ENTERPRISE RISK MANAGEMENT

SECTION LEADER: DWIGHT R. LARSEN

DESCRIPTION
Many banks and bankers are finding that current risk management processes may be inadequate in light of industry changes over the past decade OR may be inadequate in the eyes of their regulators. The Enterprise Risk Management (ERM) course is designed to educate attendees with the basic background of risk management for banks. The session will provide a “workable” framework to conduct an institution-wide risk management review, which will include a risk management matrix tool that can be used in your bank. The seminar will also provide a framework to use when implementing a new product or service.

Topics covered in this session include:

- Why Risk Management (RM) and Enterprise Risk Management (ERM) are important;
- Historical and regulatory perspectives on risk management;
- The general categories of risk in financial institutions;
- The structure of a risk governance framework;
- Tips for identifying risk in various bank departments, and;
- Steps to initiate a bank-wide risk management process.

PURPOSE
The purpose of this course is to stress the importance of having a more formal ERM process within the students’ respective institutions.

OBJECTIVES
After successfully completing this course, students will be able to:

- understand why ERM is an important governance tool for all financial institutions today;
- describe what the components of a strong risk governance framework look like, and, and;
- implement (or enhance) an effective ERM framework and process in all or in part at their institutions. (how)

FEATURES
The course consists of lecture, handouts, and occasional “war stories.”