BOARD DRIVEN DRIVEN/OBJECTIVE CENTRIC ASSURANCE: TRANSFORMATION STRATEGIES TO MEET NEW EXPECTATIONS

In the wake of the 2008 global financial crisis commissions were convened around the world to study what went wrong. The common conclusion was that one of the primary root causes of the crisis was deficient risk management and board oversight of risk. Canadian and U.S. security regulators called for new annual public disclosures on risk oversight practices in Annual Information Forms ("AIF") and Proxy Statements. Credit rating agencies have all increased their focus on this dimension in credit rating reviews. Institutional investors have radically increased their demands for information on how companies manage and oversee risk. The IIA launched its first new professional designation in decades – Certification in Risk Management Assurance ("CRMA"). In Canada the CICA responded with the release of new risk oversight guidance for directors in May of 2012 – A FRAMEWORK FOR BOARD OVERSIGHT OF RISK. In the U.S. a Blue Ribbon Commission established by the National Association of Directors ("NACD") in their seminal report RISK GOVERNANCE: BALANCING RISK AND REWARDS called on all directors to focus on improving risk oversight practices.

While risk oversight objectives may vary from company to company, every board should be certain that:

• the risk appetite implicit in the company’s business model, strategy, and execution is appropriate

• the expected risks are commensurate with the expected rewards

• management has implemented a system to manage, monitor, and mitigate risk, and that system is appropriate given the company’s business model and strategy

• the risk management system informs the board of the major risks facing the company

• an appropriate culture of risk-awareness exists throughout the organization

• there is recognition that management of risk is essential to the successful execution of the company’s strategy

These new expectations have profound implications for internal auditors, ERM teams, senior management, and boards of directors. This highly condensed three hour workshop has been specifically designed to help organizations meet these new expectations. Coverage will include:

• What’s wrong with the status quo approaches to ERM and IA?
• Deficiencies of “SUPPLY DRIVEN” ERM and IA in use around the world
• What is BOARD DRIVEN/OBJECTIVE CENTRIC Assurance?
• The business case for BOARD DRIVEN/OBJECTIVE CENTRIC Assurance
• Impact of BOARD DRIVEN/OBJECTIVE CENTRIC approach on IA planning and work plan
• Implementing BOARD DRIVEN/OBJECTIVE CENTRIC Assurance – step-by-step
• Building, prioritizing and assigning the organization’s OBJECTIVE REGISTER
• Practical methods to reliably identify and assess risks to key value creation/value erosion objectives
• Identifying and assessing the current “RISK TREATMENTS” in place – including risk mitigation, risk transfer, risk share, and risk finance strategies.
• Documenting the current residual risk status and assessing whether it is within your organization’s RISK APPETITE/TOLERANCE
• How to assess whether current risk treatment strategies are optimized – i.e. the lowest possible cost capable of producing an acceptable residual risk status
• Integrating ERM, INTERNAL AUDIT and your organization’s strategic planning and budgeting processes
ABOUT YOUR WORKSHOP LEADER

Tim Leech FCPA CIA CCSA CFE is recognized globally as one of the world’s top risk governance and internal audit experts. His accomplishments include:

- Recognized in 1997 by the Ontario CA Institute with the FCA designation for his contributions to the profession in the area of risk and control governance.
- Recognized in 2009 by IIA Canada with the first ever Contribution to the Profession award for his contributions in the field of internal audit and risk management.
- Has developed and presented training on internal audit and ERM for internal auditors and risk specialists in countries around the world including Canada, the U.S., U.K. Europe, Australia, New Zealand, Brazil, Middle East, Africa and South America.
- Recognized by OCEG for contributions to the governance, risk and compliance field with a fellow designation.
- Author of scores of publications on leading-edge approaches to risk and control management and oversight including his white paper THE HIGH COST OF ERM HERD MENTALITY and the Conference Board Director Notes paper BOARD OVERSIGHT OF MANAGEMENT’S RISK APPETITE AND TOLERANCE
- Has provided risk and control management and oversight training to major public and private sector organizations around the world. A small sample of clients he has provided training for includes Mobil, Shell, Arco, Canadian Occidental, British Gas, Gulf Canada, RBC, TD Financial, National Bank, Desjardin, SVG Capital, Tucson Electric, BellSouth, Telstra, Alberta provincial government, Ontario provincial government, numerous Canadian federal government departments and many others.
- Serves on the advisory board of a project currently underway by the Canadian and US actuary societies to develop globally accepted risk management taxonomy.
- Retained by IIA Canada and IIA Global to present training for internal auditors on how to comply with section 2120 of the International Professional Practices Framework – assessing and reporting on the effectiveness of risk management processes.