



ENTERPRISE RISK MANAGEMENT (ERM)

Organizations face strategic, operational, financial and hazard risks that, if not effectively managed, could influence their ability to meet objectives. In a recent survey of CFOs, half indicated that their organizations were not prepared for the risks they faced and only half managed risk as a formal process.

These risks cross corporate branches, divisions and silos and encompass multiple compliance areas. Globalization, emerging markets, e-commerce, consolidation, deregulation, intense competition, product and market innovation and technological developments all contribute to expand enterprise risk.

Some risks are relatively static but others change on an ongoing basis, such as macro-economic, social, cultural and environmental hazards, hence the regulatory bodies' concern about Enterprise Risk Management (ERM) being an ongoing executive tool.

Enterprise Risk Management is a process:

- Affected by an entity's Board of Directors, senior management, and other personnel
- Applied in a strategic setting and across the enterprise
- Designed to identify potential events and risks that may affect the entity
- Aimed at containing risk within the entity's risk appetite
- Intended to provide reasonable assurance regarding the achievement of the entity's objectives

BFL CANADA experts will assist you in developing ERM as an ongoing process by identifying and monitoring existing and emerging risks, developing action plans and linking ERM to corporate strategies, the budget process and performance management.

Our ERM team will assist you in identifying, naming, defining and evaluating these risks after consideration is given to the preventive and mitigating controls that already exist.

Our professionals help your executive team map these risks, establish an acceptable risk tolerance level and develop action plans to reduce them to acceptable levels.

Whether driven by the requirements of a public firm, the Board or CEO in a private firm or a government agency, ERM is not merely about avoiding or minimizing risks, rather, it ensures that opportunities are seized and capitalized on. It is a continual process of protecting and enhancing value to the entity and shareholders.

