



Five Risk Management Principles of Champion Members

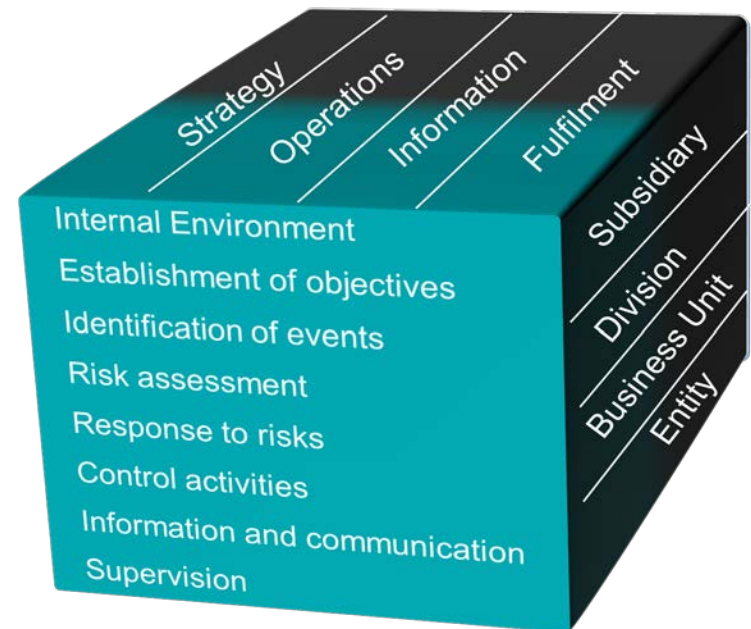


citycounty insurance services
cisoregon.org

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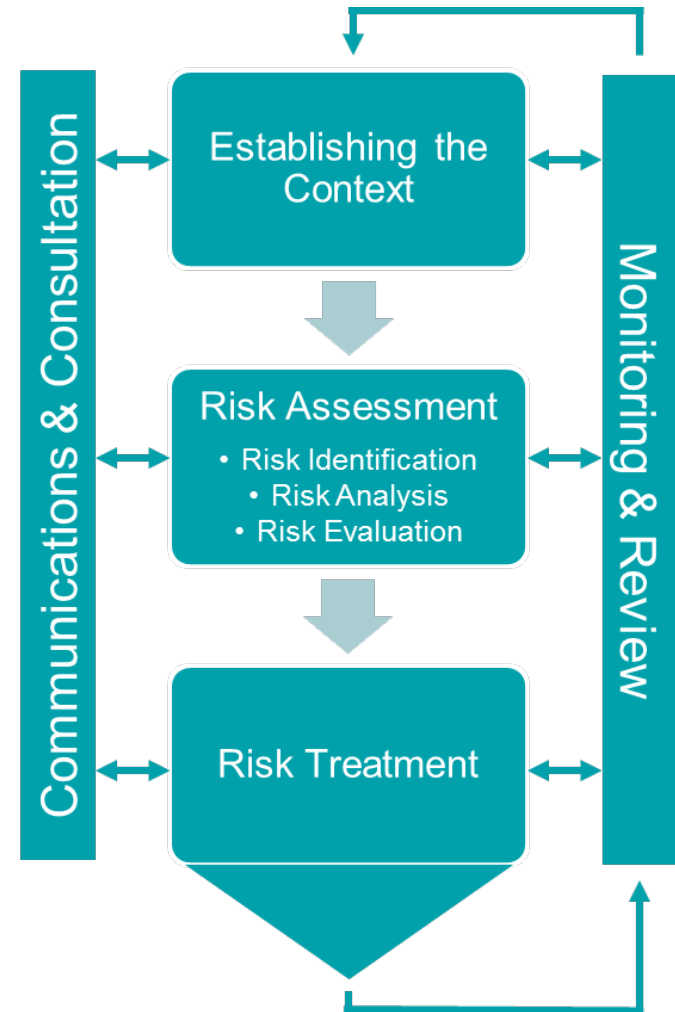
Why ERM – ISO 31000

- Future of Risk Management
- International Standard of Risk Management
- Risk Management Education Using ERM
- Better Decisions
- Greater Accountability
- Reduce Losses
- Improve Outcomes



ERM Framework

- Establish internal and external context
- Risk assessment
- Risk treatment
- Monitor results
- Communicate and consult with internal and external stakeholders



Establish Context

1. Mission/Strategic Plan
2. Risk Tolerance
3. Risk Policy
4. Executive Risk Team
5. Internal Stakeholders



1. Mission & Strategic Plan

Develop a Mission for the ERM team

- What is your purpose?

Align with your entity's Strategic Plan

- How you will achieve your goals?



2. Risk Tolerance

Determine your risk tolerance

- High
- Moderate
- Low

Determine amount of risk to retain vs. transfer



3. Risk Policy

Develop a risk policy that outlines

- ERM objectives
- Executive responsibility
- Board risk oversight committee responsibility
- Staff risk management committee responsibility



4. Executive Risk Team



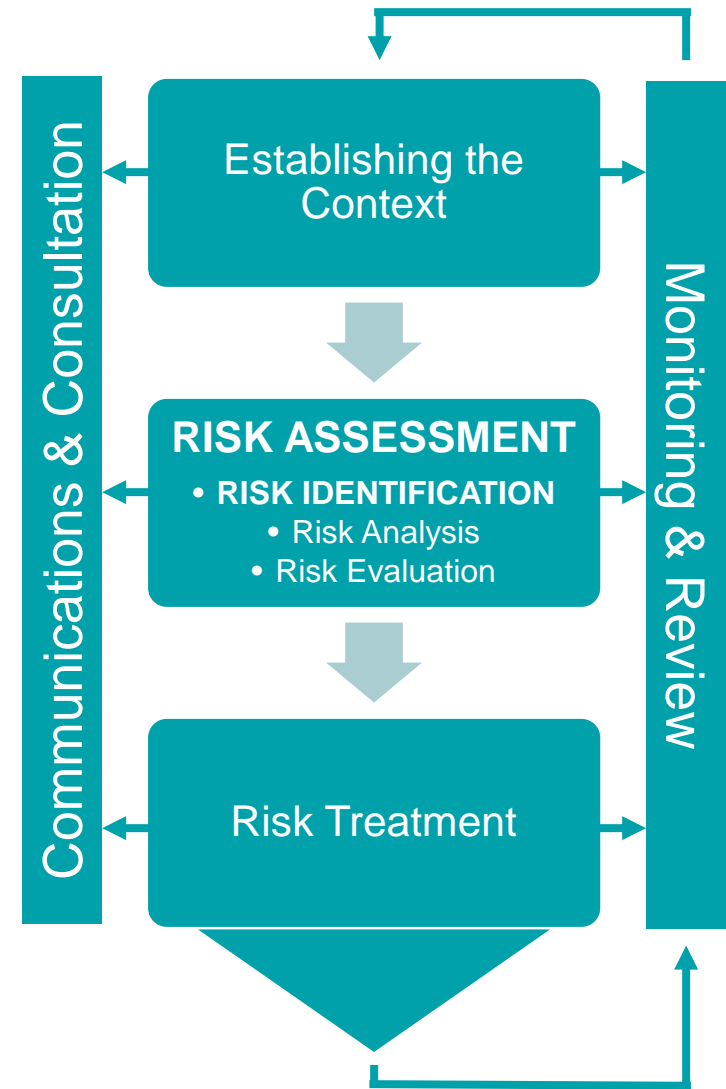
5. Internal Stakeholders

Identify who the internal stakeholders are in your entity

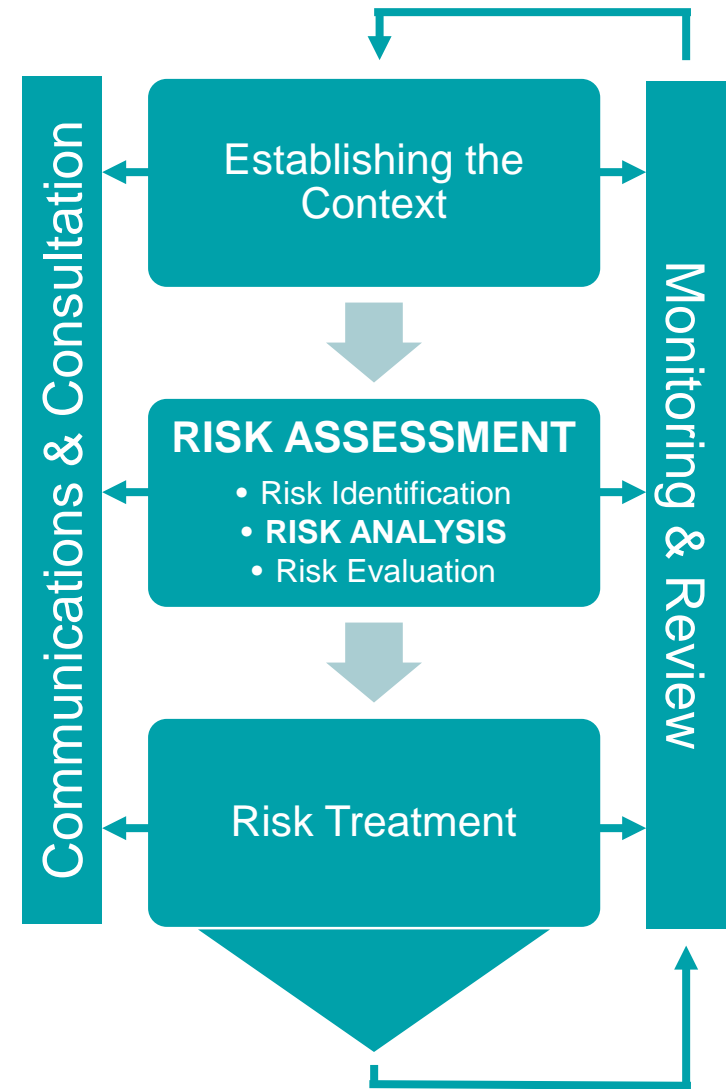
How do they play a role in your ERM program?



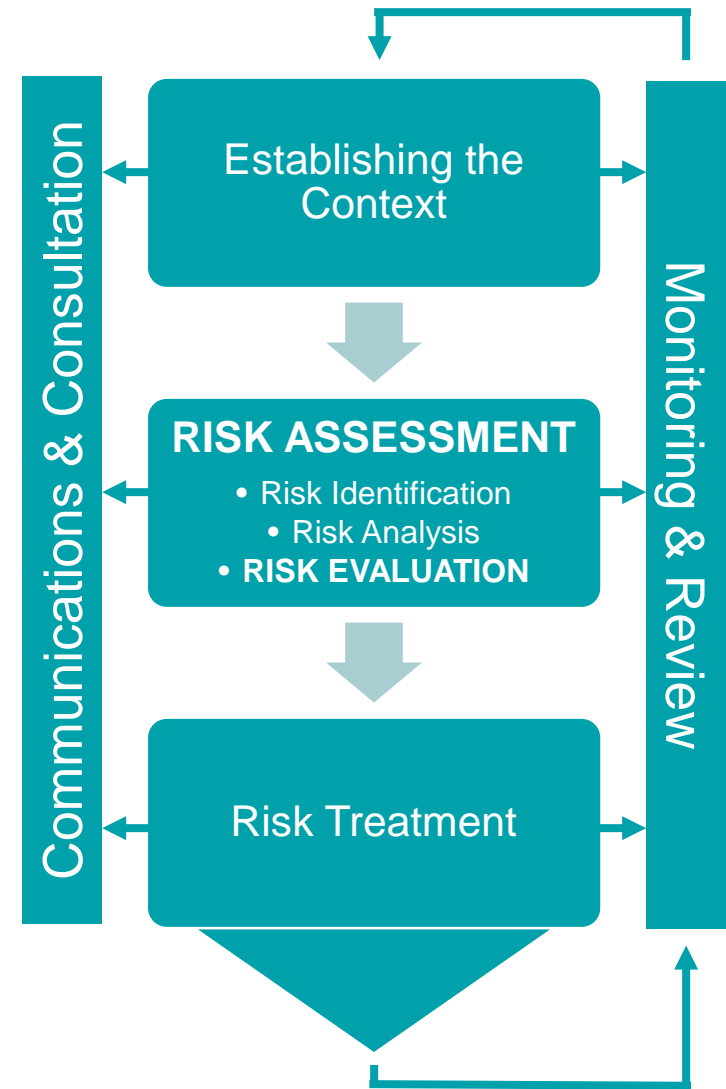
Risk Assessment: Risk Identification



Risk Assessment: Risk Analysis



Risk Assessment: Risk Evaluation



Risk Assessment



CIS Risk Checklist - cisoregon.org

- | | |
|--|---|
| <input type="checkbox"/> Employment | <input type="checkbox"/> Financial |
| <input type="checkbox"/> Law Enforcement | <input type="checkbox"/> Contracts |
| <input type="checkbox"/> Planning/Zoning | <input type="checkbox"/> Parks & Rec. |
| <input type="checkbox"/> Public Works | <input type="checkbox"/> Community Centers |
| <input type="checkbox"/> Elected Officials | <input type="checkbox"/> Vehicles |
| <input type="checkbox"/> Facilities | <input type="checkbox"/> Health/Human Resources |
| <input type="checkbox"/> Technology | <input type="checkbox"/> Fire |

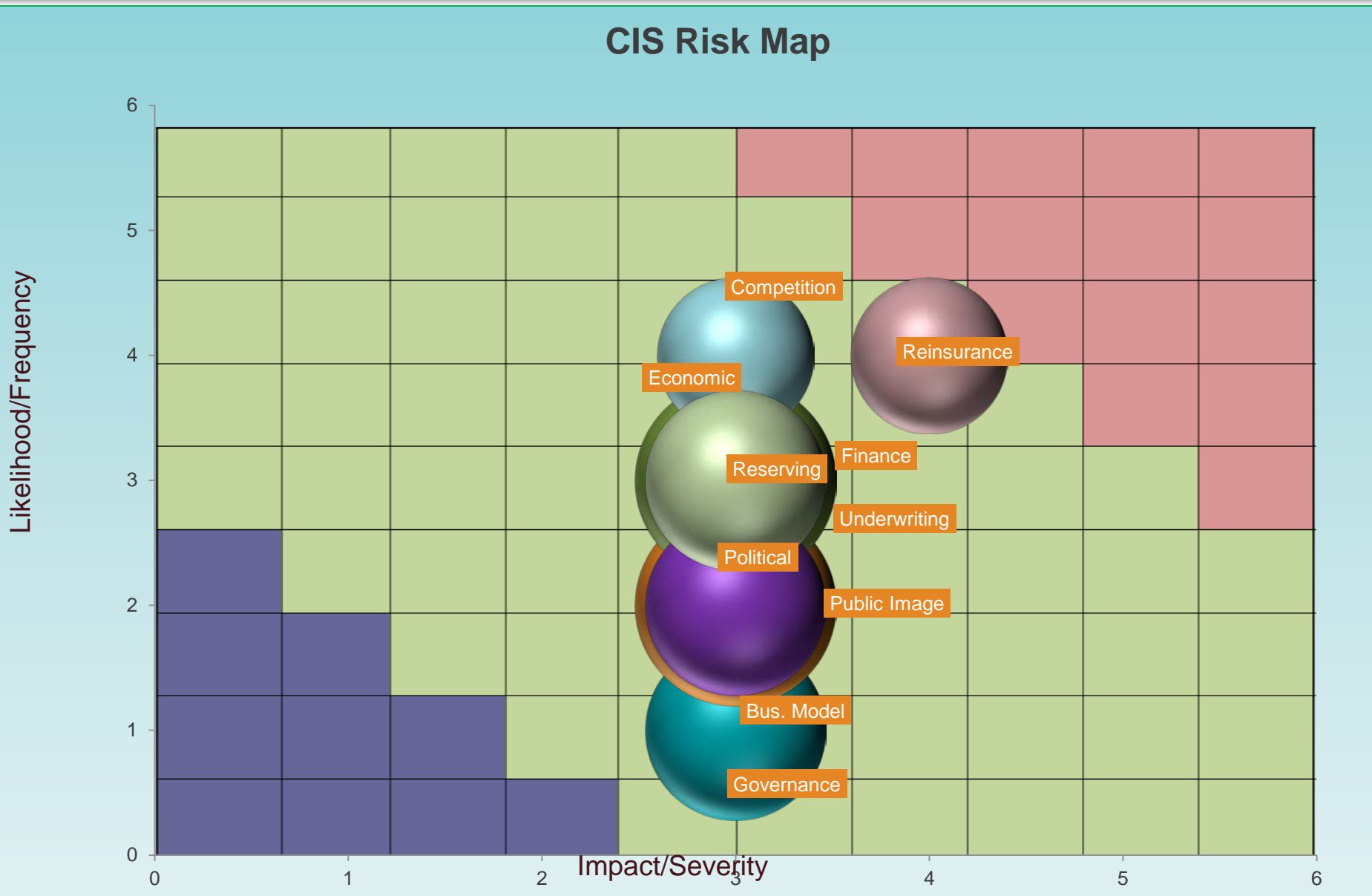


Risk Register

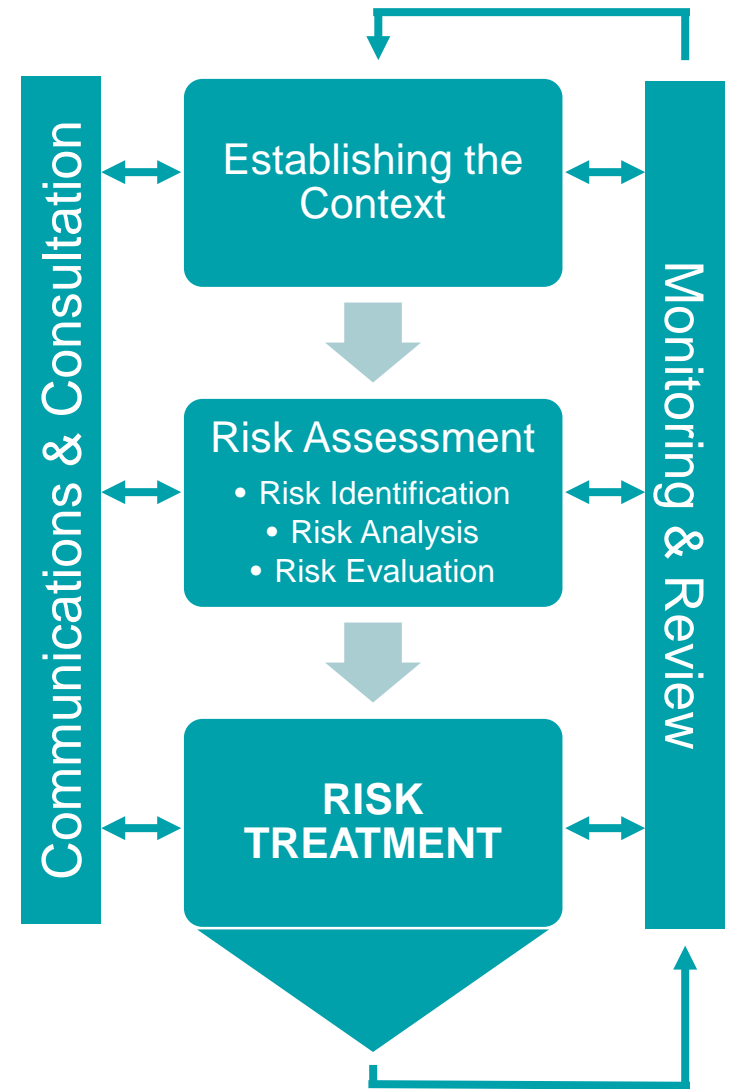
Risk	Category	Description	Frequency	Severity	Probability	Owner	Treatment Plan



Risk Map



Risk Treatment



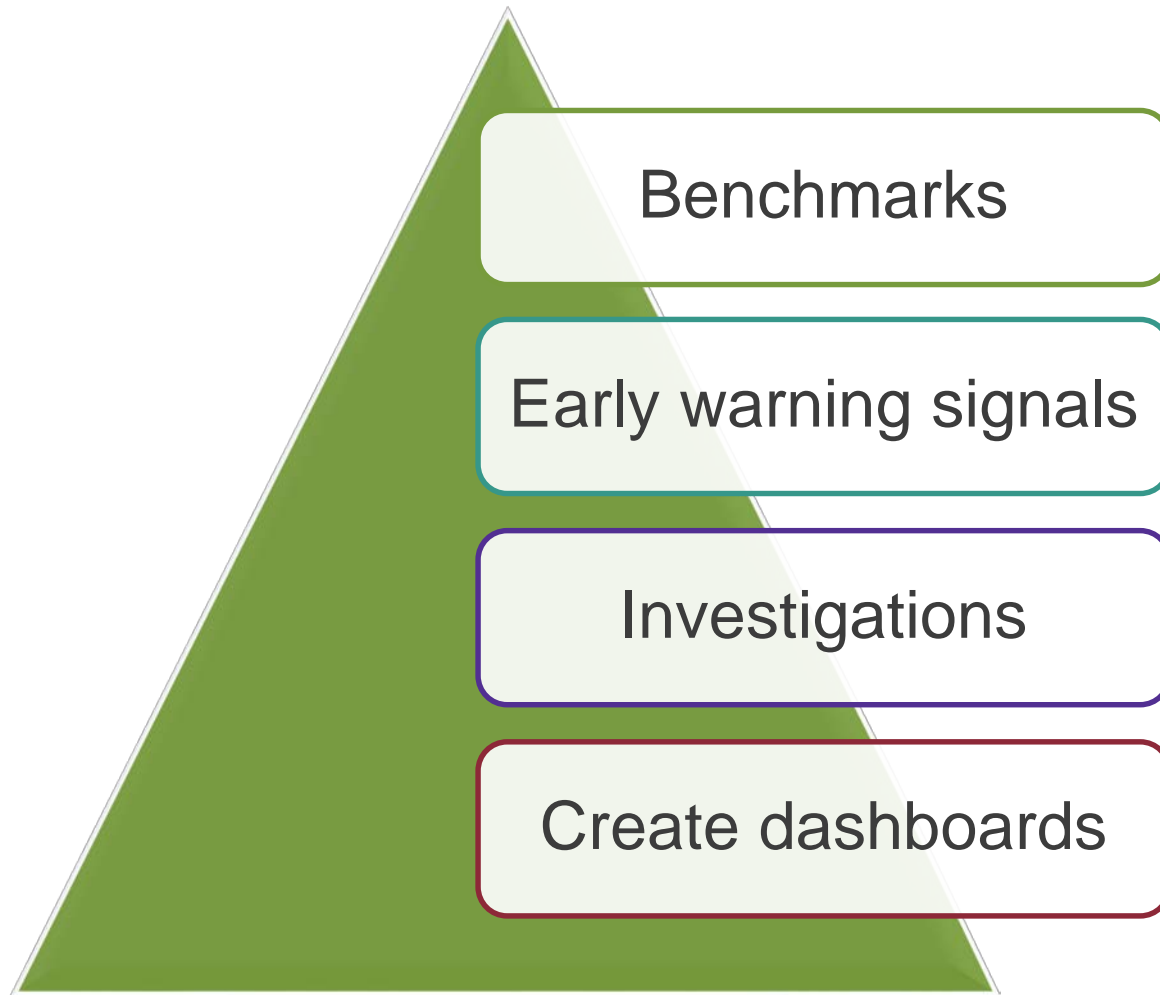
ERM Treatment



ERM Monitoring



ERM Monitoring



ERM Monitoring — Dashboards

1. Identify the metric
2. Obtain data for the metric
3. Determine metric boundaries
4. Measure the above against the old thresholds



ERM Monitoring — Examples



Complaints



Bad Outcomes



Claims



Overspending



Others'
experiences



Internal controls



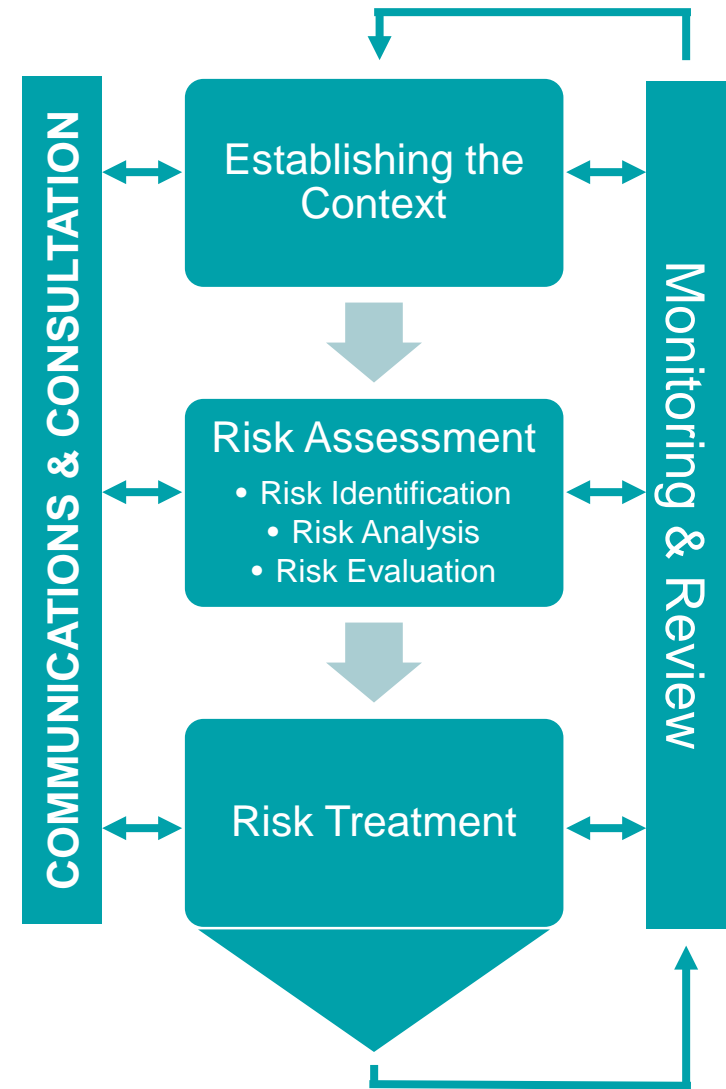
Surveys



National
standards



ERM Communication



ERM Communication



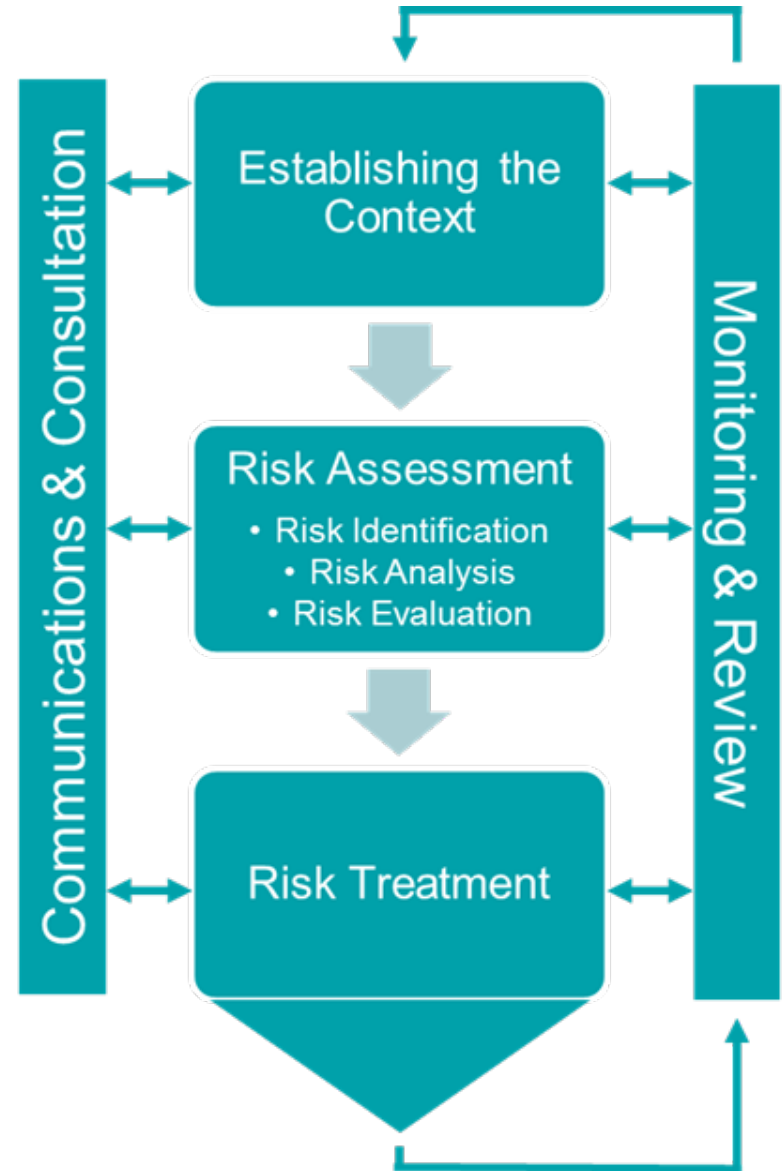
Use current
communication
channels



Add “Threats &
Opportunities” to
internal reports and
Council reports



Positive Outcomes with ERM



1

Creates Value

2

Risk treatment
becomes part of
culture

3

Clear format for
addressing
uncertainty

4

Systemic &
structured method
worldwide



5

Provides for
ownership,
responsibility, and
accountability

6

Transparent and
reactive

7

Facilitates
continual
improvement



Questions?

