



Implementing Enterprise Risk Management: A Practical Approach

What you will gain from this seminar:

- Understand the COSO ERM Framework
- Understand and practice the most current risk management techniques
- Be able to apply current risk management techniques to your organization
- Be prepared to play a leading role in your organization's management of business risk

Who should attend: Auditors at all experience levels. Business managers interested in risk management.

Course Outline

- Risk Management Basics
 - Origins and drivers
 - What control frameworks (COSO/CoCo) say about risk
 - The risk management process - basic
 - The new understanding of risk
 - Why COSO developed this new framework; how it differs from the original

- ERM: Two Real-World Examples
 - The Right Way to Implement ERM
 - Robust ERM at Countrywide Financial
 - The minimalist approach at a Fortune 500 manufacturing firm

- ERM: Current Status, Benefits, Benchmarking
 - Results of 2004 global CEO survey
 - Benchmark your organization against survey results – what do you need to get to the next level?

- Internal Environment
 - Risk management factors & issues to consider
 - Techniques to foster the desired environment

- A Tool to monitor the internal environment: Ameritech's entity-wide Self-Assessment Survey
- Entity-wide surveys: keys to success, caveats, things to consider
- *Exercise*: develop survey statements for internal environment

■ Objective Setting

- Strategic, operational, financial, compliance objectives
- SMART Objectives
- *Exercise*: set objectives for GROT or your own organization
- Risk appetite and risk tolerance

■ Event Identification

- Events: risks and opportunities
- Techniques for identifying events
- Event categories: examples
- *Exercise*: develop event categories
- *Exercise*: identify events for your objectives

■ Risk Assessment

- Inherent and residual risk
- Qualitative and quantitative risk assessment techniques
- *Exercise*: select techniques for risks you identified
- Risk maps
- Aggregating risks – portfolio view

■ Risk Response & Control Activities

- Risk response: avoid, reduce, share, accept
- *Exercises*: risk response
- Control Activities: Some useful concepts
- Control activities are changing
- COSO, CoCo and soft controls
- “Working inventory” of soft controls

■ Information and Communication; Monitoring

- Enterprise risk & assurance software
- Monitoring risk management techniques: guidelines and tips
- Internal audit's role in ERM
- *Exercise*: Monitoring