



Mentoring and Support for ERM

The client Life Insurance Company

The challenge The Chief Risk Officer was struggling with how to make Enterprise Risk Management (ERM) relevant and interesting to a highly educated audience who already know what risk management is. He had run several sessions, but was struggling to get a good level of attendance and those that did turn up rarely stayed for the full length of the session. This client was working on their own risk self assessment (ORSA) for Solvency 2 and needed to demonstrate that ERM was embedded throughout the organisation.

By using different tools, games and case studies, the client was able to make the sessions with management more memorable whilst also developing a richer and more valuable experience

The response Liz Taylor Risk Consulting specialises in making ERM interesting, relevant and adding value. The first thing we did was to ask the CRO to take us through a typical presentation. We praised the technical content, and really liked the use of different PowerPoint techniques.

However, we found that there was little hands on practical work that was given, nor were there any "surprises". We worked with the CRO to develop a number of practical hands on workshops using different tools, games, scenarios and case studies. Each was designed to illustrate the particular ERM message but in a way which seemed down to earth and common sense.

The tools we used can be used in a memorable way to illustrate a particular aspect of Enterprise Risk Management, from how to work out if the right risks are being taken, to how to work out whether a risk is static (with only a threat) or dynamic (having both a threat and an opportunity). Soon we were seeing different tools being used to demonstrate managing the risks across different scenarios for evaluating the changes in Mortality, Longevity, Morbidity and Disability risks.

It was doubly useful to use scenario working when working on the more esoteric and intangible areas of changing Interest rates, Lapse Rates, and Expense rates. By the CRO using these tools he was not only preparing a great audit trail for the ORSA supervision process, but also engaging on a deeper and wider level with his chosen audience. We also spent some time working with the CRO on other training techniques explaining them in the language of learning/teaching, so that he could vary his stance depending on the audience and the goals to be achieved.

The outcome This was a recent piece of work, but already we are receiving reports of better attendance at the last workshop and 100% of attendees staying to the end. We hope that this will continue and that the next workshop will be oversubscribed!

Key points

- Make presentations more hands on by getting people to do things that are practical
- Using scenarios, case studies, tools, games and other techniques makes the workshop more memorable and also aids learning
- Getting the audience to tell you what relevance the scenario or tool has to them with respect to the work environment gives them ownership of the learning process

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