„We save time in administration and are able to focus on the actual audit"

Digital transformation in ICS at Konica Minolta

Konica Minolta Business Solutions Germany GmbH and Konica Minolta Business Solutions Europe GmbH are both located in Hanover and part of the Japanese Konica Minolta Group. Thus, they are subject to the "Financial Instruments and Exchange Act" - or in short J-SOX. Together with dab: Daten - Analysen & Beratung GmbH, Konica Minolta introduced Diligent HighBond for its J-SOX audit - with a catalytic effect for the digital transformation of internal audit.

The Konica Minolta Business Solutions Germany GmbH designs the smart connected workplaces for its customers. With market-leading printing systems, cloud services and IT services, the company supports mobile working and the optimisation and digitalisation of business processes. As a long-standing market leader in production printing and with solutions in video services and healthcare, Konica Minolta covers a broad spectrum of hardware, software and services.

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group sales (2021)	employees in Germany	sales locations in Germany	customers worldwide	customers in Germany

J-SOX is the Japanese version of Sarbanes-Oxley (SOX) and refers primarily to internal controls, to ensure the reliability of financial reporting. This involves an annual J-SOX compliance audit, which covers the control design and the operational effectiveness of the controls.

Improve J-SOX audit with a state-of-the-art tool

Petra Ripke is Manager Internal Audit at Konica Minolta Germany. She and her team have been involved in organising and driving the digital development of the department. For many years, they worked with a self-developed Access database solution for internal controls in order to optimise cumbersome and time-consuming editing in Excel, Word and Visio and to reduce the maintenance effort. However, technical possibilities and the company's own expectations of digital solutions evolved. Then came the point when the Access database solution reached its limits due to organisational changes at Konica Minolta.

"Access was a step forward, but still suboptimal from today's perspective. To share results, we had to laboriously export PDFs from the database," Petra Ripke remembers. Colleagues may have been working with outdated data. "At some point it became clear to us: we need a software that offers more possibilities. There has to be a product on the market for SOX/J-SOX that supports us in a modern implementation."

The main requirements for the new software:

- Centrally map the audit process from A to Z
- Automate as many steps as possible
- Provide reports with real-time data on intuitive dashboards
- Eliminate the need to communicate via email or third party tools

Leap of faith for dab and Diligent HighBond

Adapting the Access database solution to the changed organisational framework with its own resources was not an option, nor was reverting to working with Excel, Word and Visio. Konica Minolta had already worked with dab: Daten - Analysen & Beratung GmbH on the subject of data analytics and therefore was introduced to Diligent HighBond as a possible solution. In addition to the customisability of the software, Petra Ripke was also convinced by the dab consultants´ way of working and the trusting cooperation.

„We got to know dab as a reliable, honest and committed partner and had the confidence that we could also achieve a good result in this case and adapt the software for our processes.“

Petra Ripke

Konica Minolta decided to first map the Process Level Controls in Diligent HighBond and implement the J-SOX testing via the tool. After the first successful run, the Company Level Controls were included in Diligent HighBond as well. "Thanks to the good cooperation, we managed to implement the project together even during the difficult Corona period."

Faster processes, higher liabilities, more opportunities

Petra Ripke's team has completed the first audits with the new Diligent HighBond workflow. Her conclusion: "We have to spend muss less time on administration and are able to focus on the actual audit and the exchange with colleagues.“

Questionnaires to process owners and control owners are created once and then sent automatically by the tool via email. Persons responsible click on the embedded link to access the tool, where they can enter their answers and evidence directly. All internal controls are summarised in a storyboard and are thus available to the responsible process owners and control owners.

"Before, we had to request proofs of control and documentation by email and upload them manually into our application." Today, the process is not only faster and error-free, it has also changed the attitude of the employees: "The storyboards and the standardised emails with predefined questions and answer options lead to a higher level of commitment and have made colleagues even more aware of the importance of the ICS."

The storyboard with the risk-control matrix is the heart of the new workflow. It creates full transparency and ensures that all relevant employees are working with up-to-date data. This includes the external auditors, who now have access to the audit results on Diligent HighBond. "In this way, we communicate on a common data basis. It speeds up the entire audit and saves us time - a major benefit compared to before."

In the future, Petra Ripke would like to expand the use of Diligent HighBond: "At the moment, the focus is on data analytics, but we would also like to map a risk management process with Diligent HighBond. The tool offers many possibilities. We are still in the process of discovering the full potential and are currently looking at where and how we can become even more efficient."

Key outcomes

Faster processes	Automation	Consistent database	Direct documentation
Access by external auditors speeds up audit processes	Automation and use of standardised questionnaires in the test of design and test of operational evffectiveness	Visualisation in storyboards and central data storage ensures a consistent database	Documentation of proof of control and communication with everyone involved, directly on the platform

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