

Enterprise Wide Risk Management Applications

Workshop



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Optional: A 3rd Edition, copy of Risk Management Book written by the Course Facilitator will be handed out as part of the course material.

Theme:

Managing risk is today's part & parcel of Corporate Management

Overview of this Course:

Knowing risks, addressing & reporting them ensure that your organization's operations are not interrupted, and your products and services are reliable and of quality.

Today, risk management is no more an option or a fad, but a way of doing business credibly. Many failures and collapses of small and big business and non-business organisations happen every time and we hear of these from the press and featured in the electronic news.

These are the five common questions people like to ask about risk managers and risk management:

1. What is this function of risk management all about?
2. Who can be a risk manager? What does managing risks mean?
3. Is there any glaring difference between a risk manager and other ordinary manager who does other roles/functions in an organisation?
4. What are the various groups of risks in any organisation?
5. How can you, as a professional risk manager, profile or scope/map your organization's various risks?

Objectives of this course

Participants will

- (i) know what risk management is all, about in your organization
- (ii) understand how risk management functions add value to the management and board
- (iii) get clarifications on the myths and facts surrounding risk management
- (iv) be able to play the risk management roles as a risk management professional
- (v) be able to apply and implement risk management programmes and activities for your organisation
- (vi) Can apply some of the relevant risk-management principles in their day-to-day work/activities or do things more effectively, efficiently and economically.

Who should attend?

- Risk Managers
- Auditors
- Those employees selected or recommended by the management (company) to attend for general awareness of the topic/subject matter
- Any staff in an organisation who would like to know what risk management is all about, and what does risk management entail?

Benefits of attending

This course will be of great value to anyone who would like to have answers for the 5 common questions stated above regarding risk manager and risk management.

COURSE SYNOPSIS/MODULE

1 DAY

Module 1: What is risk?

- The definition of risk.
- Characteristics of risk
- Inherent risks and residual risks.
- Micro and macro risk perspectives. 'Forest and Trees' analogy of risk management.
- Risk is good, when?
- Risk is bad, when?
- Your risk-management function must always be to support business and operation, and not independent of management, but an ally or complement.

Module 2: Risk Management video

- Learning points from the video

Module 3: Risk treatment: Controls & Mitigants

- Ways to address your inherent risk
- Your weapon known as control
- Ways to address your residual risk
- Your weapon known as control
- 'A STRAP' approach, ways to treat your residual risk

Module 4: Risk everywhere

- Inherent risks
- Residual risks

Module 5: ERM video

- Tips and lessons learnt

Module 6: Who is responsible for risks in an organisation?

- Whose role is it to manage risk in your organisation?
- Who is responsible for risks in your organisation?
- Who is accountable for risks in your organisation?

Module 7: Why risk management i.e what is good about knowing how to manage risk?

- Risk management benefits to individuals.
- Risk management benefits to entities, companies, organizations, institutions.
- Risk management benefits to society, community, country, nation, the world.

Module 8: Group exercise & presentation

2 DAY

Module 9: What can happen when you have no or ineffective risk management?

- Poor products and no quality in your services
- Goals not met, targets not achieved, tasks not fulfilled, objectives not accomplished
- Understanding management controls, threshold/tolerance limits
- Unable to comply with important internal and external regulatory guidelines

Module 10: Your basic understanding of risk groupings and the key issues thereat

- Strategic risk and key issues.
- Credit risk and key issues of credit risk.
- Market/Treasury risk and key issues in market/treasury risk.
- Operational risk and key issues of operational risk.
- Systems (IT/IS) risk, and key issues in Systems/IT/IS risk
- Other risk group and key issues.

Module 11: Risk Management video

- Tips from the video

Module 12: Recognize and complete your risk management building blocks

- The 7 cornerstones or building blocks of risk management:
- Risk management **philosophy** & risk **policy**.
- Risk management **framework** (process, procedures, methodology, assessment, evaluation, control).
- Risk management **roles** & **responsibilities** of all and sundry...from director down to bottom base of management, and reporting hierarchy.
- Risk management **awareness** programmes, training.
- Risk management **resources, people**, infrastructures, support.
- Risk management **systems reporting, monitoring**, follow-up
- Risk management programme **re-assessment, reviews** and continuous improvement/change management, adopt **best-practices**.

Module 13: Professional approach: Things to know about risk management framework

- What is ERM competency framework?
- Knowing ISO31000 model and approach
- Using ISO 31 000 risk management programme
- Risk **identification**.
- Risk assessment, **evaluation**.
- Risk **measurement**, quantification.
- Risk treatment, **control**, mitigation, containment.
- Risk documentation, **reporting**, management escalation, risk **monitoring**, follow-up

Module 14: ERWM video

- Lessons learnt from the video

Module 15: Enterprise risk management (ERM) scoping/mapping/profiling for an organisation

- What is ERM?
- Why ERM?
- Risk-scoping, risk-profiling, risk-mapping
- Risk register or risk log
- Risk heat map and risk-matrices
- Risk KPIs
- Knowing your organization's top 5 or 10 risks.

Module 16: Risk management implementation

- Start with your 4 Initiatives or Programmes
- What are your 4 Initiatives?

Module 17: EWRM video

- Your take from the video

Module 18: A peek into risk measurement & quantification using risk matrix methodology

- How do you classify your risks into 'high, medium, and low' risk grade?
- Adopting a risk-matrix that works in your organisation.

Module 19: ERM Initiative 1

- Group exercise & presentation

3 DAY

Module 20: ERM video

- Comments and sharing from the video

Module 21: Understanding your company's business lines, and recognizing the common loss events for purpose of risk-self assessment in an organisation.

- Company's business lines or organizational structure/departments:
- Business operations, back-office function or the various support departments

Module 22: ERM Initiative II

- Group exercise & presentation

Module 23: Group exercise: Risk management profiling or scoping/mapping

- Determine two risk management value tables: risk-likelihood value, and risk-impact value
- Creating risk log or risk register
- Establishing your risk heat map
- Your risk report templates

Module 24: Risk events in your organization's operations

- (i) Internal Fraud
- (ii) External Fraud
- (iii) Poor or failure in employment practices & inadequate workplace safety
- (iv) Poor or failure in clients, products & business practices
- (v) Damage to physical assets
- (vi) Business disruption & systems failures
- (vii) Poor or failure in execution, delivery & process management

Module 25: Managing business disruption & systems failures

- What is business disruption and BCP?
- Knowing concepts and relevance of BCP management
- Adopting ISO22300 BCP model or approach

Module 26: Risk concerns in your organization's three agendas

- Products and services
- Networks and delivery channels
- Users and customers

Module 27: EWRM video

- Sharing on the video

Module 28: ERM Initiative III

- Group exercise & presentation

Module 29: 3-prong roles to address risk

- Internal audit management
- Compliance management
- Risk management

Module 30: Convergence divergence

- Convergence....Commonness of audit, compliance and risk management
- Divergence...Differences among audit, compliance and risk management

Module 31: Risk management video

Module 32: Risk management role-play

- Knowing risk ownerships
- Role of Risk Management Department
- Management's role
- Board's role
- Risk owners....Implementing and compliance role
- Compliance... Monitoring, co-ordinating & reporting role.

Module 33: ISO 31000 approach

- Process flow....principles or activities in risk management
- Establish the context
- Identify risk
- Analyse risk
- Evaluate risk
- Treat risk
- Report
- Review

Module 34: Functional effectiveness

- Policy, procedure
- enforcement (monitoring, reporting and management action plans)
- Review and continuous improvement
- Reporting structure, addressees, follow-up remedial actions

Module 35: COSO ERM matrix

- Strategic objective
- Operational objectives
- Reporting objectives
- Compliance objectives

Module 36: Group exercises

- Risk compliances
- Risk observations reviews (past, current, future)
- Risk controls and Mitigants (existing and for enhancements)
- Taking stock: Review & re-evaluate; how to be an effective risk co-ordinator, peer-review, good market practices
- The way forward...Areas for improvements to my existing environment or risk management practice

Module 37: ERM Initiative III

- Group exercises and presentation

Module 38: Revisit of risk management functions in the organisation

- Why risk management, purpose, values
- If no risk management, so what?
- Success factors or things needed that can make your ERM programme workable and effective
- Doing ERM right, how?
- Your 4 Initiatives, and 7 cornerstones
- Which cornerstone or ERM building block is most important?

Module 39: ERM Initiative IV

- Group exercise & presentation

Module 40: Documenting the role of Risk Co-ordinators

- Structure, set-up, terms of reference and JDs
- The 1st and Last question:
“How do you value-add to business/operations, management and board?”
- What do you do: Your 7Ws and 1H question
- Risk escalation guide
- Deliverables,: Your reports, to whom, how, and for what purposes
- Risk observations and monthly views

Module 41: Risk concerns in your organization’s three agendas from the financial industry and operation’s environment

- Products and services
- Networks and delivery channels
- Users and customers

Module 42: Risk Co-ordinator’s involvement in company’s BCP programme

- ISO22300 process-flow and applications for business continuity
- Disaster and crisis
- Features of a strong and effective reliable BCP programme

Module 43: Participants’ forum

- Views and Q & As with participant’s

Course Hand-Out

- i. PowerPoint notes. Group exercise & case study papers
 - ii. Optional: A copy of Risk Management Book written by the Course Facilitator
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