Enterprise Risk Management: Elements of the Process

About This Course

Course Description
In today’s ever-changing world, organizations are continuously faced with risks. These risks can have catastrophic impacts on an organization’s success, reputation, and future. Enterprise risk management (ERM) is often times an overlooked or under-implemented function, leaving organizations vulnerable and unprepared.

This course will provide you with the fundamental concepts necessary to understand this function. You will acquire knowledge of the evolutionary and fluid process of developing, implementing, and evaluating ERM. You will also learn how to monitor risk at an enterprise-wide level, as well as the application techniques necessary for implementing the process within your organization.

This course is designed for internal auditors with at least 3 years of experience who are involved in the ERM process, as well as managers and other professionals who deal with the complexities of ERM.

Course Objectives

• Define enterprise risk management.
• Identify the roles and responsibilities within an organization to implement enterprise risk management as an enterprise-wide function.
• Identify the internal audit activity’s role in enterprise risk management.
• Compare the types of enterprise risk management frameworks.
• Define the enterprise risk management environment.
• Understand how to implement an enterprise risk management program in an organization.
• Understand how to monitor and evaluate an enterprise risk management program for improvement.
Course Topics

ERM Overview
- Why Is It Important to Invest in ERM?
- Relationship Between Governance, ERM, and Internal Control
- Premise, Principles, Limitations, and Effectiveness
- Internal Audit’s Role in ERM
  - Assurance Service Roles
  - Consulting Services Roles

ERM Frameworks
- COSO ERM Framework
  - Components
  - Objective Categories
- ISO 31000
  - Mandate and Commitment
  - Risk Management Process

ERM Environment
- Internal Environment Overview
- Factors Affecting the Organization as a Whole
- ERM Philosophy
- Risk Appetite
  - Risk Appetite vs. Risk Tolerance
  - Qualitative and Quantitative Terms
  - Reputational Risk
- Risk Culture

ERM Implementation – Risk Assessment
- Initiating a Structured, Disciplined Approach to Implementation
- Implementation Options and Decisions
- Building a Framework
- Obtaining ERM Mandate and Commitment
- Determining Risk Criteria
- Risk Identification and Assessment
- Methodology and Techniques Overview
**ERM Implementation – Risk Treatment**
- Identifying Risk Treatment/Responses
- Evaluation and Selection Considerations
- Risk Treatment/Response Options
- When Risk Treatment Options Are Most Appropriate
- Developing a Risk Treatment/Response Plan

**Monitoring the ERM System**
- ERM Monitoring Defined and Explained
- Monitoring the Organization’s Context
- Monitoring the ERM System
- Monitoring the Organization’s Business Performance
- Monitoring Throughout the Organization
- How Monitoring is Performed
- Risk Management Reporting
- Ongoing Monitoring Activities
- Monitoring Evaluations and Deficiencies

**Evaluating and Improving ERM**
- Embedding ERM in the Internal Audit Plan
  - Implementing an ERM-based Audit Plan
  - Providing Assurance and Consulting Services
  - Coordinating Assurance and Consulting Activities
  - Documenting Internal Audit’s Roles and Responsibilities
- Embedding ERM in the Internal Audit Methodology
  - Planning the Audit
  - Conducting the Audit
  - Communicating Results
- Assessing the ERM System
  - A Comprehensive Assessment Approach
  - A Maturity Assessment Approach
Course Information

Course Duration: 2 Days

CPE Hours Available: 16

Knowledge Level: Intermediate

Field(s) of Study: Auditing

Prerequisite(s): None

Advance Preparation: Participants will complete an interactive self-study element as part of this course, which will be completed online prior to attending the facilitated session.

Delivery Format(s): Seminar, On-site, eLearning