



Leading global multinational food company partners with Protiviti to set up the SOX center of excellence out of India

Keys to Success

Change requested

Set up and operate a cost-effective operating model for the SOX compliance program covering 20+ countries and 50+ business entities globally.

Change Envisioned

Transition SOX compliance work to the India based delivery center from in-country operations; train and deploy team to manage the compliance program and develop standardized testing scripts to ensure consistency in results across countries.

Change Delivered

Effectively established the SOX Center of Excellence (COE) to test 950+ controls (process and IT) annually across 20+ countries, supporting 8 languages, meeting global delivery standards, and timeline.

Headquartered in Chicago, the client is a global food processing and commodities trading company, spread across 50 countries.

Due to worldwide presence and operations spread across multiple entities, the company was facing challenges in standardizing the SOX testing across locations, which led to inefficiencies and increased cost of its SOX program. A centralized operating model was conceptualized to achieve the standardization of SOX testing and a significant reduction in compliance cost.

Protiviti was engaged to set up the SOX COE based out of India which can support to deliver standardize SOX program across 20+ countries.

Key objectives:

- 01 Defining ways of working for the COE team to execute SOX testing
- 02 IT infrastructure readiness to support remote operations
- 03 Develop a talent pool of SOX trained client-ready team
- 04 Standardize SOX test scripts to ensure consistency in delivery
- 05 Implement steady governance rhythm with client leadership to track and report progress
- 06 Standardize documentation of SOX test results with supporting work paper

Protiviti stepped in with a multi-disciplinary team of process, IT, and SOX experts to deliver effectively on the client requirements. After completion of the successful pilot phase of conducting testing, the client has centralized the entire SOX program under the SOX COE in India to service all 20+ countries and 50+ business entities.

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The team ensured regular communication with the process owners at respective locations during the peak periods to expedite query responses and completion of testing. All controls were tested and reported back to SOX PMO as per the defined timelines.

Key Challenges to overcome

The client had a decentralized SOX program, across multiple entities with varied processes and system landscape. The complexity was exacerbated due to the siloed way of working between regional teams. They conducted testing in varied manner as per their regional practices.

The PMO faced the following challenges in managing and consolidating global SOX test results -



Non-uniform business practices – leading to variation in control activity execution, such as differences in inventory valuation methods, financials in different ERPs, to regional practices in fair market value estimation, etc.



Inconsistency in attributes tested across entities – leading to variation in test results documented for the same control across different entities.



High cost of SOX compliance program – due to incremental effort on account of inconsistencies and variations in testing SOX controls across regions. Additionally, the testing team was based out of multiple high-cost locations, thereby resulting in increased cost of SOX compliance.



How Protiviti helped to achieve the goal

Protiviti worked with the client to design a new operating model for centralizing the SOX testing program globally.

We built a strong centralized SOX team comprising of business process, IT and SOX champions, who were trained on client processes and controls to deliver SOX testing remotely. The key activities for setting up and executing SOX testing during the pilot phase included:

- 01 Defining ways of working, IT infrastructure set up, information sharing protocols, data security, etc. to enable remote SOX COE operations
- 02 Defining roles and responsibilities for SOX COE team, client IA team, respective country SOX SPOC, and global SOX PMO
- 03 Enhancing the testing templates with standard testing attributes for select controls to align the same with external auditor requirements
- 04 Building a scalable talent pool, with the right mix of process, IT, SOX and language capabilities to support testing across multiple countries and 8 languages
- 05 Setting-up a steady governance rhythm with global SOX PMO to update and monitor progress and performance of COE
- 06 Training sessions and knowledge transition - a detailed training session was co-delivered by the client IA team and our SOX champions to understand client processes, system, control descriptions, testing templates, work papers, dos and don'ts, etc.

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The SOX COE has helped the client to implement a scalable platform that can be leveraged to centralize all SOX program requirements centrally in the future with significant cost savings.

The team ensured regular communication with the process owners at respective locations during the peak periods to expedite query responses and completion of testing. All controls were tested and reported back to SOX PMO as per the defined timelines.

Business Impact

During the 4+ years of journey of setting up and operating the SOX COE, Protiviti has successfully delivered all the set-out requirements by the client. The initial phase has helped achieve –



Standardized SOX control testing templates and reporting across various entities and locations as per global standards



Significant y-o-y cost saving delivered through centralization, standardization, cost arbitrage and operational efficiencies delivered by the SOX COE



Enhanced coverage under SOX program through more entities and locations, covered by a centralized team

With a stabilize SOX COE model, the team is now working with the client leadership team to introduce tools and technology to bring in further efficiencies in conducting SOX testing and identify opportunities to optimize and rationalize the SOX control framework.

Continuous Value and Engagement

Protiviti team has gained the client's confidence by demonstrating technical capabilities, a transformational approach in setting up the COE, and successful delivery over the 4+ years of journey.

We have continued to consolidate SOX control testing for over 950+ controls across 65 countries and 8 languages under the SOX COE. We have further leveraged tools and technology to extract client data in a secured environment and support SOX testing requirements end to end, thus reducing the efforts required from client SPOCs to support the data management requirements. Through the journey, we have delivered significant financial savings, reduced audit fatigue for our clients and provided the right level of assurance.

The Global Controls, Director and Country Internal Audit Head, credits the Protiviti team for their commitment and capability in the successful setting up of the transformational operating model.

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