

How DuPont Structures Mergers Acquisition and Divestitures (MAD)

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M&A Security & Compliance Manager

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SAPinsider

About the speakers



Vidula Bhave
Accenture - Security
Delivery Associate Director

- 18 years of SAP Security / SAP GRC / experience with Accenture
- 8 years of M&A experience
- Translates ambiguity into clear actionable deliverables. Believe organizational excellence is achieved by maximizing and leveraging the strengths of many.

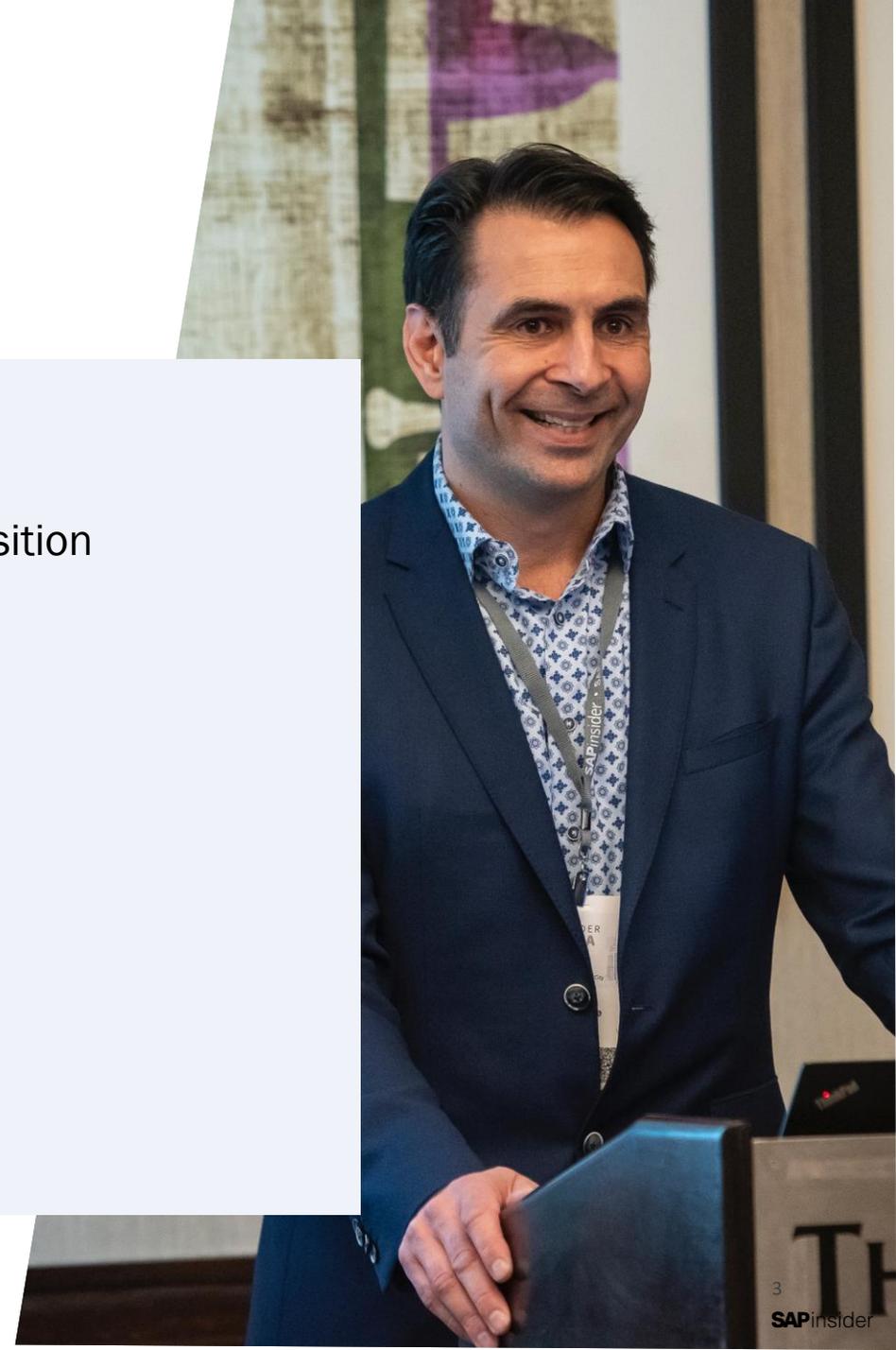


Tammy Adjunta
DuPont - M&A Security &
Compliance Manager

- Two decades of Sales/ IT & Business Process Audit/ SAP controls design / IAM & SAP Security and GRC implementation experience with DuPont
- Experienced in delivering complex security solutions, identifying and mitigating risks to create compliant designs. Believe collaboration is the key to successful delivery of objectives and goals.

What we'll cover

- MAD Overview & Security Building Blocks
- Case Study : Security Solution for DuPont Acquisition
- Case Study : Security solution for Divestiture 1
- Case Study : Security solution for Divestiture 2
- Wrap-Up

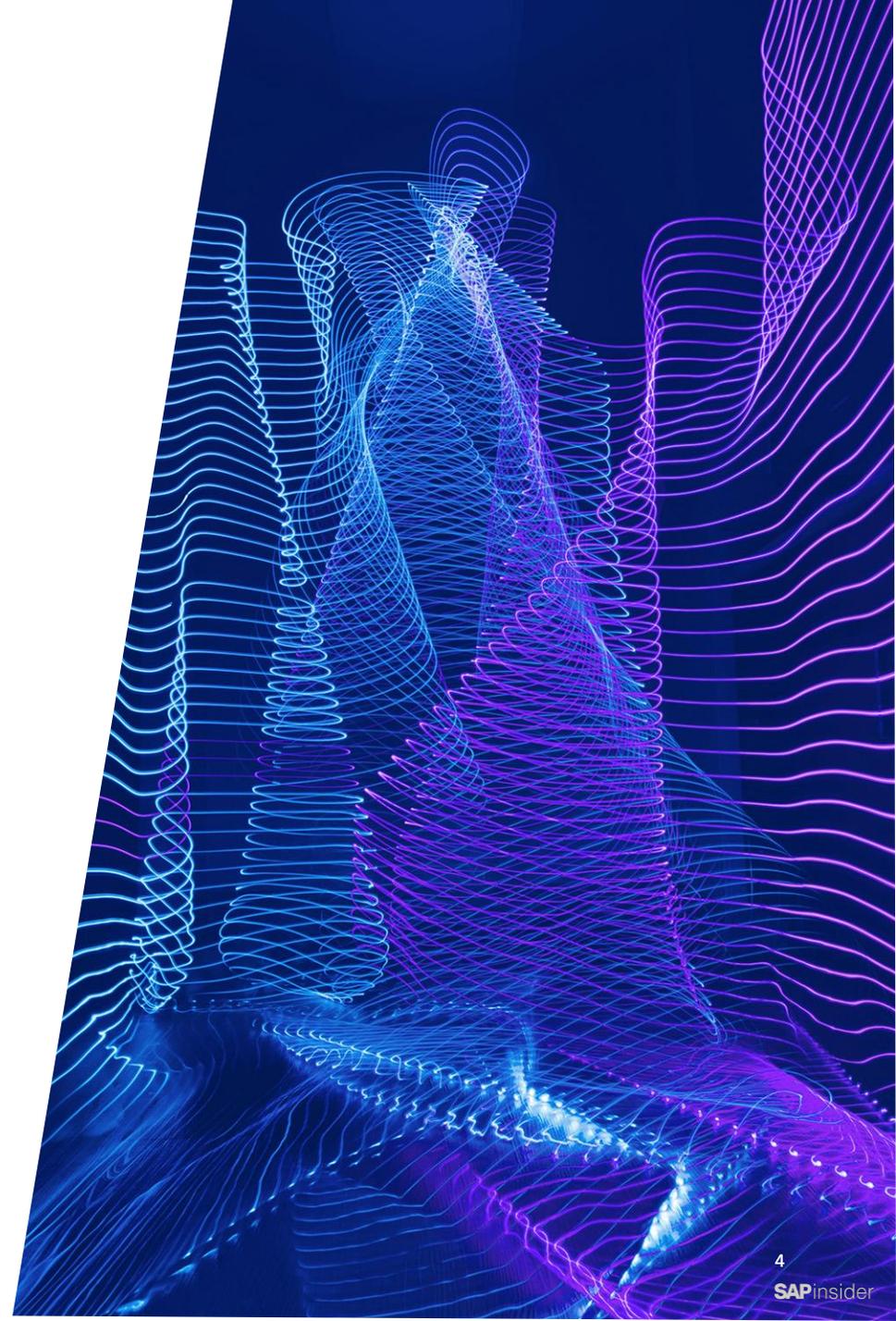


Attendee Poll

01 Has your company recently gone through a merger, acquisition, or divestiture?

02 Is your company planning for a merger, acquisition, or divestiture?

03 What do you hope to gain from this presentation?

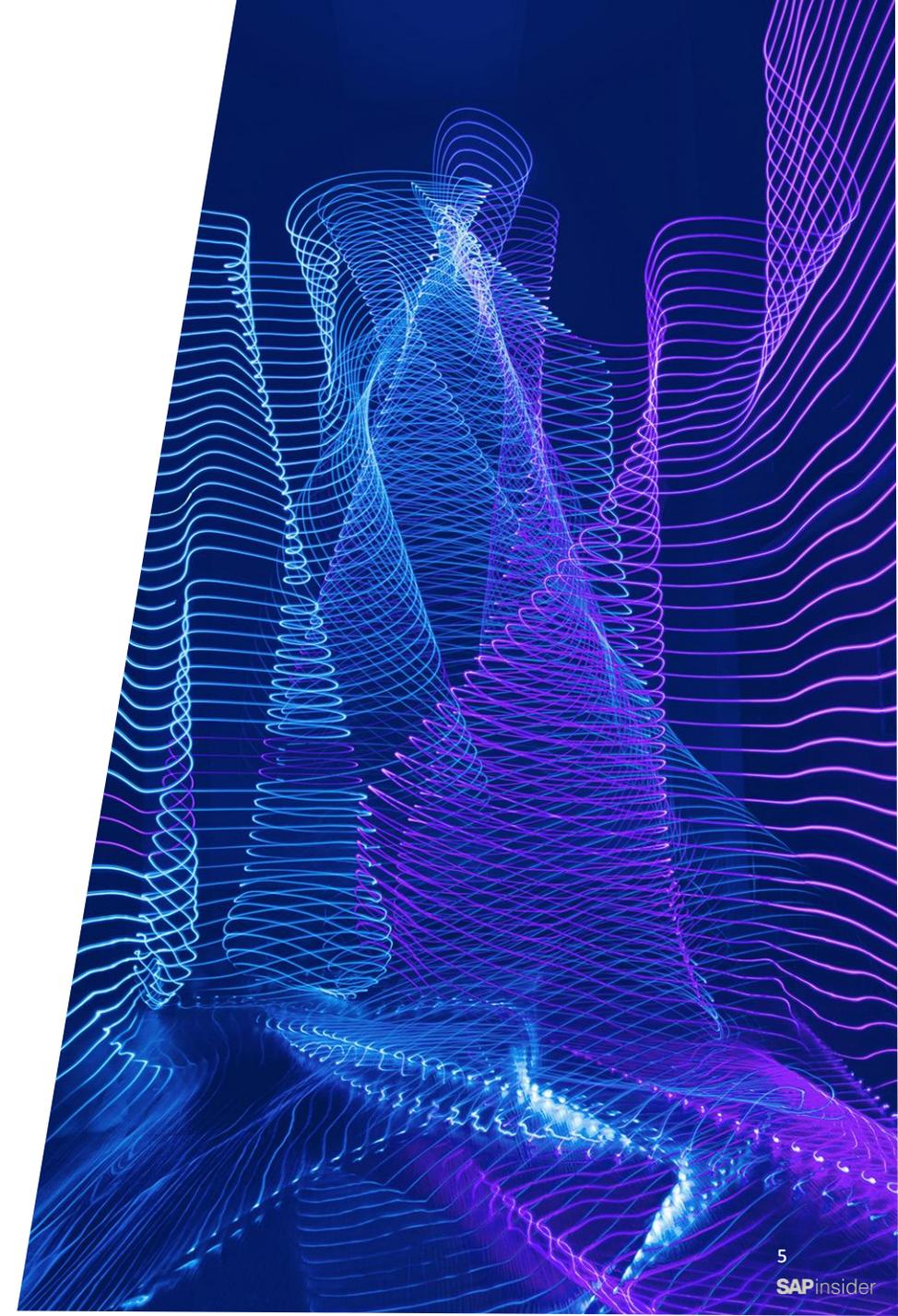


This session will describe the evolution of our SAP Security and GRC solutions to support DuPont's M&A journey



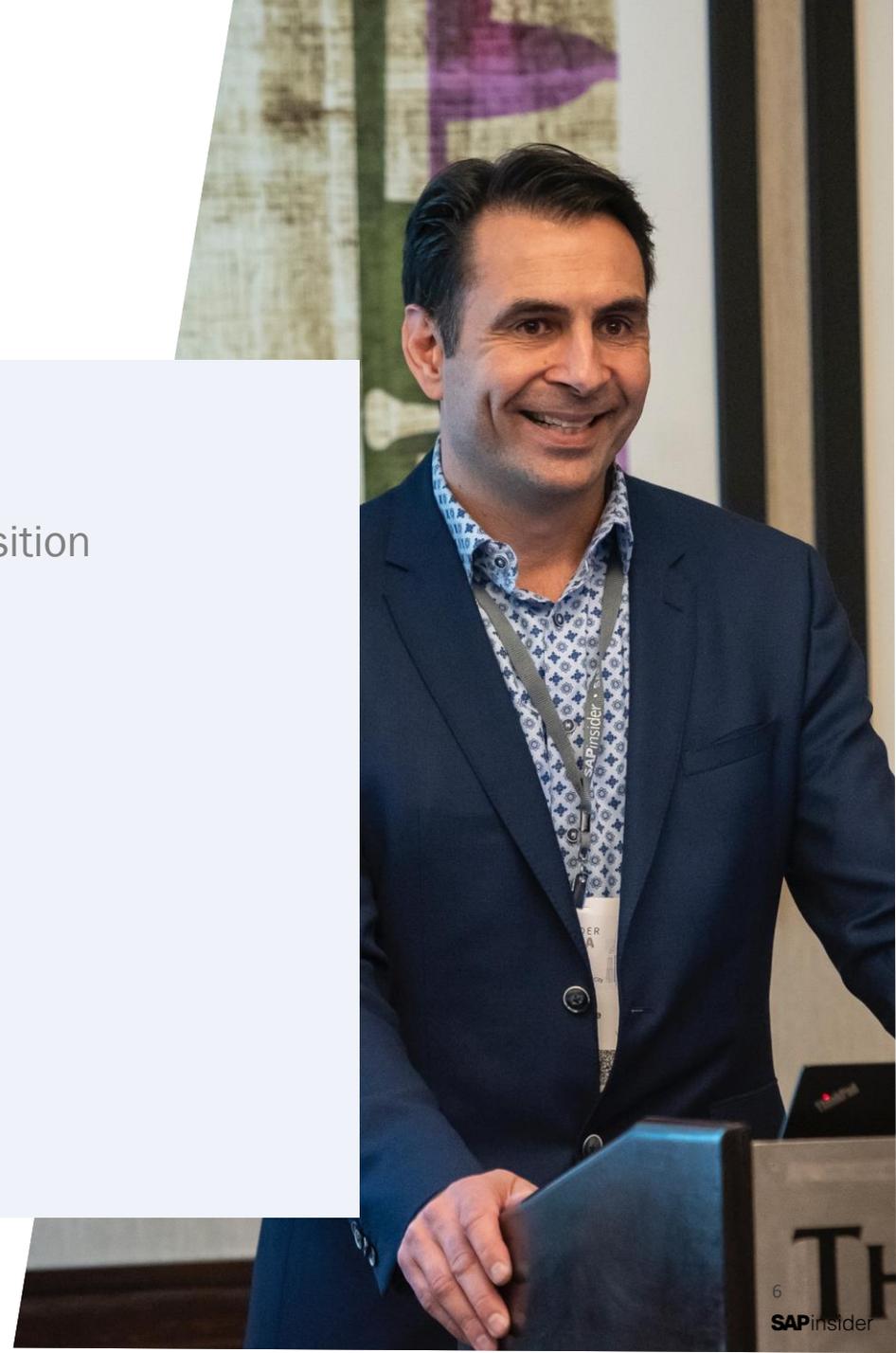
Session Goals:

- Understand how DuPont's ambitious multi-year portfolio transformation necessitated process and tools optimization
- Demonstrate how portfolio changes present unique technical, process, and people challenges
- Highlight the challenges and lessons learned through the implementation of our GRC and SAP Security Strategy roadmap



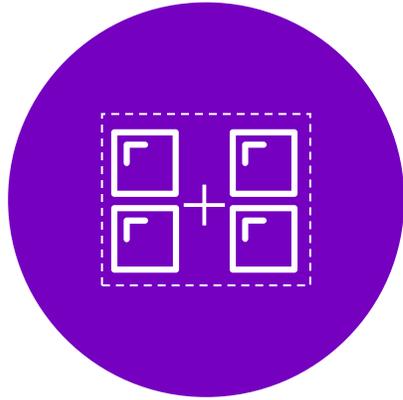
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MAD Deal Types & SAP

Transaction Type



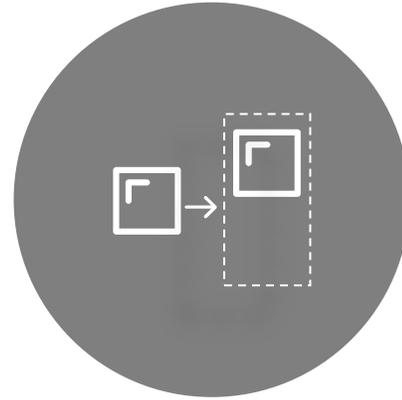
Merger

Two organizations merging

Establish SAP environment blueprint approach (net new or follow one of the merged companies current state)

DuPont IT strategy during merger:

- 1) Data extract
- 2) Buyer hosted, followed by clone



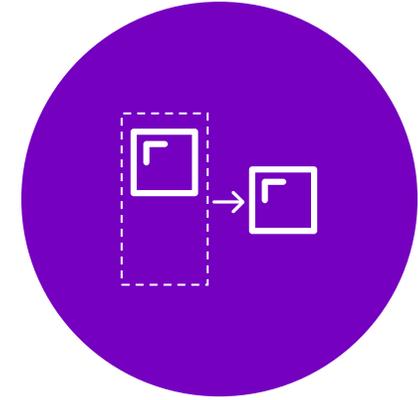
Acquisition

ParentCo acquires NewCo

Establish SAP environment blueprint approach (integrate with ParentCo ERP or maintain ERP NewCo environment)

DuPont IT strategy during acquisition:

- 1) Identity enablement focused for first 60 days
- 2) NewCo landscape data extract or build clone for acquisition



Divestiture

ParentCo carves out DivestCo

Establish SAP environment blueprint approach (Clone, Partition, Logical separation or Data extract)

DuPont IT strategy during divestiture:

- 1) Data extract
- 2) Seller hosted & servicing
 - a) Logical separation
 - b) Clone landscape
 - c) Partition

MAD Security Building Blocks



Strategy

Understand transaction type, Business requirements and IT solution



Principles

Define principles for integrating or isolating business units for transactions



Need to Know

Enable data protection and data loss prevention



Solution Design

Sustainable and Scalable strategy



Compliant Solution

Implement and operationalize security processes adhering to the company's regulatory requirements

Collective MAD View

Corporate M&A Strategy

Information Technology

People

Who support the processes...



- Corporate M&A
- Business
- Corporate Functions
- IT

Process

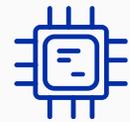
Define principles for integrating or isolating business units for transactions



- Corporate processes
- End-to-end processes

Technology

Enable data protection and data loss prevention



- Application landscape
- Network requirements for company-to-company connectivity
- Data extracts
- Application transfers

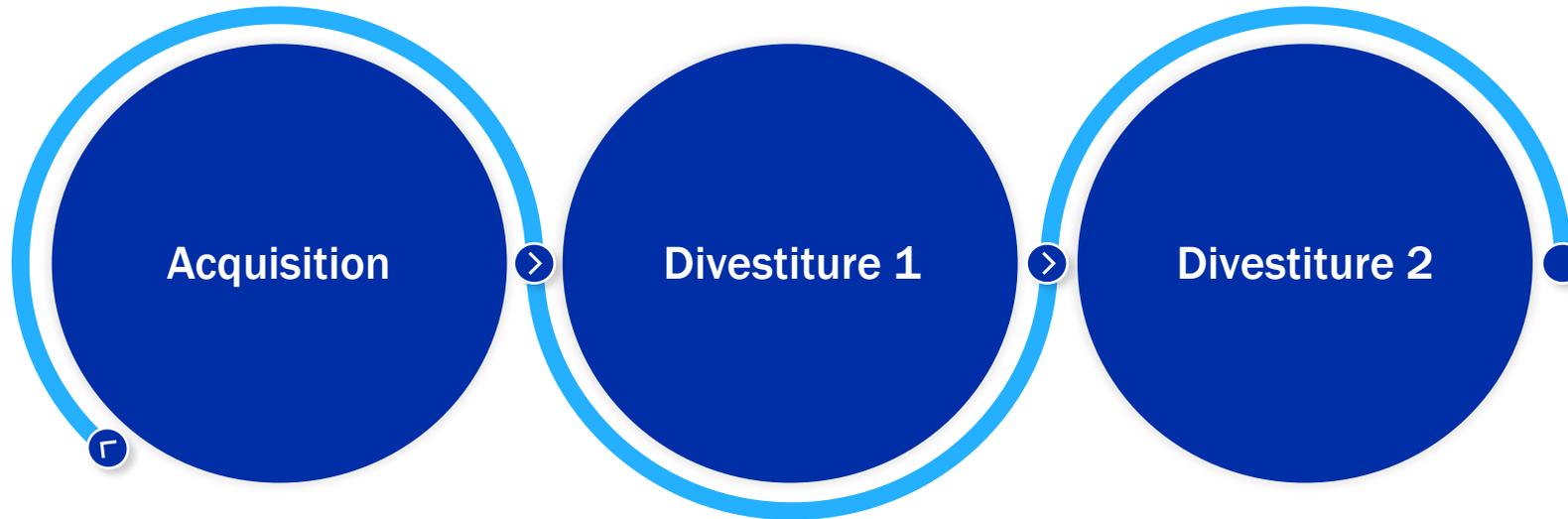
Data

- Data approach
- Data structures
- Data of org elements



Security

Case Studies



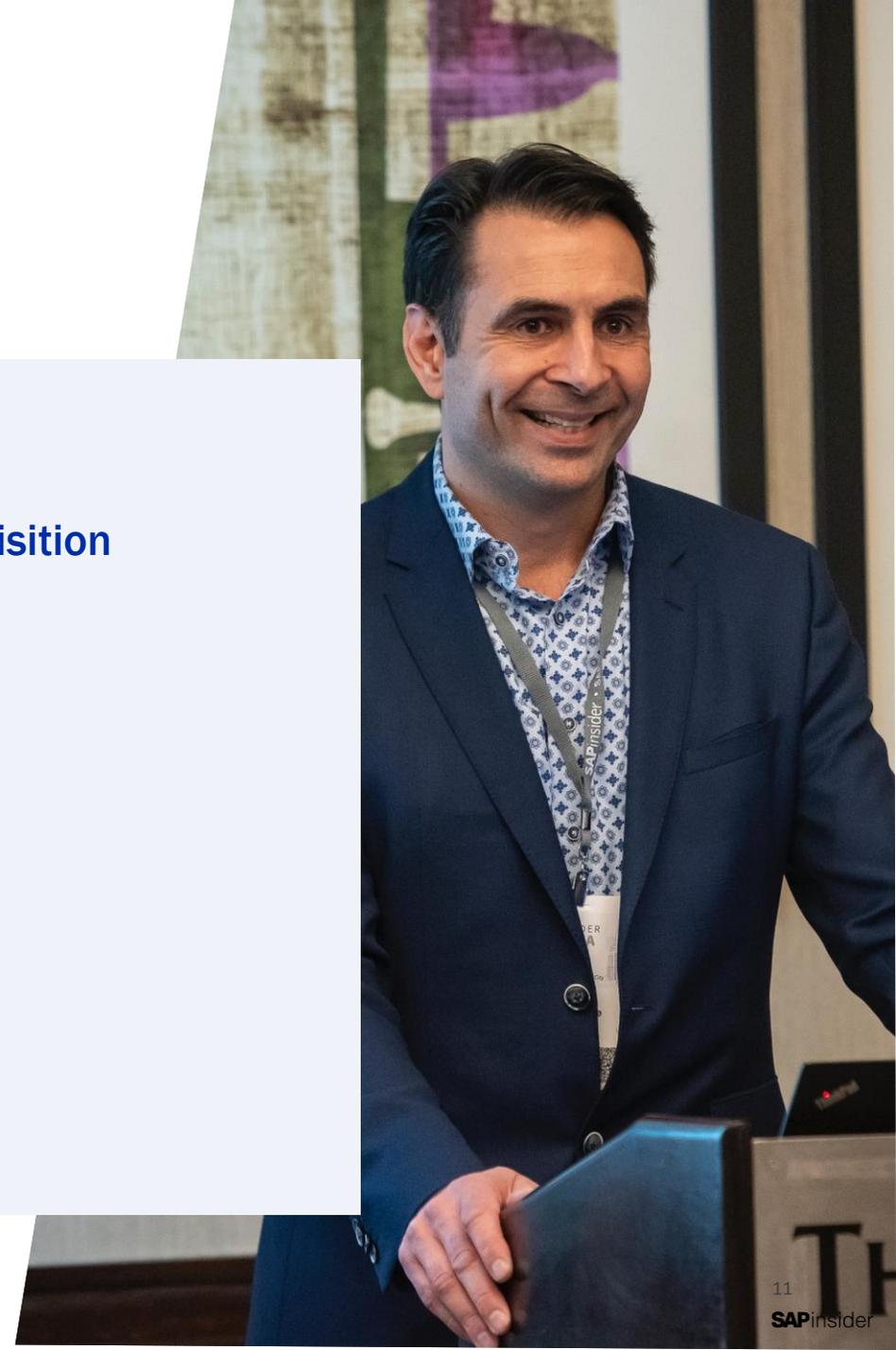
- Cloned acquired business' SAP system to DuPont environment
- DuPont GRC solution enhancement
- Merged business harmonized into DuPont GRC security solution

- Carved business into a Cloned DuPont SAP Tenant
- Implemented brand new dedicated M&A GRC system
- Introduced GRC functional selection to enable potential future divestitures

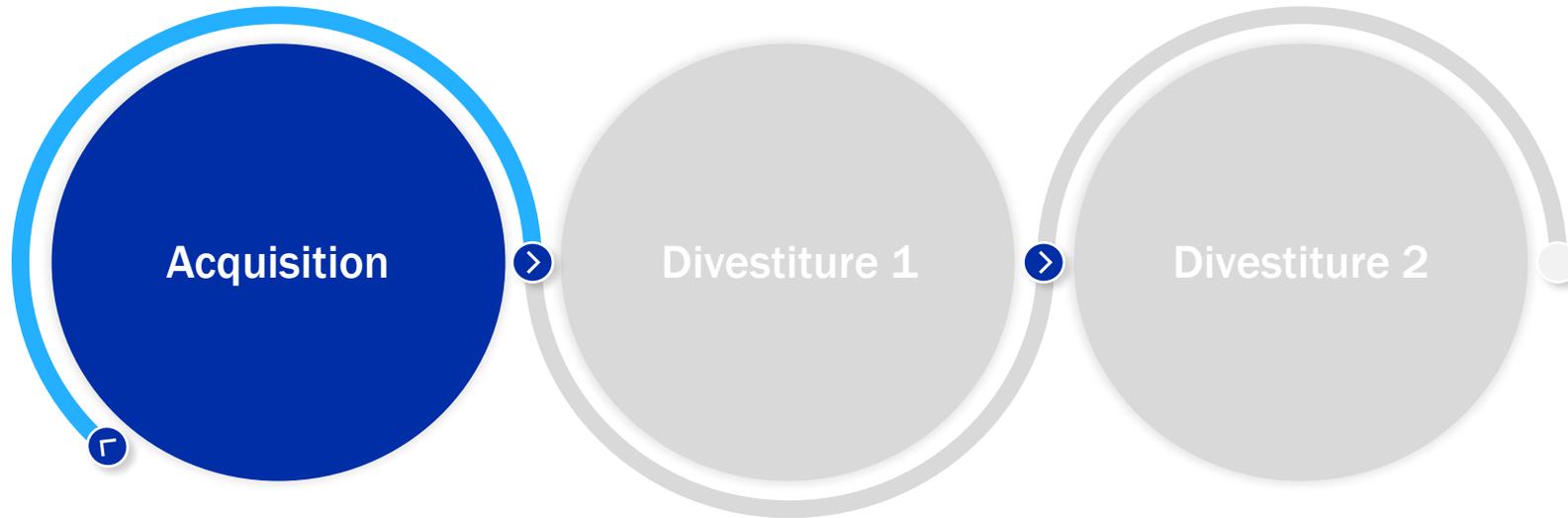
- Carved business into a Cloned DuPont SAP Tenant
- Enhanced M&A GRC through integration with Identity Access Management solution (SailPoint)

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Case Studies



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Creating the Security Strategy to Support an Acquisition

Security Objectives



- Streamline end to end process with Identity Management (IDM) for identity creation and GRC for access request approvals and provisioning
- Integrate one net new company into existing DuPont Security tools
- Enable incoming SAP users with future state access request processes
- Ensure DuPont compliant controls design

Key Principles & Requirements



Integrate merged company's GRC & homegrown process into DuPont landscape

- NewCo Business role design required in GRC
- Keep DuPont SAP system technical role design for DuPont systems
- Automate firefighter log review escalation and SOD technical mitigation
- Maintain existing DuPont GRC processes
- Enable NewCo end user access request capability in GRC

Outcomes



“Lift and Shift” Strategy

- Leverage IDM & GRC solution for two companies
- Minimize re-design when integrating business into DuPont

Security and GRC Solution

Accenture partnered with DuPont to enhance current DuPont SAP GRC (Governance, Risk & Compliance) solution to integrate SAP security provisioning requirements for the incoming business



Evaluated
SAP access
management solutions
for both companies



Established
compliant design of
security processes



Consolidated
and simplified both
solutions into DuPont's
GRC tool



Partnered with
Change Management team
to Train incoming end users
with DuPont GRC processes

SAP GRC AC Design – Access Request Management (ARM)



The two companies had different ARM processes



DuPont ARM Process

- Manual end user two-step SAP access request (IDM (SailPoint) approval by manager) and GRC approval by role owners
- Security role design based on technical roles by system
- All roles approved by role owners
- Access Risk Analysis (ARA) analysis is required before role owner approval



New Company ARM

- End user access request via custom UI and risk analysis, provisioning via GRC
- Security role design based on business roles



Selected Process

- DuPont ARM process customized to enable business role selection via self-service GRC process
- Business role mapping workflow built to enable multiple SAP system access, including workflow enhancement to trigger manual user provisioning
- Automation manager creation in GRC to enable access approvals
- All roles (critical & non-critical) went through role owner approval

SAP GRC AC Design – Access Risk Analysis (ARA)



The two companies with different ARA processes



DuPont ARA Process

- Risk analysis embedded into GRC access request process with technical risk mitigation using DuPont IT & Business ruleset
- Monthly Business risk mitigation required for all risk categories (high, medium, low)
- De-centralized risk ownership



New Company ARA Process

- Risk analysis embedded into GRC provisioning process with risk owner approval workflow using IT & Business ruleset
- Business risk mitigations vary by risk category (High, Medium, Low)
- Centralized risk ownership



Selected Process

- Rationalized and harmonized NewCo & DuPont IT rulesets, merged business rulesets
- Selected DuPont ARA process for SOD management (Technical mitigation vs Business mitigation)
- DuPont Control Monitors and NewCo Risk Owners were responsible to mitigate or remediate users with conflicts using monthly SOD reports

SAP GRC AC Design – Emergency Access Management (EAM)



The two companies had different EAM processes



DuPont EAM Process

- New firefighter ID request or assignment follows self-service process routed to managers and role owner for approval
- Default firefighter ID duration is 3 days, can be extended as needed
- Manual back-office monitoring of log reviews for fourteen days per review policy



New Company EAM Process

- Custom user interface to request firefighter, back-office GRC mapping based on approved request
- Hard coded limit of 90 days validity
- Thirty days log review policy
- Automated escalation review reminders of log review and sign-off



Selected Process

- New firefighter ID request or assignment follows self-service process routed to managers and role owners for approval
- Default firefighter ID duration is 3 days, can be extended as needed
- Automated escalation review reminders of log review and sign-off

Lessons Learned



People



HR Census Files

- Revolving identification and lifecycle changes events, hindering the ability to properly manage unintended identity and access changes

End-user Training

- Underestimated the time and amount of end user training

Process



Security Design Knowledge Transfer Process

- Project team missed in-depth role design details early in the project leading to agile effort to complete

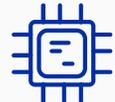
Master Data Ownership

- Role, firefighter, monitoring ownership didn't start early enough.

Compliance

- Ensure all designed controls are tested and validated before go live

Technology

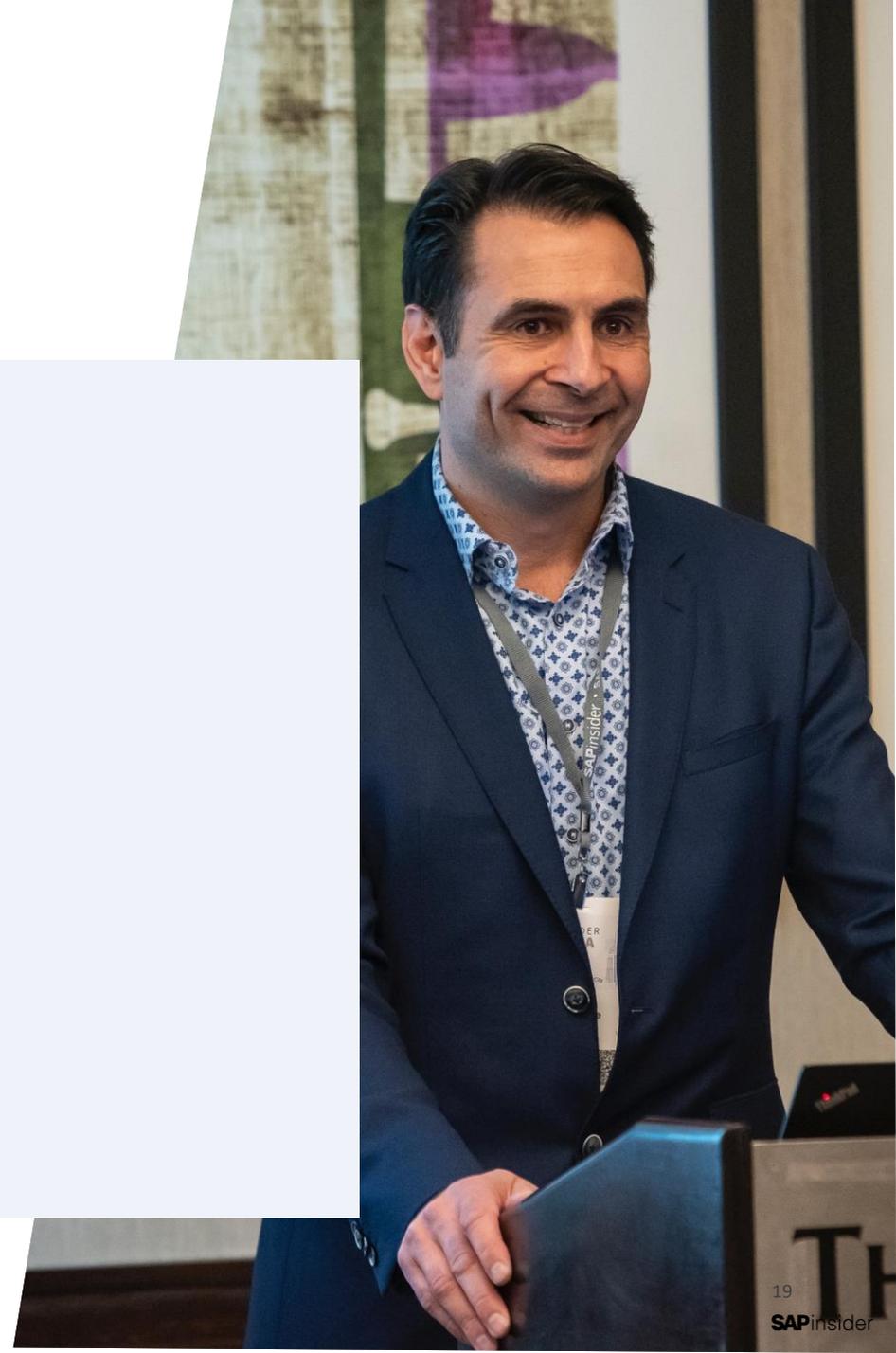


GRC Customization

- Ensure custom enhancements are extensively tested for all applicable scenarios

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Case Studies



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Creating the Security Strategy to Support a Divestiture SAP Tenant Model

Security Objectives



- Streamline end to end process with IDM for identity creation and GRC for access request approvals and provisioning
- Manage the security separation of the divested business unit, while hosting within DuPont landscape during Transitional Service Agreement (TSA) period
- Ensure compliant controls design

Key Principles & Requirements



- Enable a standalone business to be hosted and serviced by DuPont for the buyer
- Ensure regulatory and compliant design
- Minimize business disruptions, same access ID

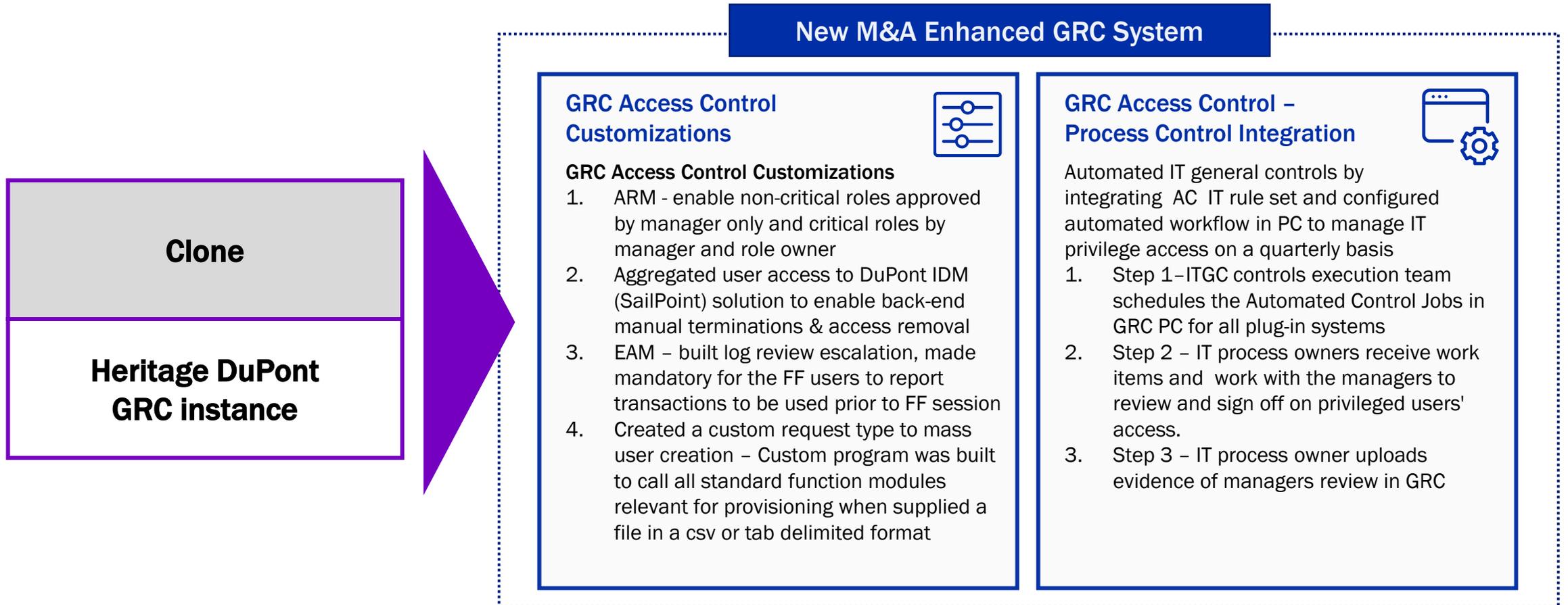
Outcomes



5 Successful Remote Go-Lives

- Built new M&A GRC system to achieve regulatory and compliance requirements for DuPont and servicing company
- Enhanced GRC Access Control (AC) and Process Control (PC) design from regulatory compliance and process optimization standpoint

New M&A GRC Access Control (AC) and Process Control (PC) System



Lessons Learned



People



HR Census Files

- Census File identification and transfer to NewCo HR systems identity lifecycle changes events continued to be a challenge

End-user Training

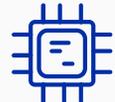
- Stakeholder segmentation required to tailor training for new GRC solution
- Knowledge transfer must occur from the Project Team to the Run & Maintain organization due to TSA

Process



Process to untangle previous solution was not built into master plan, resulting in stale DuPont GRC master data

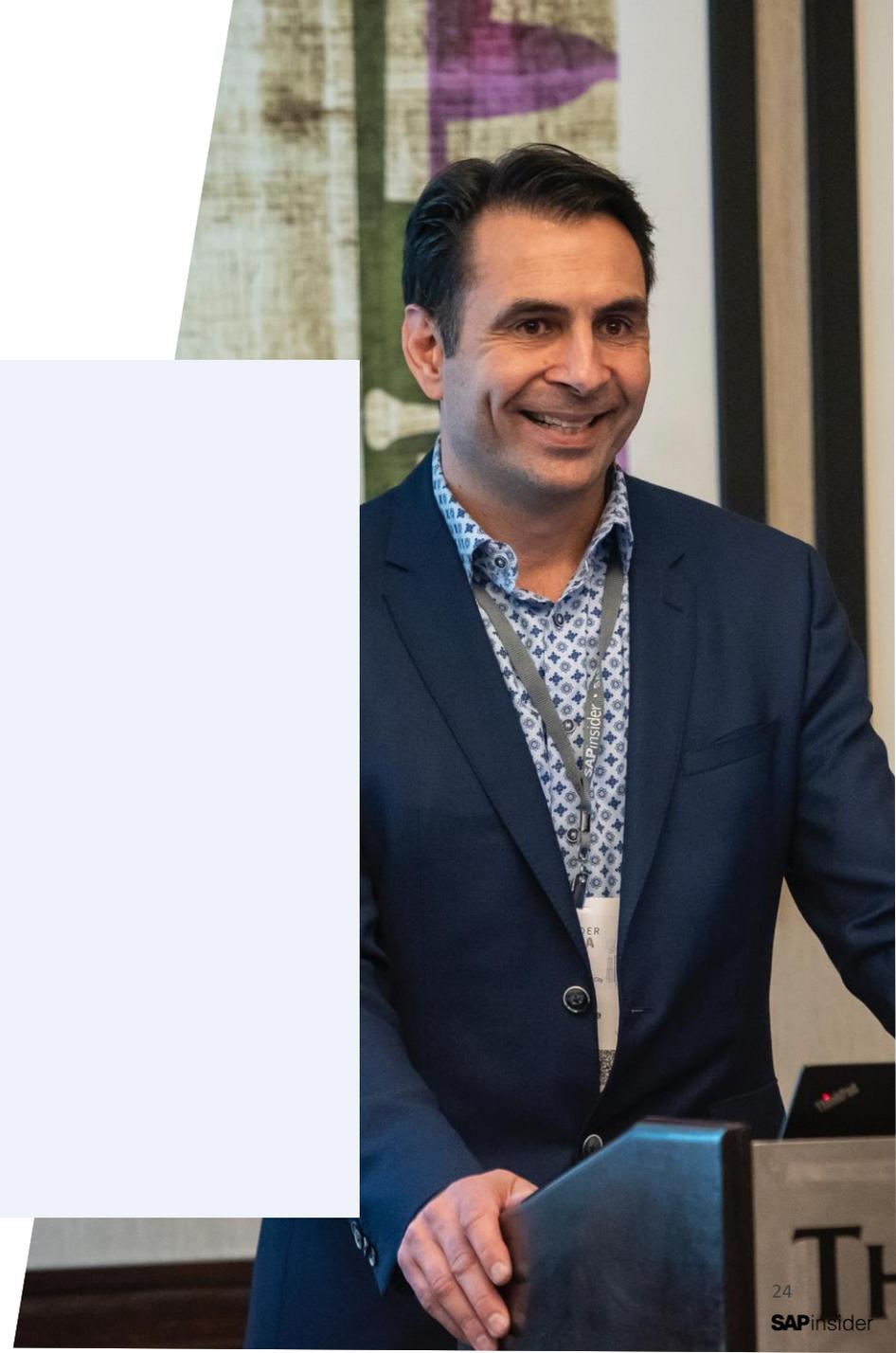
Technology



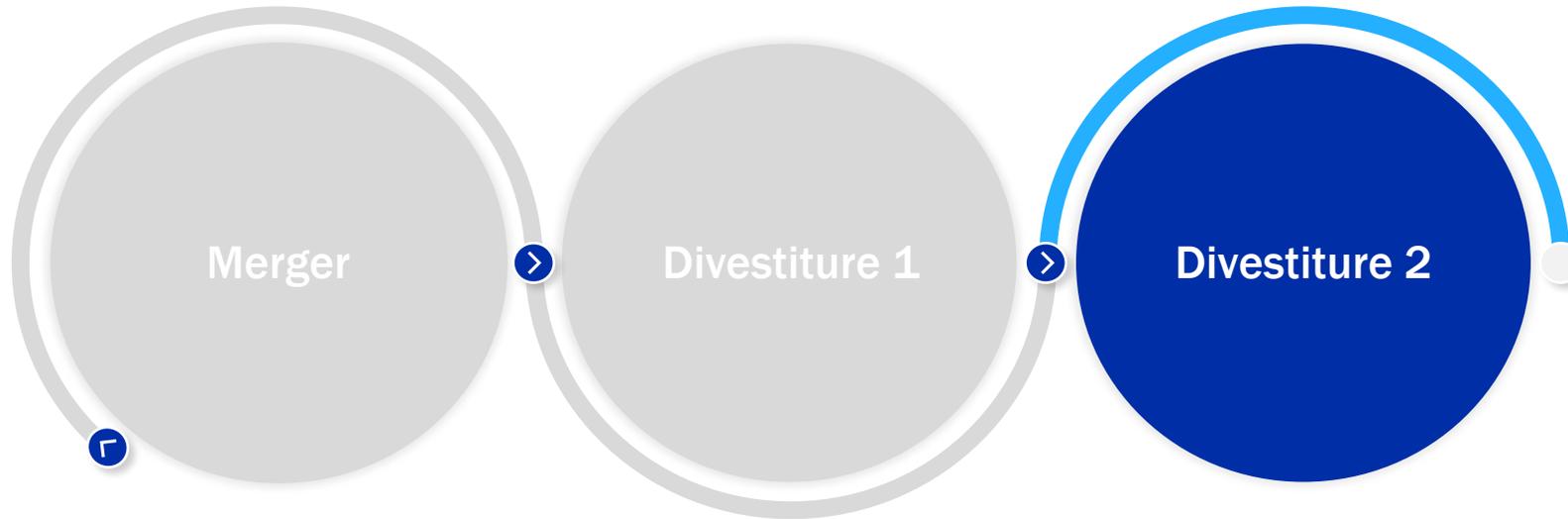
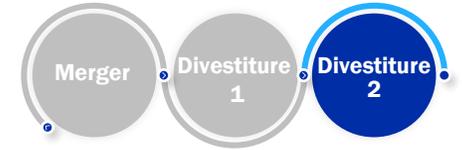
- New GRC enhancements were not retrofitted to DuPont due to project scope
- New GRC standalone was not a scalable solution – could only service one divestiture vs multiple divestitures

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Creating the Security Strategy to Support a Multi-business Divestiture Model



Security Objectives



- Scale IT service security capabilities to ensure leverage security tools such as SAP GRC, provide segregated operational processes functionality to each divested company
- Manage the security separation of the divested business unit, while hosting within DuPont landscape during Transitional Service Agreement period
- Ensure compliant controls design

Key Principles & Requirements



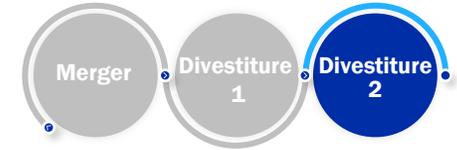
- Enable a third divestiture (standalone business) to be hosted and serviced by DuPont for buyer
- Ensure regulatory and compliant design
- Minimize business disruptions, same access ID

Outcomes

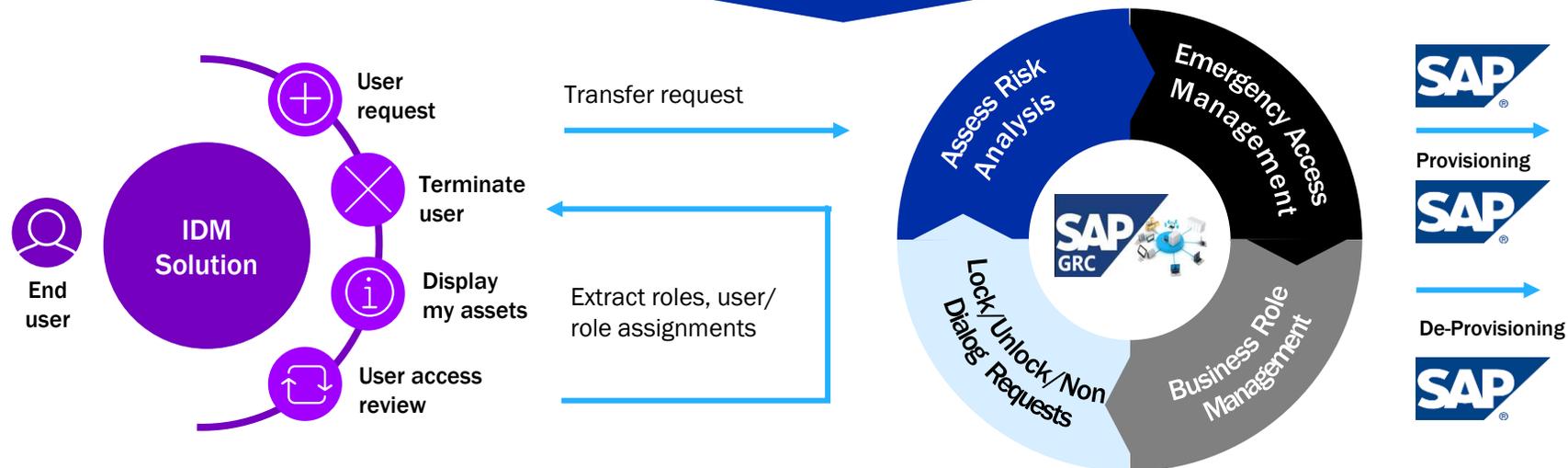


Enhanced security multi-business process by isolating each divested company access request process by integrating GRC with IDM (SailPoint) solution

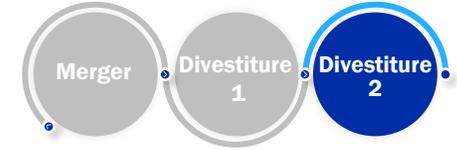
Security and GRC Solution



DuPont integrated current identity access management (SailPoint) and GRC resulting in enhanced, scalable and centralized access management process for divested companies being hosted and IT serviced by DuPont



Lessons Learned



People



HR Census Files

- Non-adherence to freeze timing impacted security end user go-live readiness

End-user Training

- IAM service delivery support model was impacted by the introduction of integrated access management solution (SailPoint and GRC)

Process



Run and Maintain Operational support required add-on activities

- End user GRC to SailPoint user and access aggregation completeness and accuracy validation

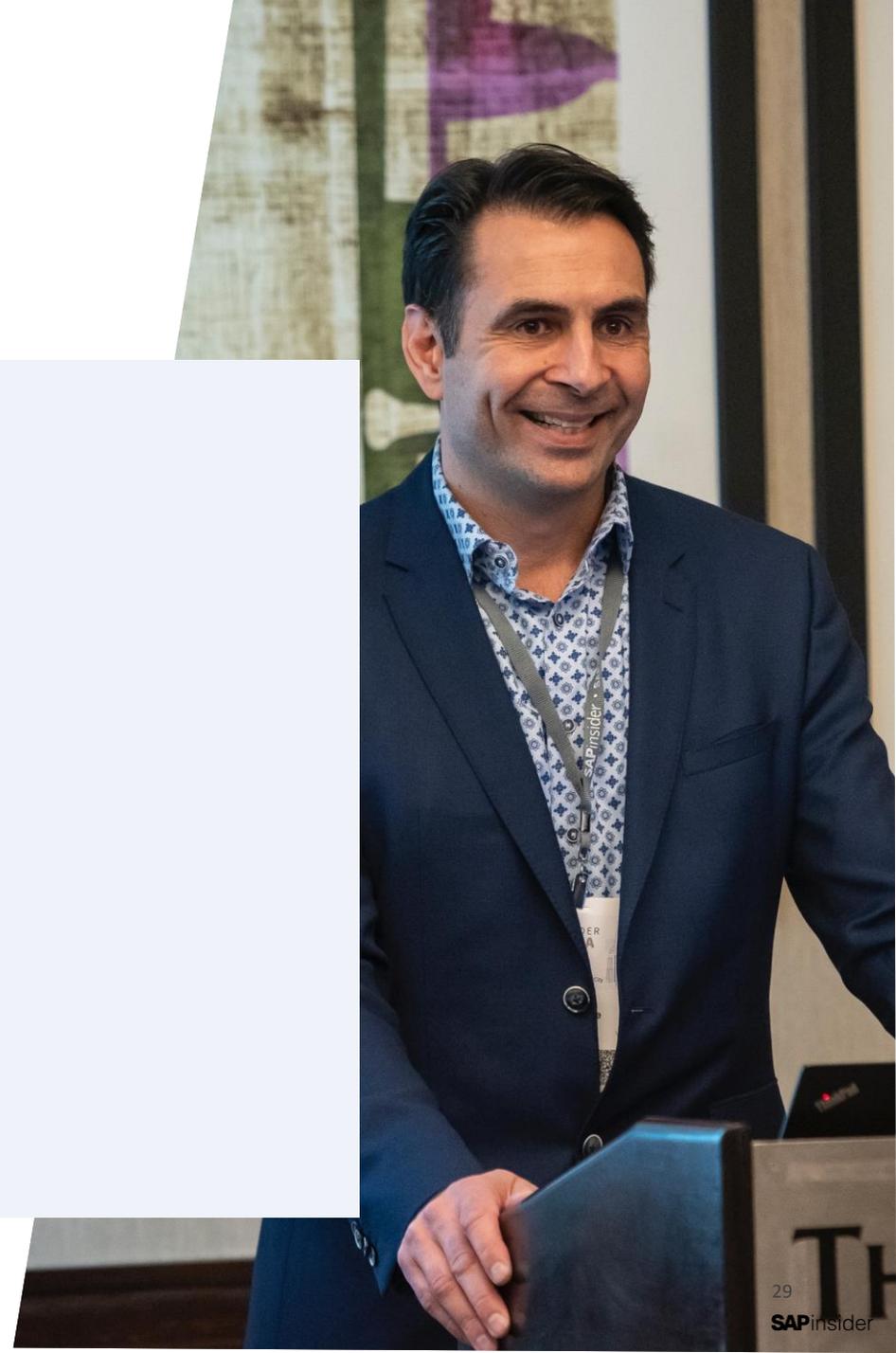
Technology



- Introduction of SailPoint – GRC integration required evaluation of existing customization
- User Access Review technology move to SailPoint from GRC requires process change impact assessment

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Key points to take home



- Align Security tool selection with your company's M&A road map
- Evaluate your strategy based on budget, time to deploy, resource availability and business impact
- Understand the operational sustainability of your security design
- Minimize tool customization
- Consider all your project milestones and prioritize based on lead times
- Incorporate clean-up activities post M&A project completion

**This is a journey...don't let perfect
get in the way of progress!**

Where to find more information



For more information about our journey, please contact us at:

- **Vidula Bhave** - Vidula.m.bhave@accenture.com
- **Tammy Adjunta** - Tammy.j.adjunta@dupont.com

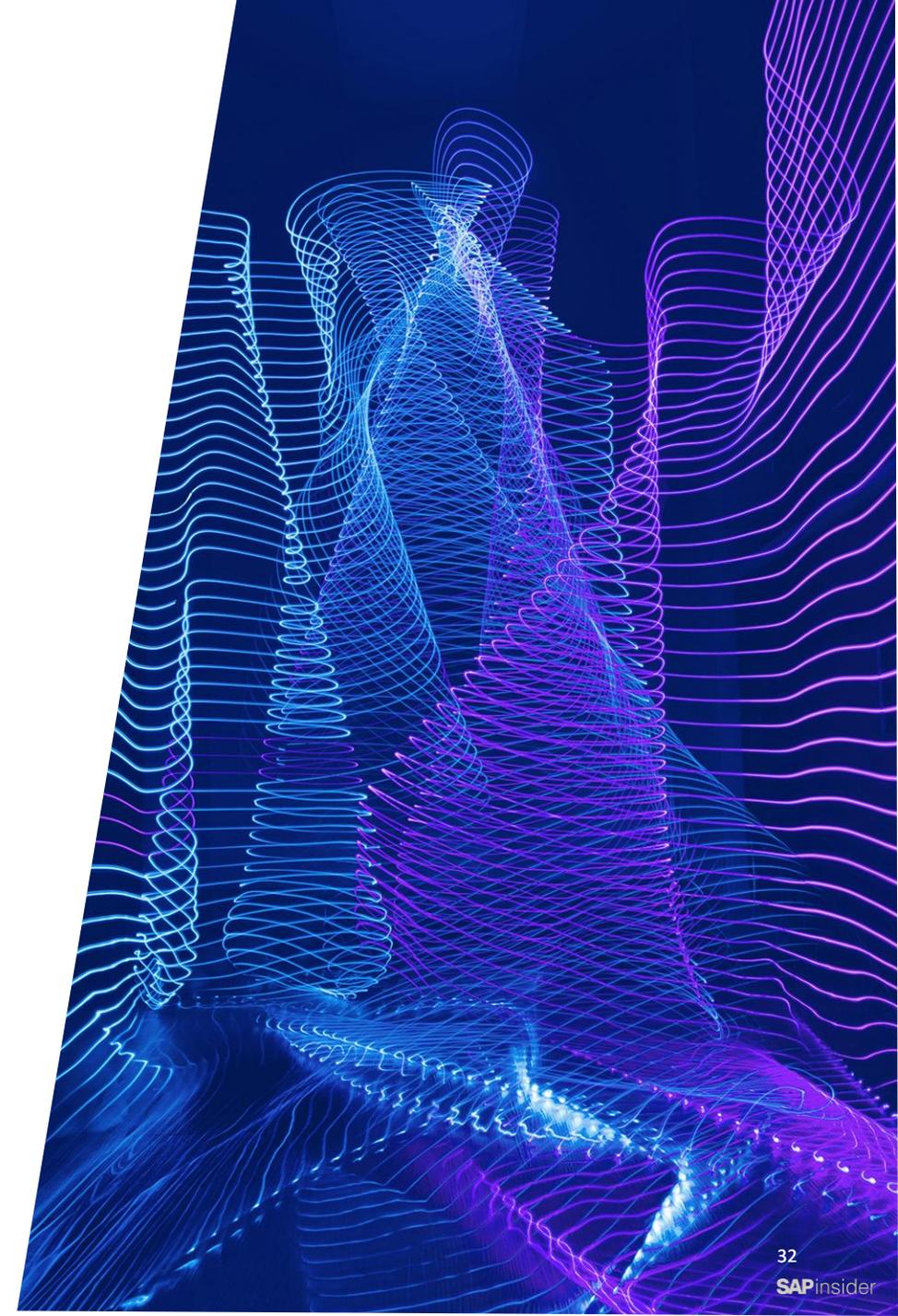
Thank you! Any questions?

Vidula Bhave

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