven to be essential tools, notes Veerinderjeet.

"Efficient remote working processes, data access and sharing, and data security and IT controls to

manage cybersecurity risk are critical components of business continuity plans.

"Tricor Axcelasia — the GRC entity — has a long-standing track record of successfully guiding clients from start-ups to listed companies with a wide range of GRC solutions. In addition, we are well-placed to ensure that the existing controls that an entity has can be further strengthened so that it can face the future boldly without allowing certain aspects of its business functions to be paralysed," says Veerinderjeet.

Yeap Kok Leong, CEO and Managing Director of Tricor Malaysia, notes the Covid-19 pandemic proved that only the fittest will survive. Yeap has been in the company secretarial, accounting, and business

services sectors for more than 30 years.

"Agility and strong business fundamentals are crucial survival factors. Based on our experience, an agile management mindset is critical to the survival of an organisation. The ability of our clients to rapidly accept new norms and pivot accordingly, significantly minimises the impact economic disruptions have on business growth.

"At Tricor, we quickly expanded our digital transformation and robotic process automation capabilities to ensure all critical workflows were digitised to minimise business disruption. A strong management should have its risk management plan in place which must include BCM to ease, if not completely remove, potential business disruption," says Yeap.

How does Tricor assist companies in identifying hotspots and mitigating the risks triggered by the pandemic?

"We work closely with our clients to identify the risks and challenges facing businesses during this pandemic. Particularly after the Malaysian government implemented the Movement Control Order (MCO) on March 18, all non-essential businesses were forced to shut down operations either fully or partially, which meant they had to conduct operations remotely and through work-from-home arrangements.

"Tricor has partnered closely with our clients to develop customised business resilience strategies and plans to ensure they are able to respond to the uncertainty, adapt to a changing business environment and tackle specific business challenges," says Yeap.

As part of Tricor's BCM advisory capabilities, its team works with clients to craft business resilience strategies and plans, including scenario and sensitivity analyses to identify critical strategic and operational aspects that should be addressed during the MCO period as well as post-MCO, he says.

"Tricor leverages our local, regional and global knowledge and expertise across our footprint to implement localised best practices and frameworks in a local context," says Yeap.

The group has prepared a market-, industry- and client-specific Covid-19 Business Resilience Checklist that aims to assist companies in navigating the unparalleled public health crisis, he adds.

Cumulative experiences and lessons learnt along the way play a pivotal role in ensuring that the solutions address a client's needs.

This is where Tricor Axcelasia's expertise as an external adviser comes in handy, says Ranjit.

"Due to the nature of our services, we can connect, share our experience and discuss ideas with executives from various backgrounds and expertise.

"Our clients value the services we provide as we are able to share insights and knowledge that cut across various industries and sectors. Most of the time, we act as an independent assessor and provide fresh, forward-thinking perspectives to broaden our clients' strategic point of view," says Ranjit.

A well-constructed GRC strategy is critical for every forward-looking company so that it is prepared to face any future event, as there will always be another natural or man-made crisis down the road.

"What the pandemic has shown us is that people are agile and adapt easily. In addition, we do see opportunities to further transform business operations via enhanced utilization of technology and by leveraging remote working options for staff.

"We also believe that, in light of more remote working options and usage of more technology tools, the world of technology consulting will be an area ripe for growth.

"A well-thought-out GRC strategy is critical to assist organisations to function effectively and efficiently so that they can mitigate the risks of disruption to their operations and growth," says Veerinderjeet.