CGMA® REPORT

GLOBAL STATE OF ENTERPRISE RISK OVERSIGHT 2nd EDITION

Analysis of the challenges and opportunities for improvement

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EXECUTIVE SUMMARY

Organisations of all types face a seemingly ever-increasing array of risks that may significantly affect their strategic success. Many are working to enhance their understanding and management of emerging risks by embracing an enterprise-wide risk oversight process, which many refer to as enterprise risk management (ERM).

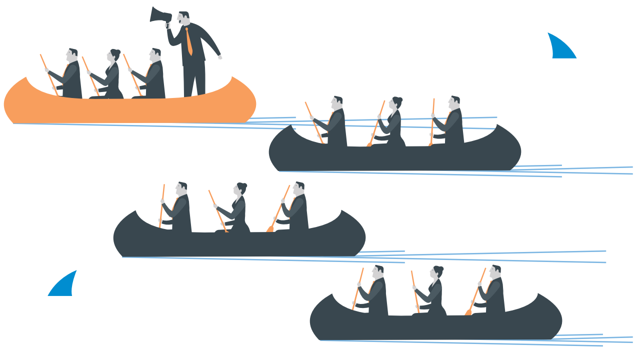
This report summarises findings from recent surveys of over 1,300 executives in organisations, with a focus on small to mid size enterprises (SMEs), around the world. It provides insights on the current state of enterprise-wide risk oversight, including identified similarities and differences in various regions.

Key findings include:

- About **60%** of organisations worldwide agree that they face a wide array of complex and increasing risk issues.
- Despite that, **35%** or fewer organisations claim to have formal enterprise risk management in place.
- About **70%** of organisations would not describe their risk management oversight as mature.
- **40%** or fewer organisations are satisfied with the reporting of information about top risk exposures to senior management.
- Less than **30%** view their risk management process as providing competitive advantage.

3 in 5

Organisations report increasing and ever more complex risk issues



Only **¼** of organisations admit their risk management process gives them a competitive advantage

- **60%** of boards of directors in most regions of the world are placing significant pressure on organisations to increase senior management's involvement in risk oversight.
- **70%** or more of boards in all regions of the world outside the U.S. are formally assigning risk oversight responsibilities to a board committee. Surprisingly, only 46% of U.S. boards are doing so.
- Less than half (**42%**) of organisations discuss risk information generated by the ERM process when the board discusses the organisation's strategic plan.
- Over **60%** of organisations in most regions have internal management level risk committees. The exception is in the U.S, where only 44% indicate they have those committees in place.
- Few organisations (around **20%**) integrate risk management activities with performance compensation/remuneration and most (about **80%**) have not invested in risk management training for executives in the past few years.

3 in 5

boards will add significant pressure to executive teams to increase risk oversight

- Real barriers to enhancing risk oversight exist across all regions. Those barriers identified are also somewhat consistent across the different regions.
- Across most dimensions, enterprise risk oversight in U.S. organisations is lagging in its maturity relative to organisations in all other regions of the world.

This report highlights that while the overall risk environment appears to be challenging, there are barriers limiting the effectiveness in enterprise-wide risk oversight around the globe. The findings suggest a number of calls to action:

1. Boards of directors and senior executives may benefit from an honest assessment of the efficacy of the organisation's current approach to risk oversight in the light of the rapidly changing risk environment.
2. Boards of directors play a primary role in understanding and approving management's approach to risk oversight. Boards may want to ask management to articulate the current risk management processes so the board can assess the effectiveness of those processes in monitoring significant emerging risks. Organisations have managed risks for decades but generally implement risk oversight using a siloed risk management approach whereby business functions manage specific types of risks with little coordination among silos. Business leaders may want to consider the extent to which critical risks may occur and not be detected by silo risk managers.
3. Unfortunately, many executives view risk management as mostly focused on compliance and loss prevention with little connection to strategy and value creation. As organisations evaluate their risk management processes, they may benefit from providing an honest assessment about the extent to which risk management in their organisation is an important input to the strategic planning process. Given executives understand the importance of taking risks to generate returns, shouldn't risk management be an important strategic tool by providing risk insights that inform strategy?
4. For enterprise-wide risk oversight to be a strategic tool, most organisations realise that risk management needs to move from a casual, ad hoc way of thinking to a structured and explicit set of risk identification, assessment and monitoring processes. That requires leadership and focus that is often the result of establishing risk management leadership and accountabilities at the board and senior management levels. Organisations may want to consider appointing a senior executive with explicit responsibility for risk management leadership. That individual would help lead the development of structured processes related to risk and they would coordinate the organisation's risk thinking so that senior management and the board of directors obtain a top-down, enterprise view of the portfolio of risks on the horizon for the organisation.

Given the rapid pace of change in the global business environment, more organisations are realising that status quo risk management will likely lead to failure and significant missed opportunities. Those that embrace the reality that risk and return are related are likely to increase their investment in enterprise risk oversight to strengthen the organisation's resiliency and agility when navigating the complex risk landscape on the horizon. This report aims to help organisations benchmark their relative risk oversight maturity and to highlight opportunities to enhance the strategic value of their oversight efforts.

GLOBAL INPUT TO RESEARCH

The speed of change in the global business world presents a multitude of opportunities and risks that executives must navigate as they lead their organisations in today's marketplace. Over the past few years, boards of directors and senior executives of organisations of all types and sizes around the world have sought to strengthen their risk oversight so that they are attuned to emerging issues that may impact their organisation's strategic success.

At the same time, external parties including government regulators, credit rating agencies, stock exchanges and institutional investor groups, have emerged around the world that place greater expectations on boards of directors and senior executives to be more effective at overseeing the most significant risk exposures potentially affecting the long-term viability of their organisations. In response to these shifts in expectations, many organisations have implemented enterprise risk management (ERM) or equivalent processes to strengthen their top-down view of the enterprise's portfolio of risks most likely to impact their strategic success.

Because the business climate differs in various regions of the world and the resulting expectations for more enhanced risk oversight may also differ, the current state of enterprise risk oversight practices may not be the same worldwide. Using an online survey, 1,378 business leaders across four core regions of the world provided us input that allows us to analyse differences in the current state of ERM practices around the globe. The table below provides the breakdown in geographic regions represented in this study.

About half of the respondents serve in senior accounting and finance roles, with the other half representing a variety of management positions. A range of industries is represented, with no industry comprising more than 31% of respondents in any given region. Most of the respondents are from organisations with annual revenues (converted to USD) of $500 million or below. See Appendix 1 for the demographics of respondents.

TABLE 1

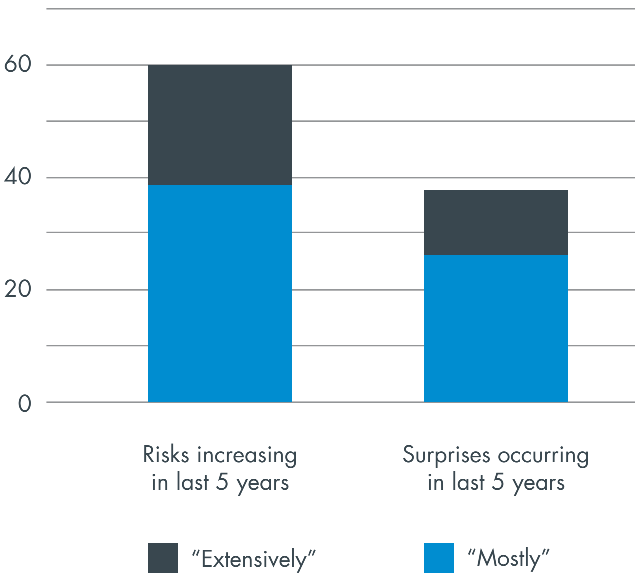
	Europe	Asia & Australasia	Africa & Middle East	U.S.	Total
Number of survey responses	231	100	70	977	1,378

PERCEPTIONS ABOUT RISKS IN THE BUSINESS ENVIRONMENT

The business environment affecting all organisations is perceived to include numerous complex risks. Respondents overwhelmingly believe that the volume and complexities of risks they face today relative to those just five years ago are notably greater and that is true for all regions of the world.

As shown by the bar graph below, 60% of respondents from all over the world indicated that the volume and complexity of risks have increased "mostly" or "extensively," suggesting that no particular region of the world appears to be noticeably less risky. In addition, for 38% of respondents, their organisations have faced a significant operational surprise in the past five years, suggesting that the increasing volume and complexities of risks are impacting their ability to operate.

FIGURE 1: Global risk environment



Organisations around the world face a similar volume and complexity of risks – no region is uniquely different in that perception.

Table 2 below highlights that the changing risk environment is not necessarily limited to organisations based in certain regions of the world. About 60% of respondents in most parts of the world believe risks are increasing notably in volume and complexity. This finding is not surprising given the global marketplace in which most organisations conduct their business. Thus, risk drivers appearing in one part of the world can affect organisations doing business there, even though they are based elsewhere.

The only meaningful difference we find is that fewer U.S. respondents (30%) reported that their organisation had faced an operational surprise in the past five years, while a higher percentage (just over a majority) of respondents in other regions reported this. Collectively, these results suggest that the volume and complexity of risks are significant and often those risks translate into unexpected risk events, especially outside the U.S. This finding is somewhat puzzling given we report (in the next section) a higher level of perceived risk oversight maturity in organisations outside the U.S.

TABLE 2

Questions	% reflecting "Mostly" and "Extensively"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
To what extent has the volume and complexity of risks increased over the past five years?	64%	57%	66%	59%
To what extent has your organisation faced an operational surprise in the last five years?	54%	53%	53%	30%

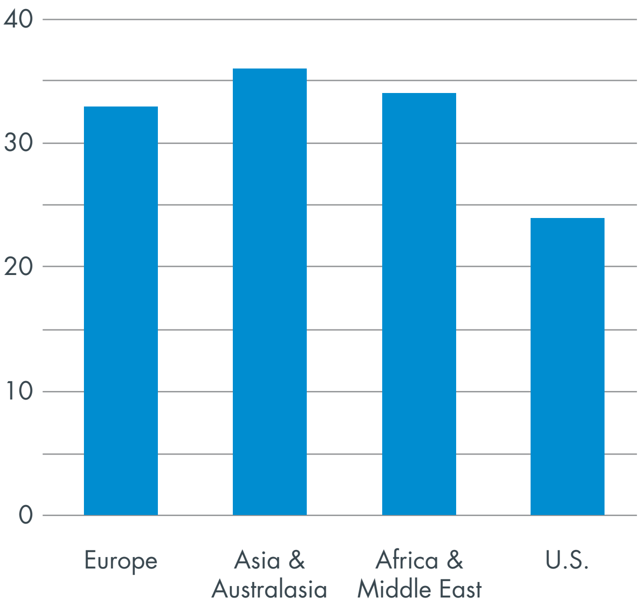
ROBUSTNESS OF ENTERPRISE RISK OVERSIGHT

As organisations face the realities of an increasingly complex risk environment and as they deal with the challenges of having to react to significant operational surprises, they are faced with the fact that their current approach to risk oversight may be insufficient to deal with rapid changes in the nature and types of risks they are likely to encounter in the near future.

To address this concern, many organisations have embraced the concept of enterprise risk management (ERM) and have implemented processes to strengthen their top-down, strategic view of the most important risks.

The current state of embrace of ERM remains relatively immature around the world, with U.S. organisations particularly lagging other regions. About one-third of respondents – except those in the U.S. – believe their organisations have complete ERM in place as compared to only 24% in the U.S.

FIGURE 2: Percentage with complete ERM



The overwhelming majority of management respondents believe their current risk oversight processes are relatively immature.

Interestingly, while about one-third of respondents indicate they have complete formal ERM processes in place, most respondents do not believe their risk management oversight is “Mature” or “Robust.” Only about a quarter of respondents in all regions of the world describe their organisation’s risk maturity that way. This is higher in Europe with about one-third describing their oversight as mature or robust (Table 3).

We also asked about whether their ERM processes are “systematic, robust and repeatable with regular reporting of top risk exposures to the board.” Noticeable differences exist in responses between U.S. respondents and respondents from all other parts of the world to that question. About 60% of non-U.S. respondents indicate their ERM processes are systematic, robust, and repeatable while only 29% of U.S. respondents believe their ERM processes are at that level.

Given most executives appreciate the reality that organisations must take risks to generate returns, they understand the interconnectedness of “risk” and “return.” To get a sense for the strategic importance of their organisation’s risk oversight processes, we asked respondents about the extent to which their organisation’s risk management processes provide important strategic value. Unfortunately, for many organisations, their risk oversight and strategic planning efforts appear to be separate and distinct activities.

TABLE 3

Statements	Percentages			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Describing their risk management oversight as "Mature" or "Robust"	33%	22%	24%	22%
Describing their ERM process as "systematic, robust and repeatable with regular reporting of top risk exposures to the board."	60%	58%	57%	29%

As summarised in Table 4 below, there is noticeable variation among respondents who believe the processes "Mostly" or "Extensively" provide a unique competitive advantage. A higher percentage of respondents in Asia and Australasia and Africa & Middle East believe their risk oversight is providing an important competitive advantage. This is in contrast to a much smaller percentage in Europe (18%) and in the U.S. (19%). The difference between Africa and Middle East organisations and all others may be attributed to a greater number of smaller organisations represented in that region. Perhaps the smaller size of these organisations facilitates communications among a fewer number of executives about risks and strategy issues.

In order for the risk management process to provide strategic value, management needs output from those processes that they can use to strategically respond to emerging risks. We asked respondents to indicate their level of satisfaction with the nature and extent of reporting of key risk indicators to senior executives regarding the entity's top risk exposures. As shown in Table 4 below, about 40% of respondents in Europe and Africa and Middle East are "Mostly Satisfied" or "Very Satisfied".

These two findings suggest that there is a significant disconnect between the organisation's enterprise-wide risk oversight and their strategic execution. For many, the output from their risk oversight efforts does not appear to be providing important input to the strategic leadership of the organisation. This may in part be due to the lack of useful key risk indicators that management can monitor to proactively navigate the organisation around emerging risks. Thus, the risk oversight process is not assisting management in value creation, given management is forced to react to risks to their businesses rather than proactively manage those risks for strategic value creation. Therein lies a sizeable opportunity to enhance the connection of enterprise risk oversight with the strategy of the organisation.

Globally, there is a disconnect between enterprise risk oversight and strategy execution.

TABLE 4

Statements	Percentages			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Stating that the risk management process "Mostly" or "Extensively" provides a unique competitive advantage	18%	30%	49%	19%
That are "Mostly Satisfied" or "Very Satisfied" with the nature and extent of reporting of key risk indicators to senior executives about the entity's top risk exposures	39%	27%	39%	32%

MOVES TO STRENGTHEN ENTERPRISE RISK OVERSIGHT

Respondents noted that several parties are asking for increased senior executive involvement in risk oversight, suggesting that the status quo is no longer acceptable. Pressure is mostly coming from the full board of directors and the audit committee. Members of senior management, including the CEO/President, are also calling for stronger and more effective risk oversight in a reaction to these pressures emerging from the board of directors or audit committees.

TABLE 5

Extent each of the following parties is asking for increased senior executive involvement in risk oversight	% reflecting "Mostly" and "Extensively"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Board of Directors	61%	67%	67%	39%
Audit Committee	57%	54%	65%	40%
CEO/President	52%	61%	64%	43%

What is interesting is that the calls for increased oversight appear to be more frequent for organisations outside the U.S. Table 5 above shows that almost two-thirds of respondents in all regions (other than the U.S.) note that their board of directors is calling for increased senior management engagement in risk oversight, while only 39% of U.S. organisations have boards demanding increased executive involvement.

Calls for enhanced risk oversight are also coming from regulators in all regions of the world, with between 34% and 44% experiencing regulator demands for more effective risk oversight.

Shareholders are also placing increasing expectations on management as well.

We asked whether the organisation's board of directors has assigned formal responsibility for overseeing management's risk oversight processes to one of its board committees. As shown by the bar graph in Figure 3 on the next page, boards of directors of non-U.S. firms appear to be doing so at much higher rates than U.S. organisations. Over 70% of firms in all regions outside the U.S. are making these formal assignments in contrast to only 46% of U.S. firms.

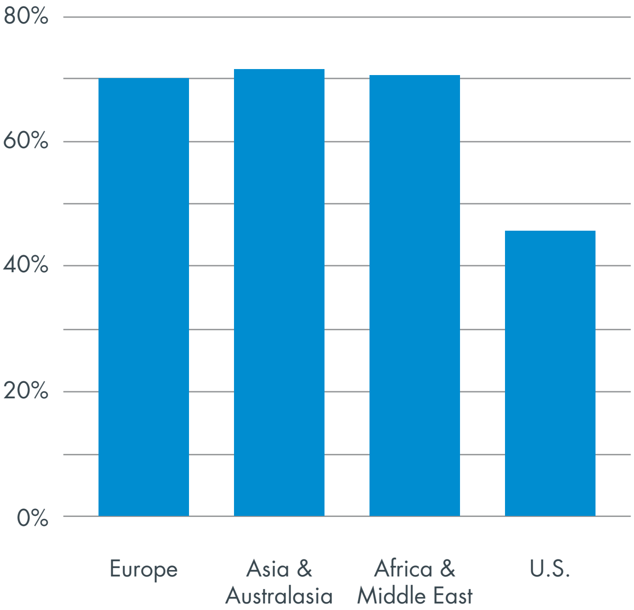
TABLE 6

Extent each of the following parties is asking for increased senior executive involvement in risk oversight	% reflecting "Mostly" and "Extensively"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Regulators	38%	41%	44%	34%
Key Shareholders	34%	30%	51%	19%

TABLE 7

When the board of directors formally assigns risk oversight responsibility to one or more board level committees, the following committees receive that delegated responsibility:	% responding "Yes"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Audit Committee	41%	28%	36%	52%
Risk Committee	29%	56%	40%	21%

FIGURE 3: Status of boards formally delegating risk oversight



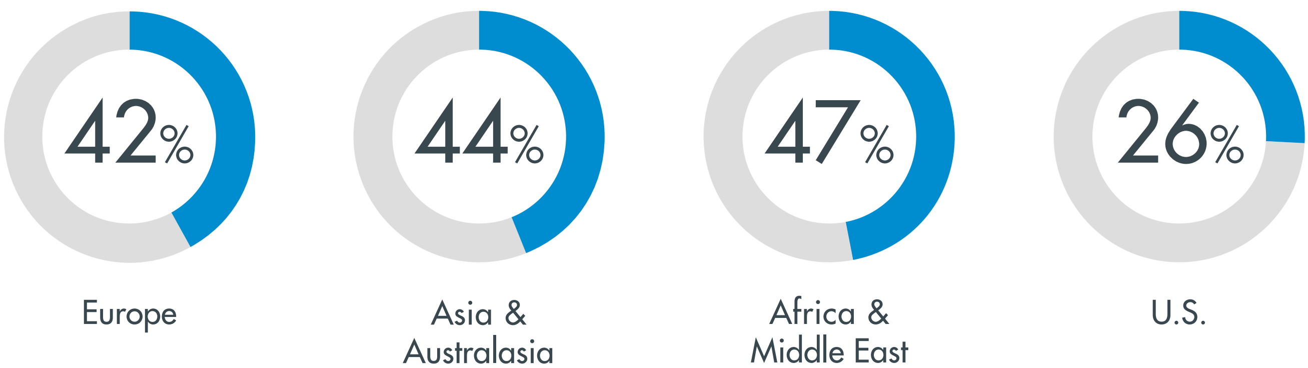
When making these assignments, U.S. organisations are more likely to formally assign risk oversight responsibility to the audit committee, followed by European organisations. In contrast, Asia and Australasia and Africa and Middle East organisations are more likely to assign responsibility to a separate risk committee of the board.

There seems to be a noticeable difference between U.S. organisations and those in other global regions in the extent to which top risk exposures are formally discussed when the board discusses the organisation's strategic plan. Over 42% of respondents outside the U.S. indicated that the extent of such discussions was happening "Mostly" to "Extensively." In contrast, only 26% in the U.S. rated the level of discussion that highly.

As discussed earlier, these differences may be attributable to the size of the organisations and lower levels of risk oversight maturity reported by U.S. respondents.

FIGURE 4: Percent reflecting "Mostly" and "Extensively"

To what extent is the risk information generated by your organisation's ERM process formally discussed when the board of directors discusses the organisation's strategic plan?



EXISTING RISK IDENTIFICATION

Digging more deeply into the underlying risk identification and risk assessment processes helps to provide some insight into differences in overall risk oversight maturity. We asked a number of questions about techniques used to identify, assess and monitor key risk exposures and found a number of differences between regions, especially in the U.S.

TABLE 8

Statements	% responding "Yes"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
No risk inventories/registers are maintained on a formal basis	14%	25%	21%	34%
No formal updating of key risk inventories/ registers	14%	18%	20%	34%
Risk inventories/registers are maintained by all business functions and at the enterprise level or just at the enterprise level	49%	37%	40%	33%

U.S.-based organisations are less likely to maintain risk inventories/registers of their top risk exposures, with 34% indicating they do not maintain those. In contrast, only 14% of European organisations indicate they do not maintain risk inventories/ registers. Similar results are observed when respondents were asked if their organisations have formal processes to update key risk inventories/ registers. U.S. organisations are least likely to have those kinds of processes in place, while European organisations are most likely to have formal risk updating processes.

At the other end of the spectrum, 49% of European respondents noted that risk inventories/registers are being maintained in all business units and/or at the enterprise level. Collectively, our findings shed some insight into the lower levels of risk maturity and less interconnectedness of risk management and strategic planning processes among U.S. organisations compared to other parts of the world.

Responses about other specific risk management practices confirm these findings. As indicated in Tables 10 and 11, U.S. organisations appear to be lagging other organisations around the globe in having specific tools in place to assist with risk identification and risk assessment. About half of the organisations outside the U.S. have a formal policy statement regarding its enterprise-wide approach to risk management as compared to one-third of U.S. organisations. Additionally, most organisations outside the US (almost 60%) have formally defined the meaning of the term "risk" for employees to use when identifying and assessing risks, while only 37% of U.S. organisations have done so.

U.S. organisations appear to have less risk oversight infrastructure in place than in other regions of the world.

TABLE 9

Statements	% responding "Yes"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Organisation has a formal policy statement regarding its enterprise-wide approach to risk management	52%	54%	51%	33%
Organisation has formally defined the meaning of the term "risk" for employees to use when identifying and assessing key risks	57%	56%	59%	37%

Even higher percentages of European respondents (69%) claim to have a standardised process or template for identifying and assessing risks whereas only 41% of U.S. respondents have that in place. Over 50% of non-U.S. global respondents indicate that their organisations have provided explicit guidance or measures to business unit leaders on how to assess probability and impact of a risk event whereas under 30% of U.S. firms have done so.

Collectively, organisations in regions around the world other than the U.S. appear to have more specific processes, templates and tools in place to facilitate risk identification and risk assessment relative to U.S. organisations. This lack of detailed risk oversight infrastructure helps explain the earlier reported finding that the overall maturity of ERM processes is perceived to be lower for U.S. organisations.

TABLE 10

Statements	% responding "Yes"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Organisation has a standardised process or template for identifying and assessing key risks	69%	60%	58%	41%
Organisation has provided explicit guidelines or measures to assess risk probabilities	58%	51%	50%	26%
Organisation has provided explicit guidelines or measures to assess risk impact	53%	47%	53%	27%

ADDRESSING BARRIERS TO ENTERPRISE RISK OVERSIGHT

The relative level of immaturity and robustness of enterprise risk oversight among organisations globally is likely attributable to the presence of several perceived barriers to enterprise risk oversight. These barriers may be restricting progress in strengthening an organisation's overall approach to risk oversight.

About 40% of respondents believe their risk oversight efforts are hindered by the perception that they do not have sufficient resources to ensure the process is effective. Thus, resource concerns are a common issue regardless of location of the organisation. Most regions also note that other "competing priorities" may be restricting their organisation's enhancement of its risk oversight processes. The exception may be found in organisations in Africa and Middle East where only 21% of respondents noted competing priorities as a real barrier. About one-third of respondents indicate that perceptions about the lack of perceived value from enterprise risk oversight is an important barrier to progress.

Collectively, these findings suggest that executives interested in strengthening their organisation's overall risk oversight face barriers that they will need to overcome. Part of their efforts may need to be centered around communication and education to help articulate the value proposition for investing in more enhanced enterprise risk oversight for strategic success. In addition, they may need to focus on integrating their risk oversight efforts with their strategic planning efforts to address the earlier reported findings that organisations are struggling to connect risk oversight with strategic planning and value-creating efforts. The more executives realise the strategic value of enterprise-level risk information the more they will be willing to engage in important risk management processes. Helping executives recognise how robust risk insight increases the organisation's ability to be agile and resilient, the greater progress they can make in expanding their risk oversight infrastructure.

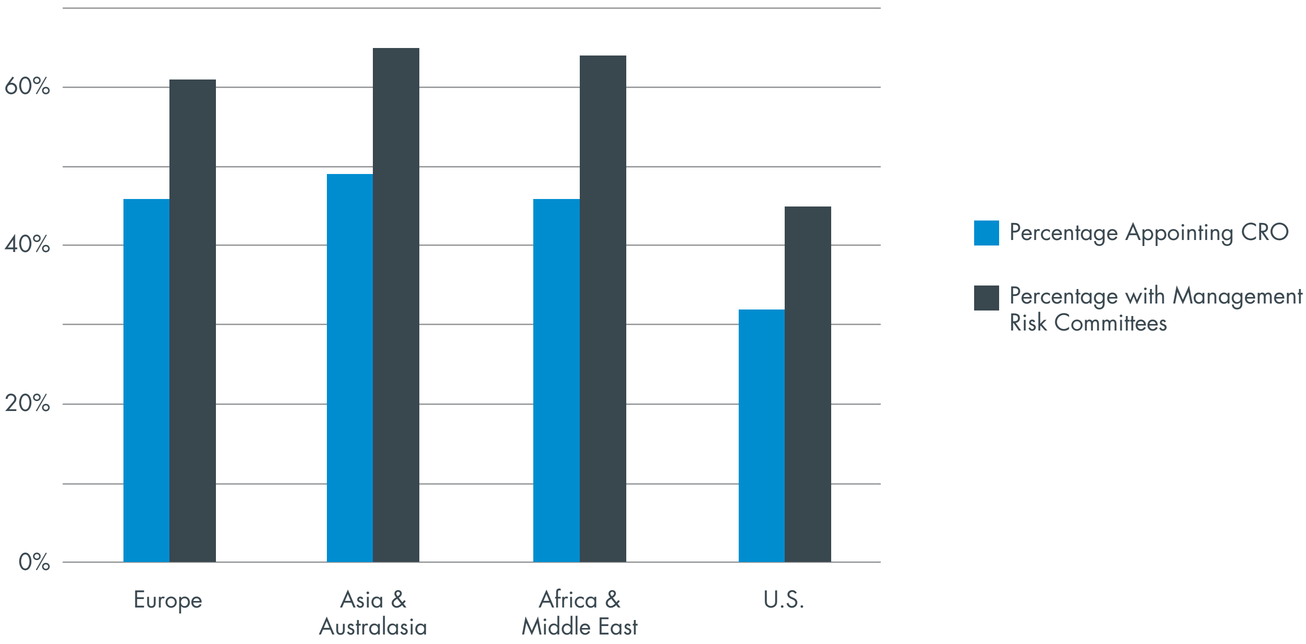
TABLE 11

Perceived barriers to effective ERM	% reflecting "Barrier" or "Significant Barrier"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Competing priorities	39%	37%	21%	42%
Insufficient resources	42%	40%	39%	41%
ERM perceived as unneeded bureaucracy	28%	26%	14%	28%
Lack of perceived value	31%	36%	34%	32%

INTERNAL RISK LEADERSHIP

Most organisations have not formally designated an individual to serve as the chief risk officer (CRO) or senior risk executive equivalent. However, close to 50% of non-U.S. firms have appointed individuals to those positions of risk oversight leadership, whereas for U.S. organisations that is only about one-third (32%).

FIGURE 5: Percentage with CRO or Management Risk Committee



In addition to formally designating executives to serve as internal risk champions, non-U.S. organisations are also more likely to have an internal management-level risk committee (or equivalent committee consisting of at least some of the entity's senior executives) that formally discusses enterprise-level risks. About two-thirds of non-U.S. respondents indicate that their organisations have internal risk committees in contrast to only 44% of U.S. firms. For those organisations that have internal risk committees or equivalent, most (over three-quarters of them) meet on a quarterly or monthly basis.

Non-U.S. organisations are more likely to have appointed a Chief Risk Officer or created an internal management-level risk committee than U.S. organisations.

About half of the respondents believe that their senior executive teams consider existing risk exposures when evaluating possible new strategic initiatives, with higher percentages reported by European and Africa and Middle East respondents. Interestingly, a similar belief (47%) exists for U.S. organisations despite the earlier reported results that suggest U.S. organisations have less formality and maturity in their risk oversight processes. What is unclear is whether that finding reflects a level of overconfidence by those respondents or whether value from risk oversight activities can be achieved with less formality in those processes.

Fewer percentages of respondents believe their organisations consider risk exposures when making capital allocations to functional units. 45% of European and 51% of Africa and Middle East respondents indicate that risk exposures are explicitly considered "Mostly" or "Extensively" when making capital allocations to functional units. That is higher than the percentages of 37% and 35% respectively, from Asia and Australasia and the U.S.

Risk exposures are even less likely to be a factor in compensation/remuneration evaluations. Most organisations do not include risk management activities as an explicit component in determining management performance compensation/remuneration. Only 20% of most global respondents indicate that the level of consideration is "Mostly" or "Extensively." The exception would be organisations in Africa & Middle East where 34% indicate an interconnectedness between performance compensation/remuneration and risk management.

Few respondents indicated that there has been extensive effort to train executives and key business unit leaders about key aspects of enterprise risk management. Other than organisations in Africa & Middle East, only around 20% or less have provided much, if any, formal training and guidance on risk management in the past two years.

Most organisations (about 80%) have not focused on providing executives formal training or guidance on risk management in the past two years.

TABLE 12

Statements	% reflecting "Mostly" and "Extensively"			
	Europe	Asia & Australasia	Africa & Middle East	U.S.
Extent risk exposures are considered when evaluating possible new strategic initiatives	58%	49%	61%	47%
Extent risk exposures explicitly considered when making capital allocations to functional units	45%	37%	51%	35%
Extent risk management activities are an explicit component in determining management performance compensation/remuneration	20%	18%	34%	14%
Extent senior executives and key business unit leaders have received formal training and guidance on risk management in the last two years	21%	14%	31%	16%

CALLS TO ACTION

Results from our global survey indicate that the level of enterprise-wide risk oversight has real room for improvement. Much of the evidence summarised in this report suggests that non-U.S. organisations may be further down the ERM path than U.S. ones. However, there are notable opportunities for improvement for all organisations around the globe. Most organisations appear to be only moderately prepared to deal with an ever-changing and increasingly complex risk environment.

These findings lead to a number of important considerations for boards of directors and senior executives:

1. To what extent is the organisation's approach to risk management effectively identifying the most significant risks to the enterprise?
2. What do recent risk events experienced by the organisation suggest about the effectiveness of the organisation's risk management processes?
3. If the board of directors or senior executives are asked to articulate the organisation's approach to risk oversight, what would be described and how might that description vary if individual members of the board or senior management are asked to respond?
4. Is there a consensus view among the board of directors and senior management about what constitutes the top 10–15 most important risks on the horizon for the organisation?
5. To what extent are strategic planning and risk management activities integrated? How is output from the organisation's risk management process serving as a critical input to strategic planning?
6. What is the organisation's approach to monitoring emerging risks to the organisation, including the risk that innovations by competitors may significantly disrupt the organisation's core business model?
7. To what extent does the organisation's culture encourage the escalation of risk issues from middle management to senior management and the board of directors?
8. How does management evaluate whether a risk management action in a particular business unit (eg "silo") triggers risks for other business units of the organisation, ultimately increasing the overall risk to the enterprise?
9. To what extent is senior management and the board able to identify the organisation's current responses for the top 10–15 risks to the enterprise? Are those responses designed to prevent the emergence of, or minimise the consequence from, one of the top 10–15 risks on the horizon?
10. What metrics or other types of information are provided to senior management and the board to help them monitor shifts in the top 10–15 most significant risks on the horizon?

Given the rapid pace of change in the global business environment, more organisations are realising that status quo risk management will likely lead to failure and significant missed opportunities. Without effective risk oversight, organisations may find themselves ill-prepared for addressing the challenges of managing a complex, ever-changing risk portfolio. The intent of this report is to help organisations benchmark their relative risk oversight maturity and highlights opportunities to enhance the strategic value of their enterprise-wide risk oversight efforts.

For more CGMA resources, tools and case studies to help you and your organisation effectively manage risk, and become risk leaders visit **cgma.org/risklandscape**

APPENDIX: DEMOGRAPHICS OF SURVEY RESPONDENTS

TABLE 13

Demographics				
Number of respondents	Europe	Asia & Australasia	Africa & Middle East	U.S.
Number of Survey Respondents	231	100	70	977
Management titles for respondents	Europe	Asia & Australasia	Africa & Middle East	U.S.
Chief Financial Officer or Finance Director	31%	24%	27%	29%
Controller	21%	18%	29%	18%
Treasurer	1%	4%	1%	2%
Head of Internal Audit	2%	4%	10%	10%
Chief Risk Officer	4%	6%	4%	4%
Other Titles	41%	44%	29%	37%
Industries represented	Europe	Asia & Australasia	Africa & Middle East	U.S.
Manufacturing	26%	31%	13%	13%
Finance, Insurance, Real Estate	13%	18%	16%	24%
Services	17%	14%	20%	19%
Wholesale Distribution	6%	10%	6%	4%
Construction	4%	4%	9%	4%
Retail	3%	5%	7%	3%
Transportation	2%	6%	4%	3%
Mining	2%	1%	9%	2%
Agriculture, Forestry, Fishing	0%	2%	3%	1%
Non-Profit	27%	9%	13%	27%
Size of organisations represented by revenue in most recent fiscal year (Reported in USD)	Europe	Asia & Australasia	Africa & Middle East	U.S.
$0 < x ≤ $10 million	16%	14%	21%	21%
$10 million < x ≤ $100 million	31%	29%	31%	32%
$100 million < x ≤ $500 million	21%	28%	34%	17%
$500 million < x ≤ $1 billion	7%	12%	6%	9%
$1 billion < x ≤ $2 billion	6%	6%	0%	5%
$2 billion < x ≤ $10 billion	8%	7%	5%	8%
$10 billion < x	11%	4%	3%	8%

About the authors

Mark S. Beasley, CPA, Ph.D., is the Deloitte Professor of Enterprise Risk Management and Director of the ERM Initiative at NC State University. He specialises in the study of enterprise risk management, corporate governance, financial statement fraud and the financial reporting process. He completed over seven years of service as a board member of the Committee of Sponsoring Organisations of the Treadway Commission (COSO) and has served on other national-level task forces related to risk management issues. He advises boards and senior executive teams on risk governance issues, is a frequent speaker at national and international levels and has published over 90 articles, research monographs, books and other thought-related publications. He earned his Ph.D. at Michigan State University.

Bruce C. Branson, Ph.D., is Professor of Accounting and Associate Director of the ERM Initiative in the Poole College of Management at NC State University. His teaching and research is focused on enterprise risk management and financial reporting and includes an interest in the use of derivative securities and other hedging strategies for risk reduction/risk sharing. He has also examined the use of various forecasting and simulation tools to form expectations used in financial statement audits and in earnings forecasting research. He earned his Ph.D. at Florida State University.

Bonnie V. Hancock, M.S., is the Executive Director of the ERM Initiative at NC State University where she also teaches graduate and undergraduate courses in the Poole College of Management. Her background includes various executive positions at Progress Energy where she has served as president of Progress Fuels (a Progress Energy subsidiary with more than $1 billion in assets), senior vice president of finance and information technology, vice president of strategy and vice president of accounting and controller. She currently serves on the following corporate boards: AgFirst Farm Credit Bank where she chairs the risk policy committee, Office of Mortgage Settlement Oversight where she chairs the audit committee and Powell Industries, a publicly traded company based in Houston, Texas, where she serves on both the compensation and audit committees.

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American Institute of CPAs

1211 Avenue of the Americas
New York, NY 10036-8775
T. +1 212 596 6200
F. +1 212 596 6213

Chartered Institute of Management Accountants

The Helicon
One South Place
London EC2M 2RB
United Kingdom
T. +44 (0)20 7663 5441
F. +44 (0)20 7663 5442

CIMA REGIONAL OFFICES:

Africa
4th floor, 54 Melrose Boulevard
Melrose Arch
Melrose North
Johannesburg, South Africa
T: +27 (0)11 788 8723
F: +27 (0)11 788 8724
johannesburg@cimaglobal.com

Europe
The Helicon
One South Place
London EC2M 2RB
United Kingdom
T: +44 (0)20 8849 2251
F: +44 (0)20 8849 2250
cima.contact@cimaglobal.com

Middle East, South Asia and North Africa
356 Elvitigala Mawatha
Colombo 5
Sri Lanka
T: +94 (0)11 250 3880
F: +94 (0)11 250 3881
colombo@cimaglobal.com

North Asia
1508A, 15th floor, AZIA Center
1233 Lujiazui Ring Road
Pudong Shanghai, 200120
China
T: +86 (0)21 6160 1558
F: +86 (0)21 6160 1568
infochina@cimaglobal.com

South East Asia and Australasia
Level 1, Lot 1.05
KPMG Tower, 8 First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Malaysia
T: +60 (0) 3 77 230 230/232
F: +60 (0) 3 77 230 231
seasia@cimaglobal.com

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