



Garnering Organisational Commitment

Becoming a Trusted Advisor

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GRC Professionals

- You are here because you already believe these management disciplines are valid:
 - Governance
 - Risk
 - Compliance

Influencing is an Art

- Master the art and you become a trusted advisor
- You then have the power to guide and influence the whole of your organisation

The Roadblock

- Perceptions of our profession :
 - as being a handbrake on management
 - and/or
 - a necessary evil that costs too much

The Challenge

- You each have your own challenge to influence:
 - Your peers
 - Your boss
 - Your boss's peers
 - The CEO

Then the organisation is yours to influence



The Challenge

It's like climbing a mountain and reaching its peak with the reward being all of the land on the other side, as far as the eye can see.

Do you have your ascent planned out or are you wandering around the different paths?

An Enterprise Risk Management Example

The End Game

Above all, management need to
understand the end game

CEO/Board

Audit Committee

Risk Treatment and Financing

Executive Management

Strategic Risks

Enterprise Risk Analysis

Enterprise Cost Savings

Specialist Risk Areas

- Business Continuity
- Compliance Optimisation
- Environmental Sustainability
- Fraud Control
- Insurance Protection
- Legal Containment
- OHS Commitment
- Security Safeguards

Operational Risks

- Brand Management
- Conflicts of Interest
- Economic Evolution
- Innovation Revolution
- Logistics Complexities
- Natural Hazards
- Regulatory Changes
- Stakeholder Relations

key risks key risks key risks

Business Unit 1	Business Unit 2	Business Unit 3	Business Unit 4
Strategy & Performance	Strategy & Performance	Strategy & Performance	Strategy & Performance
People & Knowledge	People & Knowledge	People & Knowledge	People & Knowledge
Processes & Systems	Processes & Systems	Processes & Systems	Processes & Systems
Assets & Liabilities	Assets & Liabilities	Assets & Liabilities	Assets & Liabilities

Culture

Enterprise Risk Management Framework

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The Journey

Next, management need to
understand the journey

Client Details

05 09 2006

XYZ Agency
123 Smith Street
Sydney NSW 2000

Increasing success across the Triple Bottom Line

Organisation focussed on known risks-
Not ready for external shock-
Highly susceptible to adverse audit findings

Making transition to an adaptive organisation-
External threats being identified much earlier-
Improved planning of resource deployment

Maximised potential for success-
Resilient organisation able to adapt to change



Increasing alignment of sufficient resources to manage risk

Awareness of need

Realising the benefits

Achieving alignment

Maintaining alignment

Then Comes Influencing Tools

We need to translate:

What we know

to

What they will hear and act on

Influencing Tool Kit

- Strategy and Performance
- People and Knowledge
- Processes and Systems
- Assets and Liabilities
- Culture

Business Unit 1	Business Unit 2	Business Unit 3	Business Unit 4
Strategy & Performance	Strategy & Performance	Strategy & Performance	Strategy & Performance
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Assets & Liabilities	Assets & Liabilities	Assets & Liabilities	Assets & Liabilities
Culture			

Strategy and Performance

What we know

Stakeholders must be understood consistently
throughout the organisation

Strategy and Performance:

“Stakeholders must be understood consistently throughout the organisation”

Translate to

Not everyone is as good as you at understanding relationships. Let's show our staff how our key stakeholders map to our business goals.

People and Knowledge

What we know

People are our most important asset

People and Knowledge:
“People are our most important asset”

Translate to

Why do we invest so much time and money in
(**name your risk**) yet we leave our most valuable
asset, our workforce, exposed to (**name your
people risk**) .

Processes and Systems

What we know

Complexity is not an excuse

Processes and Systems : “Complexity is not an excuse”

Translate to

We have chosen a complex system because of the value it needs to deliver. High value and high complexity means high stakes. Let me help them stack the deck in our favour.

Assets and Liabilities

What we know

Managers are inherently optimistic so we need to keep some money in the bank for a rainy day.

Assets and Liabilities:

“Managers are inherently optimistic so we need to keep some money in the bank for a rainy day”

Translate to

Think of all the surprises you have had in business. How many were pleasant? Why will this year be any different? Let's put some fat in these budgets/reserves.

Culture

What we know

It is set from the top

Culture: What we know – “It is set from the top”

Translate to

You have a built-in radar for managing risk. We need to instil the same in our staff.

Let’s work on a “risk intelligent workforce”.

Influencing Tool Kit – Key Skills In

Specialist Risk Areas

Business Continuity

Compliance Optimisation

Environmental Sustainability

Fraud Control

Insurance Protection

Legal Containment

OHS Commitment

Security Safeguards

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Influencing Tool Kit

- Five building blocks for ERM plus eight Specialist Risk Areas and eight Operational Risk Areas with five key messages for each - by the time you are finished you should have around 105 “tools” in your tool kit.
- Eventually you pull them out without thinking.
- You are a trusted advisor!

Conclusion & Questions

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