

Risk Management Made Simple **Advisory**

Welcome to the FREE Online Newsletter about **Systematic Risk Management**
for **executives** and **management professionals**
from **Risk Wise Inc.** and **Diana Del Bel Belluz**

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BONUS RESOURCE: A Handbook of Risk Management

By Diana Del Bel Belluz, M.A.Sc., P.Eng.

I'm often contacted by risk management leaders who would like a simple handbook of risk management. They find the sheer volume of literature on Enterprise Risk Management (ERM) overwhelming. Worse, they discover more untested theories and opinions in the literature than practical guidance for implementation.

Therefore, I'm delighted to share with you my review of the book **Enterprise Risk Management** authored by **Bevan Lloyd**. This slim volume, published by the **Institute of Chartered Accountants of Ireland**, contains 10 chapters covering these essential topics:

1. Introduction
2. Enterprise Risk Management
3. What is Risk?
4. Required Control Infrastructure
5. Organizational Structures of Risk Management
6. The Risk Management Process
7. Verifying Controls and Strategies
8. Disaster Recovery
9. Fraud Considerations
10. Challenges and Barriers

The strongest features of this book are:

- **It explains the basic components of an ERM program.** This book moves beyond a simple definition of risk management. It clearly defines the organizational structures and management control infrastructure required. Lloyd applies the discipline of an accounting and audit professional.

- **It's concise.** The book is a quick read. It presents a single view of ERM in a brief yet thorough manner. There are other ways to approach ERM. Indeed, if you put 10 ERM practitioners from different organizations in a room, you'd have at least 10 versions of ERM!

However, Lloyd provides a solid, basic approach that the reader can adapt to address the unique context and circumstances of his or her organization.

This book will be of great value to:

- **ERM leaders who are just starting out on their ERM journey.** The book explains the basic ERM components and provides a blueprint and straightforward guide for implementation.
- **ERM leaders who have put in place the fundamentals of their ERM program and are now seeking to take ERM to the next level.** In particular, the book offers concrete approaches for strengthening the links between ERM and the disciplines of performance management, disaster recovery and fraud risk management.
- **Board directors who seek to enhance their ERM oversight.** The book provides some basic tools to support a Board in properly executing its fiduciary duties. The ERM framework described can also be used as a benchmark against which to assess what the organization is doing in ERM.

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- **It explains the basic components of an ERM program.** This book moves beyond a simple definition of risk management. It clearly defines the organizational structures and management control infrastructure required. Lloyd applies the discipline of an accounting and audit professional.
- **It provides a blueprint and guide for ERM implementation.** Lloyd provides pragmatic guidance on how to weave ERM into the organization's business practices.
- **It positions ERM squarely within a corporate governance context.** Although the book's main reference points are *The UK Corporate Governance Code* (2010) and the *Turnbull Report* (1999), the governance principles it embraces will be familiar to practitioners in other jurisdictions.
- **It's full of examples and samples.** The examples illustrate the concepts in the book and reflect the author's experience. Any of the ERM samples (including policies, tools, charts, and report excerpts) can be used as a risk management template that the reader can adapt for his or her organization.

- **Board directors who seek to enhance their ERM oversight.** The book provides some basic tools to support a Board in properly executing its fiduciary duties. The ERM framework described can also be used as a benchmark against which to assess what the organization is doing in ERM.

While **clearly aimed at corporations**, the book **also has plenty of food-for-thought for ERM leaders in the government and non-profit sectors.** For example, in addition to the standard list of risk categories (i.e., strategic, fraud, legal, financial integrity, operational, human resource, information, and reputation), Lloyd offers alternative schemes for categorizing enterprise risks. Examples of alternative risk dimensions include: **locus of control** (external, internal, or a hybrid of the two) and **intentionality** (unavoidable vs. avoidable).

Enterprise Risk Management is a concise and informative reference of corporate risk management guidelines that should be on the shelf of every ERM practitioner, senior executive, and board director.

For details and to order the book, follow this link:

<http://amzn.to/zJz0XK>

Upcoming Events and Special Offers*

- **Human Capital Risk Management Conference.** The Conference Board of Canada will present this event on **April 25-26, 2012** in Toronto, Ontario.
SPECIAL OFFER: \$455 discount for *Risk Management Made Simple E-Zine* subscribers.
- **Strategic Risk Oversight for Board Directors.** The Directors College will present this 1-day program in **Toronto on May 8, 2012** and in **Saskatoon on June 14, 2012.**
SPECIAL OFFER: \$205 discount for *Risk Management Made Simple E-Zine* subscribers.
- **Intergovernmental Forum on Risk Management.** The Conference Board of Canada will present this event on **May 28-29, 2012** in Ottawa, Ontario.
SPECIAL OFFER: \$455 discount for *Risk Management Made Simple E-Zine* subscribers.
- **Risk Management Training Courses** from **Wiltshire Consulting.**
SPECIAL OFFER: \$100 discount for *Risk Management Made Simple E-Zine* subscribers on:
 - **MODERN RISK MANAGEMENT 1 (Introductory)**
 - May 7-8, 2012 in Toronto, ON
 - May 15-16 in St. John's, NL
 - **MODERN RISK MANAGEMENT 2 (Advanced)**
 - May 10-11 in Toronto, ON
 - May 17-18 in St. John's, NL
 - June 13-14 in Ottawa, ON

* For details on this and other events and offers, visit: <http://www.riskwise.ca/events.html>

About Us



Diana Del Bel Belluz
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Diana Del Bel Belluz, M.A.Sc., P.Eng., is a risk management advisor who **helps executives in complex organizations to implement systematic and sustainable risk management practices.** Since 1990, Diana has been doing **leading-edge risk work** for a wide range of organizations in the corporate, government and nonprofit sectors.

In addition, Diana **advances the field of risk management** by **teaching** university courses and management training seminars, **speaking** at conferences and **authoring** publications on a wide range of risk management topics.

To learn more about Risk Wise, contact Diana Del Bel Belluz directly at: Diana.Belluz@riskwise.ca



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