WHITEPAPER

SAI360

How to Prove the ROI of GRC Software to Your CFO

A Strategic Resource for Building Your Business Case



Introduction

Most organizations approach GRC software procurement reactively—in response to audit findings, regulatory deadlines, or incidents. While reactive procurement is common, a disciplined assessment of your current operating model, quantification of its cost, and evaluation of whether an integrated platform delivers financial value produces better outcomes.

This guide helps you conduct that assessment and present findings to financial leadership with the clarity they require. The objective is not to prove you need software, but to determine whether investment represents sound capital allocation.

Part 1: Understanding Your Current Cost

Effective business cases begin with accurate baseline data. Before evaluating solutions, quantify what your current approach costs.

Where Your Current Model Breaks Down

Reactive Evidence Management. Evidence gathering becomes a concentrated effort before audits. Documentation is scattered across emails, drives, and multiple systems. Audit cycles consume excessive internal resources.

Regulatory Change Lag. Updates arrive continuously, but interpretation and implementation occur in batches. Training is deferred until effective dates approach. Risk exposure extends unnecessarily.

Inconsistent Decision Processes. Manual workflows and individual judgment create variance in risk ratings, compliance assessments, and incident escalations. This creates both operational inefficiency and defensibility challenges.

Prolonged Incident Resolution. Incident coordination across teams occurs through email and ad hoc meetings. Ownership clarity is limited. Resolution times extend unnecessarily.

Quantifying Your Cost

Labor Cost. Calculate the percentage of GRC team time spent on administrative work (evidence gathering, data consolidation, spreadsheet maintenance) rather than strategic analysis. Estimate the percentage of your GRC team capacity spent on admin work: ____%.

Regulatory Risk. Review penalties from the past 3-5 years. Include direct costs (fines) and indirect costs (legal fees, remediation). Conservatively estimate what percentage might have been prevented through earlier identification.

Incident Costs. Calculate cost per hour of downtime for critical systems. Multiply by average resolution time across your most common incident types. Estimate potential reduction in resolution time with better coordination.

Opportunity Cost. Estimate business delays from slow compliance approvals, regulatory clearance processes, or vendor onboarding cycles.

Your Total Annual Cost: $_____

Part 2: Identifying Your Needs

Different organizations need different capabilities. Identify which matters most to you.

Five Core Capability Domains

Regulatory and Compliance Readiness. Monitor the regulatory environment, assess applicability, and implement changes efficiently. Priority if regulatory deadlines are missed or audit findings surprise you.

Risk Identification and Visibility. Identify critical vendors and processes; detect control failures in near real-time; surface emerging external risks. Priority if business disruptions should have been foreseeable.

Workforce Readiness. Ensure personnel understand compliance expectations and make aligned decisions. Priority if compliance failures recur or training effectiveness is questioned.

Control Assurance and Evidence Management. Demonstrate controls operate effectively; gather contemporaneous evidence; organize for audit. Priority if audit cycles consume excessive resources, or audit findings relate to incomplete documentation.

Incident Governance and Response. Respond to incidents with speed and coordination; clear ownership; consistent escalation. Priority if incident resolution times are longer than necessary or SLAs are frequently missed.

Identify your top 1-2 priorities. These should reflect where your current operating model creates the most business impact.

Part 3: Key Evaluation Criteria

When assessing vendors, focus on these areas:

Capability. Request demonstrations of specific workflows, not polished presentations. Observe the number of steps required for routine tasks. A platform requiring excessive clicks or manual workarounds will face adoption challenges.

Integration. Map your existing systems (HRIS, audit tools, risk registers, incident management, document systems). Assess whether vendors have pre-built connectors or require custom development. Integration capability directly affects value realization.

Implementation Approach. Understand their methodology, timeline, scope management, and success criteria. Request references from similar organizations. Ask: Were you on schedule and budget? Did you achieve projected benefits? What would you do differently?

Support Services. Assess responsiveness, ongoing strategic guidance, and customer success commitment. Vendors investing in customer success typically deliver better long-term value.

Part 4: Your Financial Case

Once you understand current costs and have evaluated solutions, build your financial analysis.

Percentages below are illustrative inputs for modeling purposes only. Actual results will vary by organization, maturity, scope, implementation, and adoption. Replace these assumptions with your own baseline data wherever possible.

Component	Year 1	Ongoing (Annual)
Software licensing	$_____	$_____
Implementation services	$_____	—
Training and change management	$_____	$_____
Internal resources	$_____	—
Support and maintenance	$_____	$_____
Total	$_____	$_____

Benefit Estimate	Estimate
Labor efficiency (estimated ____% reduction in admin work)	$_____
Audit cost reduction (estimated ____% improvement)	$_____
Regulatory penalty prevention (estimated ____%)	$_____
Incident cost reduction (estimated ____% MTTR improvement)	$_____
Total Annual Benefits	$_____

ROI Calculation

Year 1 ROI = (Annual Benefits - Year 1 Cost) / Year 1 Cost × 100 = ____%

Payback Period = Year 1 Cost / (Annual Benefits ÷ 12) = _____ months

3-Year Cumulative = (Annual Benefits × 3) - Total Costs = $_____

Part 5: Addressing CFO Concerns

“How confident are you in these projections?”

Labor efficiency is reliable (based on documented time allocation). Regulatory and incident prevention benefits are more variable (depending on adoption and execution). Stress-test the business case at 50%, 75%, and 100% of projected benefits to understand whether the investment remains attractive under conservative scenarios.

“What if implementation takes longer?”

Build contingency into budget and schedule (20% is a common estimate; adjust based on your organization’s implementation experience). Implement highest-priority capabilities first to deliver early value. This reduces risk by phasing implementation rather than attempting everything simultaneously.

“Why not continue with current processes?”

You can continue. Current cost is $_____ annually. Investment is $_____ with potential to save $_____ annually. This is ultimately a capital allocation decision, but our analysis suggests investment is justified.

“How will we know if this is working?”

Track quarterly metrics: audit cycle time, incident resolution time, compliance findings per audit, regulatory penalties, team capacity freed. Report progress quarterly for the first 12 months.

Part 6: Your Pre-Business Case Checklist

Before approaching your CFO:

Current State:

- ☐ Quantified annual labor cost of manual processes
- ☐ Documented major pain points and business impact
- ☐ Calculated incident and regulatory costs
- ☐ Assessed opportunity costs from delays

Needs Assessment:

- ☐ Engaged stakeholders across audit,compliance, risk, operations
- ☐ Identified and ranked priority capability domains
- ☐ Assessed organizational change capacity
- ☐ Determined integration requirements

Vendor Evaluation:

- ☐ Researched 2-3 qualified vendors
- ☐ Assessed capability, integration, implementation approach
- ☐ Contacted customer references
- ☐ Obtained detailed proposals

Financial Analysis:

- ☐ Developed comprehensive cost estimate
- ☐ Quantified benefits across all categories
- ☐ Calculated ROI under conservative and moderate scenarios
- ☐ Stress-tested assumptions

Part 7: Your Business Case Summary

GRC Platform Investment Business Case

Current Annual Cost: $_____	Investment Required $_____ Year 1 $_____ annually	Annual Benefits $_____	Year 1 ROI: ___%	Payback Period _____ months

Metric	Year 1	Year 2	Year 3
Benefits	$_____	$_____	$_____
Costs	$_____	$_____	$_____
Net Benefit	$_____	$_____	$_____

Implementation Timeline: _____ months

Success Metrics (Quarterly Reporting):

- Audit cycle time: _____ weeks _____ weeks
- Incident resolution: _____ hours _____ hours
- Compliance findings: _____ _____
- Regulatory penalties: $_____ (target)

Executive Sponsor

_____

Recommendation

☐ Proceed ☐ Defer

Part 8: Your Implementation Timeline

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Stakeholder interviews; document pain points and labor costs	Calculate baseline costs; validate with Finance	Vendor research; request proposals and conduct demos	Financial analysis; develop one-page business case	Stakeholder review; refine estimates	Present to CFO; address questions

CONCLUSION

A rigorous business case demonstrates whether GRC software investment makes financial sense for your organization. Thoroughly quantify your current operating cost, understand your organizational needs, evaluate vendors thoughtfully, and develop conservative financial projections.

You don't have to do it alone. SAI360 partners with organizations at every stage of this journey—from quantifying your current costs and defining requirements to building a compelling financial case and executing a successful implementation. Whether you're just beginning to explore GRC software or you're ready to present to your CFO, our team can help you move forward with confidence.

Ready to start?

Visit sai360.com or contact our team to schedule a consultation.

SAI360
CONNECTED ETHICS RISK & COMPLIANCE

SAI360 is giving companies a new perspective on risk management. By integrating ethics, governance, risk, and compliance within a single platform, SAI360 helps companies broader their risk horizon so they can manage risk from every angle.

Visit sai360.com to learn more.

264250 0926