

BUSINESS RISK MANAGEMENT LTD



Corporate Governance masterclass 2 days

After attending this masterclass you will be able to

- Understand the requirements and benefits of Corporate Governance
- Develop and review the Corporate Governance process
- Manage risk at an enterprise level
- Implement effective techniques for the Identification, measurement assessment and management of risks
- Analyse and assess the effectiveness of controls in the business environment and ensure effective compliance
- Evaluate Corporate Social Responsibility
- Build an environment that supports business controls
- Use the COSO framework to assess the adequacy of internal controls

Course Level

- This is an intermediate/senior level event and delegates should have a broad business knowledge
- There are no minimum educational requirements
- No advance preparation is required
- Delivery method – Group-live (with exercises and role-plays to simulate scenarios and situations that business managers, risk professionals and others will encounter)

CPE credits

- Participants will earn 10 CPE credits (in the Management Advisory Services field of study)

Business Risk Management Ltd is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

Course Outline

Day 1 The key aspects of Corporate Governance

Corporate Governance

- The increasing importance of Corporate Governance
- Corporate Governance explanation
- 6 core principles of governance
- 7 governance warning signs
- New corporate governance insights paper will be shared
- Meeting Stakeholder requirements
- Record of accountability
- Protecting the financial position
- Alliances, partnerships and contracts
- Fulfillment of promises
- Top down management of reputation
- Media management
- Business continuity
- Community and other stakeholder requirements
- Environmentally responsible sources / treatments
- Management of complaints
- Communication – internally and externally

Exercise 1 Corporate Governance evaluation

The role of the Board of Directors in relation to Governance

- The Board's role is to oversee the management and governance of the business
 - Review and approve significant corporate actions
 - Review and monitor implementation of management's strategic plans
 - Monitor corporate performance and evaluate results compared to the strategic plans and other long-range goals
 - Review and approve the Company's annual operating plans and budgets
 - Review the financial controls and reporting systems
 - Oversee the management of enterprise risk
 - Review the ethical standards and legal compliance process
 - Monitor relations with shareholders, employees, and the communities in which the business operates.
- A guidance paper on Board assessment of organizational governance will be provided

Exercise 2 The challenges of Corporate Governance for the Board

Analysing and assessing the effectiveness of Governance controls

- Business process analysis techniques
- Process objectives and risk
- The need to understand the business objectives
- Developing a programme to reflect these objectives
- Defining and measuring strategic objectives
- Determining process components
- The link between objectives and risk
- The link between risks and controls
- Process and business system controls
- The link between inputs and outputs
- Trigger events

Exercise 3 Delivering a Governance assessment process

Meeting Stakeholder expectations

- Who are the stakeholders?
- Are stakeholders' expectations known?
- Are the expectations clear?
- How can you meet the widely differing expectations?
- Are there any areas where expectations could be exceeded?
- Are there any quick wins?
- What reports should be provided to stakeholders?
- A new paper on working with stakeholders will be shared
- What every Director should know– new guidance

Exercise 4 Meeting the ever expanding needs of stakeholders

The Audit Committee and Governance

- The Audit Committee role
- The governance custodians
- Structure and independence
- Considering the reports of external audit and other external agencies?
- Reviewing the effectiveness of relationships between IA and EA and other bodies reviewed
- Assessing the effectiveness of the risk management environment and anti-fraud arrangements
- The Audit Committee / Internal Audit relationship
- Reviewing Governance statements and the annual statement of accounts to ensure both properly reflect the risk
- An Audit Committee checklist will be shared

Exercise 5 The Audit Committee challenges

Day 2 The Governance agenda

Reviewing the overall ERM process

- Establishing the position regarding Enterprise Risk Management in the business
- Keeping the Board apprised of the most significant risks
- Assessment of Risk Management capabilities
- Evaluating key surprises
- Review of risk evaluations in each function
- Ensuring actions to treat exposures are implemented
- Ensuring all functions evaluate their risks consistently
- Evaluating the results and challenging where necessary
- Identification of exposures
- Reviewing risk registers
- Imperatives for change
- Comparing perceived versus actual controls
- **An ERM evaluation tool will be shared**

Exercise 6 – Evaluating the ERM process

The link between ERM and strategic objectives

- The need to understand the organisation's strategic objectives
- Developing a programme to reflect these objectives
- Risk appetite – the least understood aspect of risk?
- External risk statements – principal risk factors
- Examples of risk appetite statements will be provided
- Categories of risk
- Establishing a risk management framework
- The results of a Global RM study will be shared

Exercise 7 Analysing a strategic disaster

Reputation management

- The rise of reputation as a key risk
- The increasing importance of a positive image – the need to be admired
- Where does reputation come from?
- How do you measure it?
- The magnifying effect on reputation of business failures
- Global brands
- How to judge reputation
- The explosion of regulation and external assurance
- Identifying reputational risks
- Identifying Reputational Risks
- **A checklist for reviewing reputational risk will be provided**

Exercise 8 Assessing reputational management

Corporate Social Responsibility

- The increasing importance of Corporate Social Responsibility (CSR)
- What constitutes CSR
- The wider aspects of CSR
- The importance of responsible business practices
- How to assess CSR – key steps
- Leading by example on matters of integrity and ethics
- Are opportunities taken to develop the ethical reputation of the business?
- How do we ensure that staff have and display the right attitudes?
- Has the business assessed its reputation for social responsibility and its impact on our business prosperity?
- Is the Board, and in particular the Chief Executive, sensitive and responsive to the CSR concerns of stakeholders

Exercise 9–The CSR challenges

IT Governance

- The need to ensure IT processes directly support the organisation's strategies and objectives.
- IT governance helps ensure close linkage to the ERM activities
- identifying potential opportunities to improve IT practices and processes
- Identifying the high risk areas
- Assess IT vulnerabilities
- A general policy on the level of security and privacy throughout the organization
- A statement on the classification of information and the rights of access at each level
- A definition of the concepts of data and systems ownership, as well as the authority necessary to originate, modify, or delete information
- Use of key frameworks such ISO 27000
- **An ISO 27000 checklist will be shared**

Exercise 10 – Challenges of IT Governance

Corporate Governance communication internally and externally

- External Financial Reporting disciplines
- Responsibilities and Guidelines for Communication to the Board of Directors
- Communicating a Whistle-Blower Program to Company Personnel
- Communicating through Alternative Reporting Channels
- Establishing Cross-Functional and Multidirectional Internal Control Communication
- Surveys of external parties

Exercise 11 – Assessing communication management

©Business Risk Management Ltd 2021