



AVNET

IMPROVING THE EFFICIENCY OF COMPLIANCE-RELATED PROCESSES THROUGH AUTOMATION

QUICK FACTS

Industry

Wholesale distribution – technology distribution

Revenue

US\$17.95 billion

Employees

About 13,000

Headquarters

Phoenix, Arizona

Web Site

www.avnet.com

SAP® Solution and Services

SAP® GRC Access Control application

Implementation Partner

IBM

Key Challenges

- Reduce manual compliance-related processes and paperwork to increase efficiency
- Implement new security procedures to enhance consistency
- Integrate new users into compliance processes more easily

Implementation Best Practices

- Developed customized interfaces between SAP and IBM Tivoli applications
- Created one common provisioning process for users and roles
- Assured that SAP roles and accounts are compliant with Avnet, Inc. policy and regulatory-related requirements
- Provided predefined access to “privileged accounts” for specific users in accordance with compliance-related regulations

Financial and Strategic Benefits

- Established a scalable system access control solution
- Created one common provisioning process for users and roles
- Improved risk management through enhanced fraud prevention, segregation of duties, enforcement of policies, and tighter access to financial systems

Why SAP Was Selected

- Ease of integration with existing SAP® software for financial processes and with IBM Tivoli Identity Management solution
- Streamlined integration of robust SAP GRC Access Control application with existing provisioning process
- Existing partnership with SAP

Low Total Cost of Ownership

- Built compliance solution on existing SAP infrastructure
- Completed implementation on schedule
- Developed single user interface for SAP, IBM Tivoli, and Avnet-developed applications, thereby minimizing training requirements

Operational Benefits

- Automated many manual-intensive processes
- Maximized efficiency by eliminating multiple spreadsheets and databases
- Avoided increases in administration and audit costs relative to previous systems and processes

Avnet, Inc. is a FORTUNE 500 company and one of the world's largest global technology distributors. With increasing amounts of regulatory compliance required for all public companies, Avnet saw this as an area where it could improve process efficiency. In 2007, Avnet deployed the SAP® GRC Access Control application to streamline and automate some of its compliance-related processes.

**SAP Business Transformation Study**

Wholesale Distribution – Technology Distribution



“We are now better positioned to provision users and roles across all of Avnet from a single management console.”

Bill Smathers, Director of Enterprise Security Services, Avnet, Inc.

www.sap.com/contactsap

Obtaining Operational Excellence by Improving Processes

Avnet, Inc. is one of the world's largest global technology distributors with US\$17.95 billion in sales and approximately 13,000 employees in 300 locations worldwide. As a distributor, Avnet operates in an industry famous for razor-thin margins and is constantly looking for new ways to improve its efficiency as part of its operational excellence initiative. With increasing amounts of regulatory compliance required for all public companies, Avnet saw this as an area where it could explore automated solutions to help improve its process efficiency. Avnet began by focusing on processes related to the segregation of duties requirement, under which no one individual could control all the steps in financial transactions, and maintaining records of proof required to be available through audit trails and documentation.

Previously, Avnet had developed multiple disparate spreadsheets and databases throughout the company to address and track information and processes related to compliance. However, using these tools and having IT maintain them was time consuming, especially for a globally growing company that services more than 70 countries. Avnet determined that redesigning the processes and automating them could help the company meet its operational excellence goals and reduce administrative time in managing multiple spreadsheets and databases.

Automating Compliance-Related Processes with Software from SAP and IBM

In 2007, Avnet standardized on SAP® applications for its financials and on Tivoli Identity Manager and Tivoli Access Manager from IBM for centralized user management and application access control. Because the systems users fell squarely under the segregation of duties requirements, Avnet looked for a compliance automation solution that would integrate readily with SAP software. The SAP GRC Access Control application was selected because of its integrated functionality for assigning roles, provisioning users (assigning them access privileges and corresponding system resources), and delivering an evidentiary trail.

SAP GRC Access Control integrates inherently with the financials functionality of SAP software, but integration with the IBM Tivoli software was equally important. Avnet therefore engaged IBM Global Business Services to develop an interface dubbed the Tivoli Identity Manager adapter for SAP GRC Access Control. To accommodate the adapter, SAP simultaneously developed new functionality, which is now standard in SAP GRC Access Control. The two developments were coordinated by IBM, which served as a single point of contact for Avnet. This integration, which was completed on schedule in 2007, enabled full life-cycle management of user IDs, close control over user access, and highly automated processes for complying with regulatory requirements and Avnet's own internal policies.

Unifying and Automating Compliance Processes to Increase Process Efficiency

“Without our integrated solution we would need a whole cadre of people to manage security, audit trails, and documentary proof,” says Renee Lentz, vice president of technology solutions for Avnet. “SAP GRC Access Control and IBM Tivoli software have become key components of our financial systems, thanks to a great joint effort between SAP and IBM to provide a complete end-to-end-compliant identity-management solution.”

By automating the processes to manage access to its systems and to provide evidentiary trails, Avnet now has an integrated solution for scalable access control. This solution has enabled Avnet to avoid increases in administration and audit costs relative to previous systems and processes.

“The distribution business runs on lean, low margins, and the drive is therefore to find more efficient and effective processes and procedures for managing within the regulatory framework,” remarks Mark Hester, director IT, office of security, compliance, and release management for Avnet. “IBM Tivoli and SAP GRC Access Control software have eliminated a flood of spreadsheets and data stored on shared drives, providing essential efficiencies as our international business continues to grow.”

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