

Audit Prodigy's innovative AI-Assisted ERM refers to using AI techniques such as, natural language processing (NLP), machine learning (ML), and deep learning to:

- Identifying & benchmarking your Risks & Controls against any regulatory, industry or process framework – sourced from authoritative, professional publications
- Seamlessly integrating AI results with built-in Audit Prodigy ERM flows to initiate risk assessments, collect responses and view results in Heatmaps, Dashboards & Reports

Audit Prodigy's already best-in-class ERM methodology just got turbocharged, by leveraging not only Likelihood and Impact but also Velocity and Preparedness.

The Problem with Traditional Risk Identification:

- Manual, time-consuming and reactive processes
- Outdated, biased data or delayed detection of emerging risks
- Static risk registers, subjective interpretation, infrequent assessments etc.
- Fragmented data across departments (e.g., Finance, Audit, IT, Compliance)

AI-Driven Risk Identification

Natural Language Processing (NLP)

- Sources: SEC, Public Accounting Firm Research Articles, Industry Best Practices
- Use case: Flagging potential regulatory and compliance risks from trusted sources
- Example: Identifying risks & controls and adding them to existing risk registers

Machine Learning / Predictive Analytics

- Sources: Publicly available risk disclosures, regulatory pronouncements, incident data, publications by reputed firms / companies, financial trends etc.
- Use case: Predicting likelihood of a specific risk (e.g., supply chain disruption)
- Example: ML model predicts financial distress by analysing market news, competitive landscape and industry-wide trends

AI Value Proposition

- Proactive and best-in-class risk identification, replacing bias
- Cross-functional visibility and credible sourcing to break silos
- Enhanced decision-making for risk mitigation
- Compliance readiness through AI assisted risk identification

- Human approval to avoid model bias and false positives
- Data privacy and compliance through strict SOPs and data access controls

Common Use Cases by Risk Type

Risk Type	AI Applications
Cybersecurity	Emerging new risks with ever changing technology landscape
Regulatory	Ever-changing global regulatory landscape, including penalties
Financial	Forecasting financial impact from global events and patterns
Operational	Industry, location and firm-size specific events and patterns
Reputational	Sentiment analysis from media & social listening
Strategic	Competitive landscape scanning using web scraping

Ask about our AI applications coming soon

- Policy and Narrative Summarization & Query
- Resource Optimization & Project Delivery
- Audit Testing / Control Design Recommendations & Benchmarking

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Perceptive Control Solutions LLC (Audit Prodigy)