



Strategic Risk Management -The Route to Business success

Attend this brand new seminar led by world renowned expert Phil Griffiths of Business Risk Management Ltd and learn how to:

- **Sell and measure the benefits of positive risk management**
- **Engage The Board and Audit Committee in the process**
- **Identify evaluate and manage the most significant risks including reputation, political, economic and information**
- **Understand why such risks are not the traditional financial ones**
- **Increase focus on and delivery of strategic objectives**
- **Enhance understanding of risks and exposures faced**
- **Enforce ownership of risks**
- **Build understanding of how risks are changing**
- **Integrate effective risk management into project development and partnership arrangements**
- **Build a full record of key risks**
- **Identify over-managed risks and unnecessary controls**
- **Embed the process in the business**

Dear Assurance Professional,

- **The ability to manage significant risks effectively is an increasingly critical success factor for all organisations, irrespective of the sector they represent. Badly informed or poorly executed risk management, on the other hand, can easily spell disaster (as recent high profile failures have demonstrated).**
- **Any organisation that has encountered unwelcome surprises or unexpected events should realise that most were preventable. Such events will almost certainly have been caused by risks that were not fully understood, or the processes to mitigate those events being inadequate.**

- What is more financial risks are just the tip of the iceberg. Recent research has shown that 80% of key risks are not insurable.
- As each month passes the importance of risk and assurance increases, or so it would appear from the ever-increasing coverage being given to the subject.
- The result is that risk management has been catapulted from being a useful tool to become the very pulse of the organisation and the yardstick by which its management is judged.
- The key is to recognise that risk is not something that should be avoided – a risk is often an opportunity in disguise.

Who Should Attend?

Any executive or manager tasked with establishing, implementing or facilitating a business risk process or anyone tasked with providing assurance to senior management that the significant risks are being managed appropriately.

Topics Covered Include:

- The key elements of a business risk programme
- How to successfully evaluate the key risks identified
- Explanation of the alternative risk identification methods
- How to assess risk mitigation practices and identify exposures
- How to deal with exposures
- Practical demonstration of risk workshops
- How to engage stakeholders
- How to establish a risk strategy
- Why you need to embed the risk management process into the Corporate culture
- Why Risk management is a real business enabler
- Explanation of the key features of the various Standards (AUS/NZ, IRM/AIRMIC, COSO, BASEL etc)
- How to cascade the process effectively
- The need to engage partners in the process
- How to coordinate the efforts of the various assurance providers
- Why the emerging risks may be the real threats

Course Outline

Day 1 - Understanding Major Business Risks

Breaking Down the Barriers

- Why senior management often lack a full understanding of the risks in their business.
- The role and responsibilities of Directors and line the Board with respect to risk management
- Definition of business risk and its nuances
- Designing strategies and systems to suit the organization.
- The key link between Corporate Governance and risk
- Selling the benefits to Top Management
- Defining significance in relation to risk (in monetary and other terms)
- Establishing a strategic business risk programme - the steps to success.
- *Exercise 1 – the major risks in your organization*

The Wider Business Agenda

- The need to understand the organisation's strategic objectives
- Developing a programme to reflect these objectives
- Explanation of the AS/NZS 4360 standard – the internationally recognised risk management standard + COSO + IRM standards
- Understanding the organisation's risk appetite
- Categories of Risk
- The Risk management framework
- *Exercise 2 – analysing a disaster*

Establishing An Embedded Risk Management Process

- Why is risk such a hot topic?
- Surprises and risk
- Why financial risks are only the tip of the iceberg
- The widening of the risk portfolio
- The challenges- Basel, Governance, Non-Exec's liabilities etc
- The need to link risk management with strategic planning
- New and emerging Risks- Reputation, Social, Environmental
- Getting your Chief Executives support
- Developing a risk strategy for your organisation
- Establishing the business case
- Selling the benefits to management

- Risk and competitive advantage
- Risk workshops – the do's & don'ts
- *Exercise 3 – An exercise to allow you to appreciate risk taking in action*

Risk Identification and Evaluation

- Approaches and techniques
- How to establish a risk workshop process
- The benefits of facilitation and the characteristics required
- The use of diagnostic questions and thought-provokers
- The pros and cons of using data capture technology
- How to identify, sift and group the risks
- Measuring the consequences and the likelihood of occurrence of each risk
- The use of risk matrices to prioritise the risks.
- Corporate Governance reporting requirements

Assessment of Risk Mitigation

- Managing risk – the options
- Management evaluation of mitigation controls
- How to assess risk mitigation
- Identification of risk exposures
- Critical evaluation of exposures
- Dealing with the exposures (the 4 Ts - terminate, tolerate, treat or transfer)
- Establishment of action plans.

Day 2 – Integrating the Risk Management process

Integrating The Output From Risk Workshops Into The Business Planning Process

- Linking corporate risks into the Strategic planning process
- Linking operational risks into service planning
- Risk owners – how to determine such personnel and enforce ownership
- Annual statements by risk owners
- Developing risk tracking
- Using the risk register as a decision skeleton
- Quarterly Board reporting to review progress in addressing the exposures

- Risk Management Committee reporting
- Half yearly evaluation of key risks to ensure new risks identified and included
- Reports for Senior Management - power point example will be shared
- ***Exercise 4 – The emerging risks***

People and Process Risks

- Key risk themes and how to deal with them
 - Failure to manage projects effectively
 - Loss of IT systems
 - Failure of partners or inability to establish effective partnering
 - Loss of key personnel
 - Hacking/breach of system security.
 - Failure to innovate
 - Poor prioritisation of systems development
 - Loss of morale / stress
 - Too much data – insufficient information
 - E-Commerce – the key risks and steps to take to mitigate them
 - IT security – how to evaluate effectiveness and influence change

Reputation Risks

- Definitions
- The rise of reputation as a key risk
- The increasing importance of a positive image – the need to be admired
- Reputation – the value measure of the 21st century
- Creating value from intangible assets
- Where does reputation come from?
- How do you measure it?
- The magnifying effect on reputation of business failures
- The explosion of regulation and external assurance
- ***Exercise 5 - how to judge reputation***
- ***A checklist for reviewing reputational risk will be provided to all delegates***
- ***The checklist incorporates sections on: -***
 - ***Financial performance***
 - ***The Senior management role***
 - ***Quality of Service provision***
 - ***Treatment of staff***
 - ***Social Responsibility***

- **Customer Service**
- **Information and Communication**

Recording The Risk Environment

- **Risk registers – the need to coordinate and link the output**
- **Flagging interdependencies – if one risk treatment is changed the other party or parties impacted need to be notified.**
- **Risk treatment analysis – how to determine the cost/ benefits of dealing with exposures / exploiting opportunities**
- **Risk management as a route to reducing bureaucracy**
- **How to use the risk process to break down the cultural barriers**
- **Making risk management second nature**
- **Keeping up the momentum**
- **Risk financing and how to introduce the disciplines**
- **Integrating incident management**
- **Business Continuity planning**
- **Integrating Health and Safety, Insurance and claims etc**
- **Measuring the benefits**

- ***Exercise 6 -Measuring the benefits***

Cascading the process

- **Stakeholders interest in risk**
- **Workshops for other management levels**
- **How to measure the benefits**
- **Risk awareness for staff**
- **Sharing output with partners**
- **Evaluating risks within these relationships**
- **Risk indicators (KPI's)**
- **Auditing the Risk Management programme**
- **How to Identify and reduce excessive controls**
- **Feeding key risks up the organisation**
- **Coordinating the whole process**
- **Useful web sites and reference books**
- **Managing stakeholder expectations**
- **How to use the programme to change the culture**