

## Course Title: Course Title: Enterprise Risk Management: Frameworks, Strategy, and Practice

### Course Description

This course provides an in-depth exploration of Enterprise Risk Management (ERM) with a focus on frameworks, governance structures, and strategic alignment. Through practical insights, theoretical frameworks, and real-world examples, students will learn how organizations effectively identify, assess, and manage risks to achieve business goals. The course examines the role of the COSO framework in ERM, the integration of strategy with risk management, and the importance of creating a risk-aware culture. Participants will also explore the evolving role of the Chief Risk Officer (CRO) and the use of tools like Key Risk Indicators (KRIs), corporate risk tolerance, and risk profiles to make informed decisions.

By the end of the course, participants will be equipped with practical knowledge to implement ERM processes across diverse industries, especially in complex environments, and align risk management with long-term strategic objectives.

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### Course Goals

1. **Understand ERM frameworks:** Gain knowledge of COSO and other ERM frameworks to implement structured approaches to risk management.
2. **Develop governance insights:** Explore the role of boards, executives, and risk professionals in overseeing and implementing ERM practices.
3. **Align risk with strategy:** Analyze the relationship between business strategy, uncertainties, and risk management systems to enhance decision-making.
4. **Build a risk-aware culture:** Learn how to foster organizational cultures that prioritize proactive risk management at every level.
5. **Apply risk management tools:** Master key tools, such as KRIs, risk tolerance levels, and risk profiles, to improve risk assessment and communication.
6. **Adapt to complex environments:** Study ERM practices for organizations operating in high-risk or multi-location settings with conflicting objectives.
7. **Explore the evolving role of the CRO:** Understand the expanding responsibilities of CROs and their strategic influence in modern organizations.

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### Lessons Overview

#### I. Overview of Enterprise Risk Management (ERM) and the COSO Framework

- Introduction to ERM and the importance of an integrated approach to managing risks.
- Detailed exploration of the COSO framework, including its components (e.g., governance, strategy, performance, and monitoring).

- Practical benefits of adopting ERM frameworks in organizations.

## **II. Relationship between the Three Lines of Defence and Success Based on KPMG's Experience**

- Explanation of the Three Lines of Defence model: Operational management, risk oversight, and independent assurance.
- Insights from KPMG's experience on how effective collaboration among the three lines drives organizational success.

## **III. Introduction to Risk Management**

- Overview of risk management concepts, including risk identification, assessment, mitigation, and monitoring.
- Types of risks: financial, operational, strategic, regulatory, and reputational.

## **IV. The Role of the Board of Directors and Senior Management in Enterprise Risk Management**

- Governance responsibilities of the board and executives in setting risk appetite and monitoring ERM processes.
- How senior management ensures alignment between risk management and organizational objectives.

## **V. Relationship between Business Strategy, Key Strategic Uncertainties, and Risk Management Systems**

- How organizations identify strategic uncertainties and manage them using risk management frameworks.
- Integration of risk management systems with strategic planning processes.

## **VI. Enterprise-Wide Risk Management in a High-Risk Environment under Conflicting Objectives**

- Challenges of managing risks in volatile and high-stake industries.
- Techniques like scenario analysis and stress testing to manage conflicting business objectives.

## **VII. Becoming the Lamp Bearer: The Emerging Roles of the Chief Risk Officer (CRO)**

- Evolution of the CRO's role from a compliance function to a strategic leadership position.
- How CROs influence risk culture, strategic decision-making, and corporate governance.

## **VIII. Creating a Risk-Aware Culture**

- Key elements of a risk-aware culture and how it supports effective risk management.
- Strategies to embed risk awareness into organizational behavior and decision-making processes.

### **IX. Risk Management Functions in a Large, Multi-Location Bank**

- The complexities of managing risks in large financial institutions with multiple locations.
- Risk integration and compliance with global regulatory frameworks.

### **X. ERM Frameworks**

- Comparison of various ERM frameworks, such as COSO, ISO 31000, and Basel frameworks.
- How organizations adapt ERM frameworks to meet specific business needs and regulatory environments.

### **XI. Identifying and Communicating Key Risk Indicators (KRIs)**

- The role of KRIs in monitoring emerging risks and providing early warning signals.
- Best practices for identifying and communicating KRIs across departments and stakeholders.

### **XII. How to Create and Use Corporate Risk Tolerance**

- Definition and importance of corporate risk tolerance in managing business risks.
- Steps to establish risk tolerance levels aligned with strategic goals and operational performance.

### **XIII. How to Prepare a Risk Profile**

- Introduction to the components of a comprehensive risk profile.
- How to use risk profiles to prioritize risks and develop mitigation strategies.

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This course combines theoretical concepts with real-world applications to equip participants with practical skills in enterprise risk management, governance, and strategic alignment. By the end, students will have the tools needed to build resilient organizations and manage risks effectively across industries.