

Whitepaper

Leveraging GRC for Resilience and Innovation

Strategic insights for 2025
and beyond

Leveraging GRC for Resilience and Innovation

Imprint

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Foreword



Yahya Mohamed Mao
Head Marketing &
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At Swiss GRC, we believe that today's rapidly evolving business environment calls for resilience and innovation. Governance, Risk, and Compliance (GRC) is no longer merely a regulatory obligation; it has transformed into a strategic enabler that empowers organizations to navigate complex challenges such as digital transformation, heightened regulatory scrutiny, and geopolitical uncertainties.

This whitepaper examines how organizations can leverage GRC to drive both resilience and innovation. It explores the adaptability needed for Adaptive Risk Management, as well as the operational resilience required to comply with the Digital Operational Resilience Act (DORA) and the precision demanded by Basel III. We highlight how GRC strategies can align risk management with business objectives, providing organizations with a competitive edge.

Insights from the Chief Risk Officers (CRO) Outlook 2024 showcase the shifting role of risk management, which now extends beyond oversight to actively shaping corporate strategy. At the same time,



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frameworks like the EU's Artificial Intelligence Act underscore the growing importance of regulatory compliance in managing emerging risks.

Technology plays a vital role in this transformation. Advanced GRC tools that enable automation, analytics, and predictive insights help organizations anticipate risks, embed compliance into decision-making processes, and foster a culture of resilience. These tools ensure that organizations not only respond to challenges but are equipped to turn them into opportunities.

At Swiss GRC, we are committed to helping organizations embed risk awareness into their core strategies, align governance with innovation, and create sustainable growth. This whitepaper reflects our vision of a future where resilience and innovation work hand in hand to shape lasting success.

We invite you to explore these insights and join us in navigating the complexities of the modern business landscape with confidence and purpose.

Executive Summary

In today's dynamic and uncertain business environment, Governance, Risk, and Compliance (GRC) has become a cornerstone of resilience and innovation. Organizations are shifting from viewing GRC as a regulatory obligation to embracing it as a strategic enabler—one that aligns risk management with business objectives and unlocks opportunities for growth.

This whitepaper delves into the transformative role of GRC in addressing critical challenges, including heightened regulatory demands like the Digital Operational Resilience Act (DORA), Basel III, and the EU's Artificial Intelligence Act. It showcases how forward-thinking organizations are integrating GRC to adapt to evolving risks, drawing on insights from the Chief Risk Officers (CRO) Outlook 2024 and FINMA Risk Monitor 2024.

Technology is a key driver in this transformation. Advanced GRC tools empower organizations to move from reactive compliance to proactive leadership by leveraging automation, analytics, and predictive capabilities. These innovations enable businesses to embed risk awareness into their operations, anticipate disruptions, and build sustainable competitive advantages.

Introduction

The global business landscape is undergoing a period of profound transformation. Organizations face escalating challenges, from navigating increasingly complex regulatory frameworks to managing the risks of digital disruption and geopolitical uncertainty. In this environment, traditional approaches to governance, risk, and compliance (GRC) are proving insufficient. Businesses must now adopt a more strategic and integrated perspective on GRC—one that not only ensures compliance but also fosters resilience and drives innovation.

This whitepaper examines the evolving role of GRC as a critical enabler in today's volatile environment. By addressing key themes such as adaptive risk management, technological integration, and the demands of regulatory initiatives like the Digital Operational Resilience Act (DORA) and Basel III, we outline how organizations can align GRC strategies with broader business objectives.

Drawing on insights from the Chief Risk Officers Outlook 2024 and the FINMA Risk Monitor 2024, the whitepaper highlights the shift from reactive compliance to proactive risk management. Organizations are leveraging GRC not just to mitigate threats but to uncover opportunities, embedding risk awareness into their decision-making and operational frameworks.

The transformative power of technology in this space cannot be understated. From automation to predictive analytics, GRC tools are enabling organizations to anticipate challenges, enhance operational efficiency, and make data-driven decisions in real time.

This whitepaper provides actionable strategies and insights for embedding GRC into the fabric of an organization, ensuring it becomes a driver of both resilience and innovation. Whether navigating the complexities of regulatory compliance or leveraging technology to adapt to emerging risks, the following sections will demonstrate how GRC can empower organizations to succeed in an increasingly complex world.



Source: Swiss GRC

Regulatory Landscape and Challenges

The regulatory landscape is evolving rapidly, driven by the dual forces of technological advancements and heightened societal expectations. Organizations across industries are under increasing pressure to not only comply with complex regulatory frameworks but to do so in ways that align with their strategic objectives.

ISO 31000 / COSO

Global best practices in risk management

ISO 27001

Information security requirements

NIST

Cybersecurity framework

BSI IT-Grundschutz

IT security standards

DORA

EU Digital Operational Resilience Act

NIS2

EU network and security regulations

Basel III

Regulatory framework for banks

EU AI Act

EU Artificial Intelligence Act

Some of the broad spectrum of standards and regulations supported within Swiss GRC's solutions.

In this section, we examine key regulatory initiatives shaping the future of compliance and risk management: the Digital Operational Resilience Act (DORA), Basel III, and the EU Artificial Intelligence Act (AI Act).

Regulatory Landscape and Challenges

The Digital Operational Resilience Act (DORA)

DORA, set to take effect in January 2025, establishes a comprehensive framework for managing digital resilience within the financial sector. It emphasizes the systematic identification and monitoring of risks posed by third-party ICT providers and critical IT infrastructure.

A cornerstone of DORA's requirements is the **register of information**, a centralized database documenting all ICT services and third-party providers. This tool ensures organizations can comprehensively assess dependencies and vulnerabilities, enhancing preparedness against ICT-related incidents.

- ❖ **Challenges:** Many organizations rely on manual tools like spreadsheets, which lack scalability, security, and accuracy.
- ❖ **Solutions:** Investing in tool-supported platforms such as the GRC Toolbox ensures compliance, streamlines data management, reduces error-prone manual processes, and improves oversight.

Basel III: Reinforcing Risk Transparency and Resilience

The final phase of Basel III, to be implemented in 2025, focuses on enhancing the stability and transparency of the banking sector. Central to this is the introduction of the **Standardized Measurement Approach (SMA)** for operational risks. This method integrates historical loss data and business indicators to determine capital requirements, encouraging banks to proactively address systemic weaknesses.

Basel III also highlights the growing importance of addressing modern risks such as cybersecurity and third-party vulnerabilities. Banks are expected to move beyond compliance by embedding robust risk management practices into their operations.

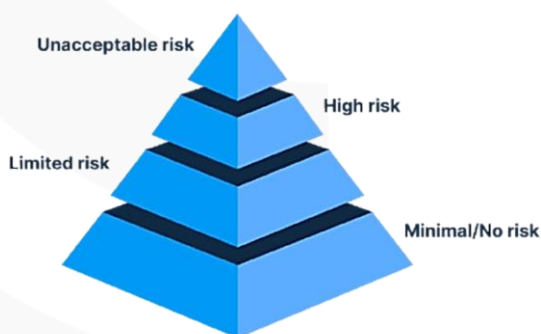
- ❖ **Challenges:** Building and maintaining high-quality loss databases while integrating non-traditional risks like cyber threats.
- ❖ **Opportunities:** Modern GRC tools offer a way to standardize and scale data collection, enabling institutions to enhance transparency and improve decision-making.

Regulatory Landscape and Challenges

The EU Artificial Intelligence Act (AI Act): Balancing Innovation and Regulation

The EU AI Act is a pioneering effort to regulate artificial intelligence, focusing on the application of AI rather than its development. A key element is mandatory self-regulation, requiring AI developers to create "model cards" outlining system capabilities, limitations, and risks. Built on a risk-based framework (see pyramid), it classifies AI systems into four risk levels.

- **Unacceptable risk:** Prohibited systems, such as AI for social scoring.
- **High risk:** AI systems requiring strict compliance, like those used in healthcare, employment, or education.
- **Limited risk:** Systems with transparency obligations, such as chatbots.
- **Minimal or no risk:** AI applications with minimal regulatory requirements, like video games or spam filters.



Source: Safetica

The EU AI Act is a double-edged sword:

- ❖ **Challenges:** SMEs may struggle to meet the stringent disclosure requirements, potentially stifling innovation.
- ❖ **Opportunities:** The EU AI Act positions Europe as a leader in responsible AI adoption.

Navigating the Regulatory Landscape

The regulatory initiatives discussed here exemplify the growing demand for resilience, transparency, and ethical governance. While these frameworks present challenges—ranging from data management to balancing compliance with innovation—they also offer opportunities for organizations to build stronger, more adaptable operations.

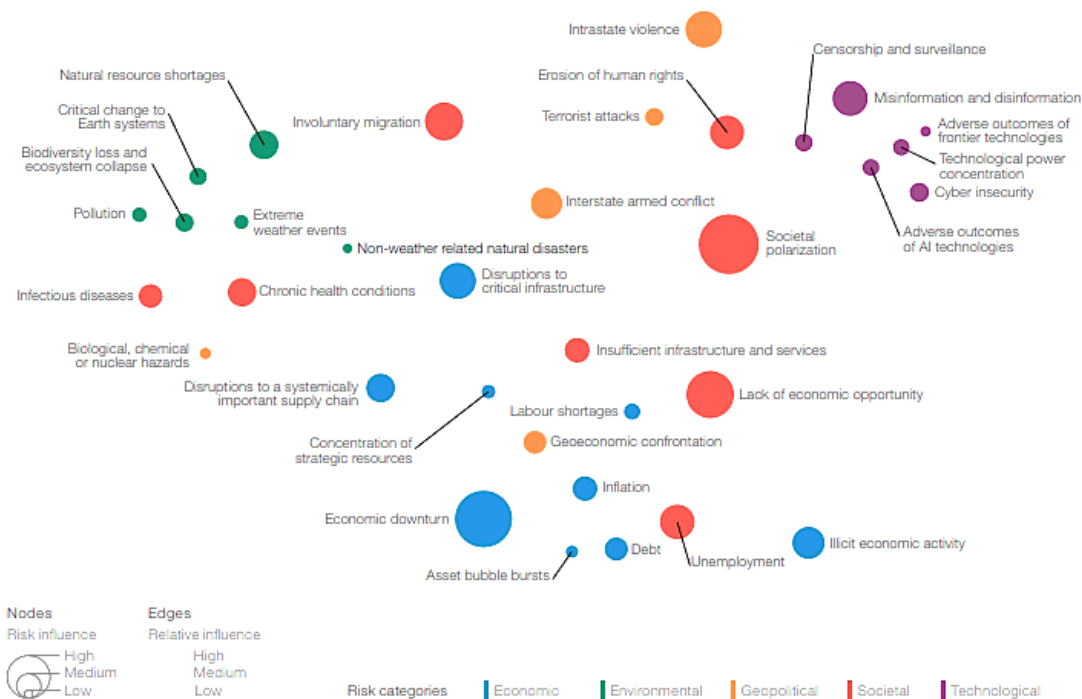
Investing in GRC tools will be key to navigating this increasingly complex landscape. By aligning compliance efforts with strategic goals, organizations can transform regulatory challenges into opportunities for growth and resilience.

Transformation of Risk Management

Risk management is undergoing a fundamental transformation, shifting from a reactive, compliance-driven function to a proactive and strategic enabler of organizational success. As illustrated in the figure below by the World Economic Forum, organizations face a highly interconnected and complex risk environment. This includes geopolitical instability, technological disruption, societal polarization, and environmental challenges such as economic downturns, cyber insecurity, climate-related events, and resource shortages.

To navigate these risks effectively, businesses must embed risk management into their core strategies, enabling informed decision-making and building resilience to thrive amidst uncertainty.

Figure 1 – Global risks landscape: an interconnections map



Source
World Economic Forum Global Risks
Perception Survey 2023-2024

Transformation of Risk Management

Embedding Risk Awareness into Corporate DNA

The 2024 FERMA Global Risk Manager Survey highlights a pivotal shift: 91% of risk managers now actively participate in strategic decision-making. This reflects a growing recognition of risk management as a driver of business strategy rather than a mere safeguard against threats.

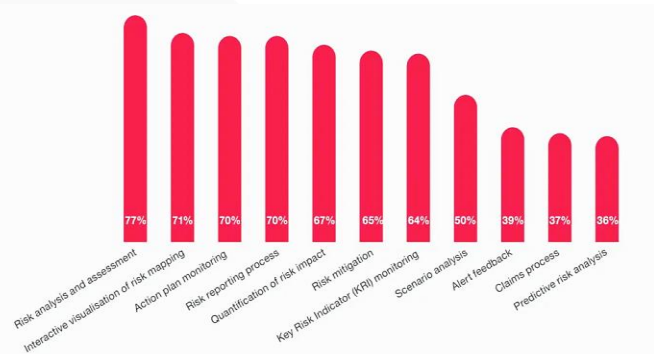
❖ **Cultural Shift:** Embedding risk awareness across all levels of an organization ensures that decision-making is informed by a deep understanding of potential threats and opportunities. Leadership plays a crucial role in fostering this culture by setting a clear "tone from the top."

❖ **Proactive Frameworks:** Organizations that integrate risk into daily operations can anticipate disruptions, allocate resources effectively, and respond with agility.

The report also found out that digital transformation is redefining the risk landscape, with over 50% of organizations utilizing digital tools such as predictive analytics, AI, and data visualization to strengthen their risk management functions. These technologies enable risk managers to achieve greater accuracy and gain real-time insights, facilitating proactive decision-making.

Figure 2 highlights the growing adoption of digital tools to support and enhance risk management efforts.

Figure 2 – Technology-backed ERM activities (Source: FERMA 2024)



Balancing Risk and Innovation

As organizations pursue growth through innovation, particularly in technology, risk management must evolve to address new challenges without stifling progress.

❖ **Opportunities and Threats:** Emerging technologies like artificial intelligence (AI) and machine learning present opportunities for efficiency and innovation but also introduce heightened risks, including cybersecurity threats and ethical concerns.

❖ **Strategic Integration:** Forward-thinking organizations view risk not as a barrier to innovation but as a catalyst for strategic growth. By embedding risk considerations into the innovation process, businesses can create frameworks that mitigate uncertainty while fostering creativity.

Transformation of Risk Management

Elevating Risk Management to Strategic Leadership

By leveraging advanced technologies, risk management becomes not only more efficient but also more impactful, empowering organizations to act on insights with confidence. The Chief Risk Officers (CRO) Outlook 2024 emphasizes the growing role of risk management in shaping organizational strategy, underlining the need for tools that deliver real-time insights into emerging threats.

Likewise, the **FINMA Risk Monitor 2024** highlights the interconnected nature of risks—from cyber threats to market volatility—requiring integrated, forward-looking approaches.

These insights reinforce the necessity of transforming risk management from a reactive function into a proactive, strategic driver of resilience.

Reimagining Risk Management with GRC Tools

As the global risk environment becomes increasingly complex, organizations must rethink their approach to risk management. By embedding risk awareness into their culture, balancing innovation with

uncertainty, and leveraging advanced technologies, businesses can transform risk management into a strategic advantage. Today, risk management is not just about avoiding pitfalls but about navigating uncertainty with agility, turning challenges into opportunities for growth.

GRC tools play a pivotal role in this transformation, enabling organizations to proactively identify, assess, and mitigate risks, enhance cybersecurity, and drive informed decision-making.

This proactive approach strengthens resilience, fosters innovation, and positions businesses as leaders in an ever-evolving and uncertain world.



Interactive risk matrix view from the GRC Toolbox

Technology as a Catalyst for GRC

The rapid evolution of technology is transforming how organizations approach Governance, Risk, and Compliance (GRC). Traditional manual processes are being replaced by advanced, automated systems that elevate GRC from a reactive, compliance-driven function to a proactive, strategic enabler. By leveraging technologies such as predictive analytics, automation, and artificial intelligence (AI), businesses can achieve greater visibility, efficiency, and resilience in managing governance and risk.

The graphic below highlights key regional trends in the Enterprise GRC (eGRC) market, illustrating how technological advancements are driving global growth. North America leads with a 30% revenue share as of 2022, while the Asia-Pacific region stands out as the fastest-growing market, driven by increasing regulatory demands and the accelerated adoption of GRC technologies. This global expansion underscores a broader shift as organizations move toward automated, data-driven solutions to enhance risk visibility, streamline compliance, and build resilience in an increasingly complex landscape.

Figure 3 – Enterprise Governance, Risk & Compliance (eGRC) Market Growth Trends 2024
(Source: Grand View Research)



Technology as a Catalyst for GRC

Breaking Down Silos and Increasing Visibility

One of the greatest challenges in traditional GRC frameworks is the fragmentation of data and processes across departments. Siloed systems lead to inefficiencies, redundancies, and limited organizational oversight.

❖ **Integrated Platforms:** Modern GRC tools consolidate data into a unified platform, providing decision-makers with a comprehensive view of risks, compliance status, and governance structures.

❖ **Actionable Insights:** Advanced analytics empower organizations to identify patterns, anticipate emerging risks, and align risk management efforts with strategic objectives.

Integrated GRC solutions not only reduce redundancies but also enable faster, more informed decision-making, allowing businesses to respond proactively to threats.

Automation for Efficiency and Consistency

Automation is revolutionizing the way organizations manage compliance and risk. Manual processes, often prone to errors

and inefficiencies, are being replaced by automated workflows that ensure consistency and scalability.

❖ **Streamlined Processes:** Automated tools handle repetitive tasks such as monitoring regulatory changes, managing audit trails, and flagging anomalies in real time.

❖ **Reduced Costs:** By minimizing manual effort, automation lowers operational costs while increasing accuracy and reliability.

❖ **Reporting:** Automated reporting systems provide immediate insights into compliance status, enabling organizations to meet regulatory requirements without delay.



Dashboard view of the Information Security Management System (ISMS) in the GRC Toolbox

Technology as a Catalyst for GRC

Predictive Analytics and Risk Anticipation

Technology enables organizations to shift from reactive risk management to a forward-looking approach by leveraging predictive analytics, scenario modeling, and real-time monitoring to identify and address risk concentration and spillover effects across interconnected systems.

- ❖ **Risk Concentration:** Predictive tools analyze data to identify risk clusters, such as in supply chains or regions, enabling proactive mitigation before escalation.
- ❖ **Scenario Modeling:** Advanced tools simulate risk scenarios to assess spillover effects across operations and stakeholders, preparing businesses for uncertainty.
- ❖ **Key Risk Indicators (KRIs):** Real-time monitoring detects emerging risks, allowing organizations to adjust strategies and prevent risk spread.

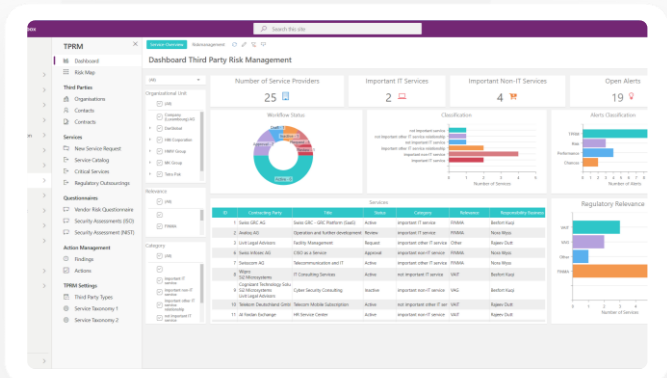
Cybersecurity and GRC Integration

With the rise of digital threats, integrating cybersecurity into GRC frameworks has become essential. Cyber risks, identified as a top concern in the FINMA Risk Monitor 2024, require monitoring and immediate response capabilities. This is particularly

critical in healthcare, where sensitive patient data and strict regulatory requirements demand robust risk management systems to ensure transparency, efficiency, and compliance.

- ❖ **Continuous Monitoring:** Advanced GRC systems track cybersecurity threats across the organization, identifying vulnerabilities and responding proactively.
- ❖ **Third-Party Risk Management (TPRM):** Assessments of third-party vendors help mitigate supply chain vulnerabilities, a critical entry point for cyber threats.

By aligning cybersecurity with GRC frameworks, organizations can strengthen resilience, safeguard critical assets, and ensure compliance in an increasingly complex digital landscape.



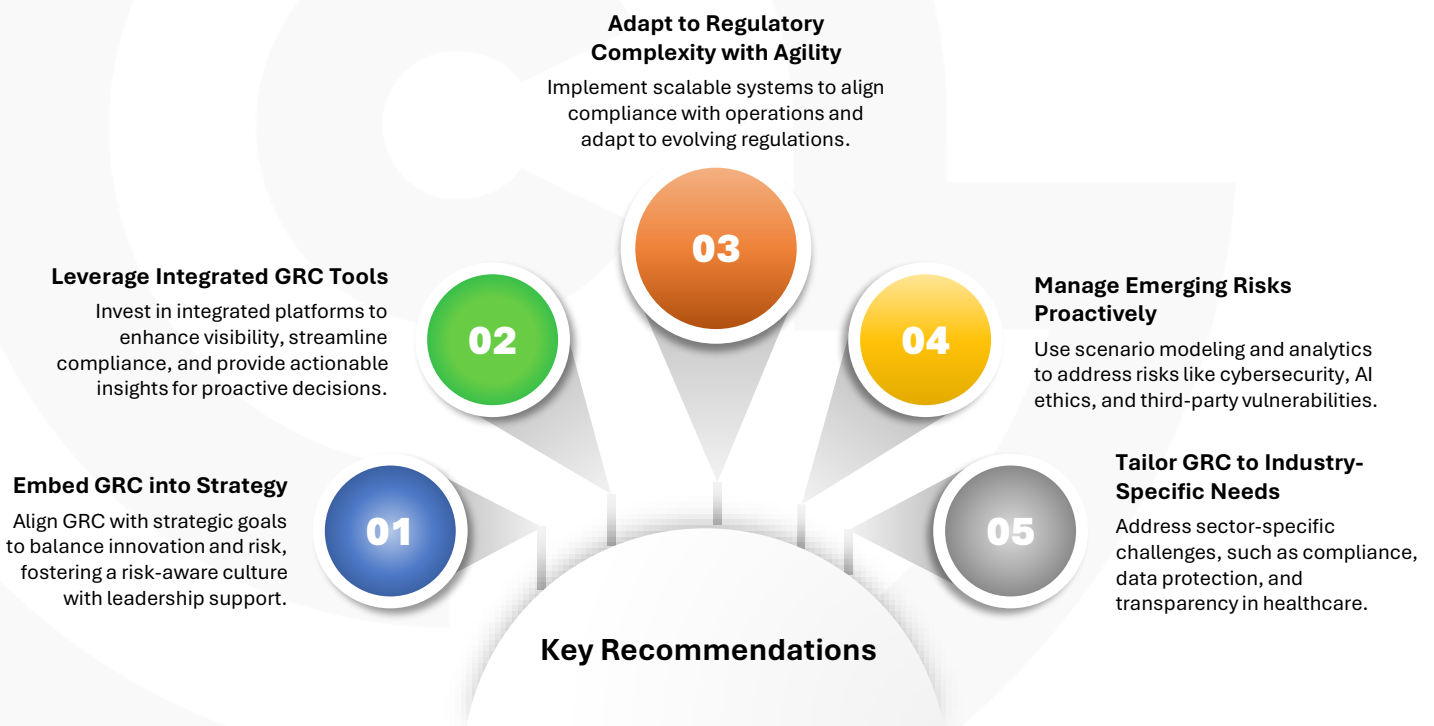
Dashboard view of Third-Party Risk Management in the GRC Toolbox

Conclusion

Governance, Risk, and Compliance (GRC) has become indispensable in navigating the challenges of today's dynamic business environment. As organizations face complex regulatory landscapes, rapid technological change, and evolving risks, traditional approaches to compliance and risk management are no longer sufficient. GRC must evolve from a reactive framework into a proactive, strategic enabler that fosters resilience and drives innovation.

Organizations that embrace GRC as a strategic asset are better positioned to navigate uncertainty, adapt to emerging challenges, and seize opportunities for growth. By embedding risk awareness into their operations, leveraging advanced technologies, and aligning governance with business objectives, businesses can transform GRC from a compliance necessity into a source of competitive advantage.

In today's increasingly complex world, the ability to anticipate, adapt, and innovate through integrated GRC frameworks is not just a pathway to resilience—it is a foundation for long-term success.



Interested in our solutions?

Book a discovery call with our presales team now.

[Discovery Call](#)



SWISSGRC
GOVERNANCE, RISK & COMPLIANCE

Swiss GRC, headquartered in Lucerne, Switzerland, is a leading provider of Governance, Risk, and Compliance (GRC) solutions. Its flagship GRC Toolbox empowers organizations to manage risks, ensure compliance, and enhance resilience. Guided by “Global Reach, Local Excellence,” Swiss GRC has a global presence with offices in London, Frankfurt, Dubai, Mumbai, and Pristina, delivering tailored solutions backed by deep GRC expertise.