



Strategic Risk Assessment A Process for Strengthening ERM

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Our **Strategic Risk Assessment Process** is designed to help risk management teams and boards to assess and manage enterprise risk and strengthen ERM capabilities and processes. A significant challenge in most organizations is to develop a practical strategy for strengthening ERM that will meet the specific needs and constraints of the organization and its environment. The *Strategic Risk Assessment Process* provides the initial steps for determining where and how to strengthen ERM tailored to the specific needs of an organization.

Step 1: Strategic Assessment of Current ERM Programs

This step would involve using the *Strategic Risk Assessment Process* to do a high-level assessment of existing risk management processes and capabilities; develop an overall *Strategic Risk Profile* for the enterprise; and develop an action plan for strengthening risk management processes and capabilities that will have the most impact and support the business strategy of the organization. We provide the diagnostic tools for your team to complete and can review the completed diagnostics and help develop recommendations and a description of benefits and value of strengthening ERM programs. The diagnostic tools are from the Frigo and Anderson, *Strategic Risk Management Primer: A Primer for Directors and Management Teams*. The tools include the *Strategic Risk Management Alignment Guide* and the *Strategic Risk Management Maturity Diagnostic*.

Step 2: Development of a Preliminary Strategic Risk Profile

This step involves developing a *Strategic Risk Profile* using the strategic risk assessment diagnostics in the Frigo and Anderson *Strategic Risk Management Primer*

Step 3: Development of a Strategic Risk Management Action Plan

This step involves developing a tailored *Strategic Risk Action Plan* for Strengthening ERM Programs.

Dr. Mark L. Frigo is Director of the Center for Strategy, Execution and Valuation and the Strategic Risk Management Lab in the Kellstadt Graduate School of Business and Ledger & Quill Alumni Foundation Distinguished Professor in the School of Accountancy at DePaul University in Chicago. Author of six books and over 95 articles, his work is published in leading business journals, including the *Harvard Business Review*. He is the co-author of the book **DRIVEN: Business Strategy, Human Actions and the Creation of Wealth** and the co-author of **Strategic Risk Management: A Primer for Directors and Management Teams**. Dr. Frigo is a recognized thought leader and advisor in strategy and risk management. He is an advisor to management teams and boards of Fortune 500 companies in the area of Strategic Risk Management. He can be reached at mfrigo@depaul.edu or 312-362-8784 or www.markfrigo.com.

