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NC STATE Poole College of Management
Enterprise Risk Management Initiative

2017 Global Risk Oversight Report

Similarities and differences in opportunities for improvement

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Chartered Global Management Accountant

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ERM Initiative
North Carolina State University
Raleigh, North Carolina

Authors
Mark S. Beasley
Bruce C. Branson
Bonnie V. Hancock

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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. To gain insights about the current state of risk management processes around the globe, we surveyed executives in the autumn of 2016 about how their organisations approach risk oversight. We conducted similar surveys in 2010 and 2014.

This report summarises insights from 586 executives in organisations across the world and provides insights on the current state of enterprise-wide risk oversight, including identified similarities and differences in four global regions:

Europe & the UK

Asia & Australasia

Africa & the Middle East

United States (US)

Key findings include:

1 **Organisations all around the world perceive an increasingly complex risk environment.**

Views about the volume and complexities of risks are generally similar in all four regions. The exceptions are those organisations in Africa & the Middle East that perceive risk complexities to be even higher than their peers do.

Close to a majority or more of organisations outside the US have experienced a significant operational "surprise" during the past five years. Only 32% of US organisations have experienced similar levels of surprise.

2 **Risk management practices appear to be relatively immature across the globe.**

Around 30% or less of organisations indicate they have "complete" enterprise risk management (ERM) processes in place. The lowest percentages of organisations to do so are in Europe & the UK (21%) followed by Africa & the Middle East (24%).

Only about a quarter of respondents in all regions of the world describe their organisation's risk maturity as "mature" or "robust".

3 **Most organisations struggle to integrate their risk management processes with strategic planning.**

Fewer than 20% of organisations in Europe & the UK or in the US believe their risk management processes are providing a unique competitive advantage.

Despite the fact that most strategies may be impacted by a number of risks, only about 50% of respondents around the world indicate that they "mostly" or "extensively" consider risk exposures when evaluating new strategic initiatives.

4 **There appears to be a lack of detailed risk oversight infrastructure in most organisations.**

Under one-third of organisations in all regions of the world maintain or update risk inventories/registers.

About one-half of organisations in Asia & Australasia and in Africa & the Middle East have formal risk management policy statements. This compares with only about one-third of organisations in Europe & the UK and in the US.

5 **Internal management-level risk committees are more common than chief risk officers.**

Around 30-40% of organisations have appointed a chief risk officer, whereas more than 50% of organisations (other than those in Europe & the UK) have management-level risk committees.

Most organisations (around 80%) have not conducted any formal risk-management training for executives.

6 **The board of directors is placing pressure on management to strengthen risk oversight.**

In the US, the greatest pressure for the increased involvement of senior executives in risk oversight is coming from the audit committee. This contrasts with the other regions of the world, where the greatest pressure is coming from the board of directors or the CEO.

Boards of US organisations are more likely to delegate risk oversight to the audit committee, whereas boards for organisations in other parts of the world are more likely to delegate it to a board risk committee.

7 **There are real barriers within organisations that are impeding progress in maturing risk management processes.**

Outside the US, the most notable barrier is a perception that the organisation does not have sufficient resources to invest in ERM. The biggest barrier for US organisations, meanwhile, is the perception that there are more pressing competing priorities.

Although not directly comparable with the two previous global surveys, these seven key findings include some broad recurring themes such as the challenges of greater complexity and those involved in integrating risk considerations into strategy. This report highlights that while the overall risk environment is growing in complexity, significant challenges and barriers remain both in strengthening the effectiveness of enterprise-wide risk oversight and in integrating risk management into strategic planning processes.

Calls to action

The findings give rise to a number of calls to action:

1. The increasing complexities in today's business environment mean risk management is unlikely to get easier. Senior executives and boards of directors benefit from honest and regular assessments of the effectiveness of the current approach to risk oversight in the light of the rapidly changing risk environment.
2. Given the fundamental relationship between "risks" and "returns", most business-unit leaders understand that taking risks is necessary to generate higher returns. The challenge for management is to genuinely consider whether the process used to understand and evaluate risks associated with the organisation's strategies actually delivers any unique capabilities to manage and execute their strategies.
3. Given the intricacies of managing risks across complex business enterprises, organisations may need to strengthen the leadership of their risk management function. Appointing a risk champion (for example, a chief risk officer) or creating a management-level risk committee may help to ensure that all risk management processes are appropriately designed and implemented.
4. Most organisations have tremendous amounts of data that might provide insights about emerging risks. Most of these, however, have not analysed that data with a risk perspective in mind. They may need to add key risk indicators (KRIs) to management's dashboard systems and reports.

The remainder of this report provides a number of detailed insights into the state of enterprise risk management practices in organisations around the world. It ends with questions that boards of directors and senior executives may wish to consider as they seek to strengthen their understanding of the risks that are most critical to achieving their strategic objectives. We also provide suggestions for further reading and links to additional tools and resources.

Those organisations that embrace the reality that risk and return are related are likely to increase their investment in enterprise risk oversight. This will strengthen their resilience and agility when navigating the increasingly complex risk landscape that is on the horizon. Organisations must enhance their enterprise risk oversight on a number of fronts, building robust processes, competencies and capabilities as well as making effective use of data to inform their efforts. Those organisations that successfully adopt such an integrated approach are in a good position to transform risk management into a source of competitive advantage. This report aims to help organisations benchmark the relative maturity of their risk oversight and to highlight opportunities for enhancing the strategic value of their risk oversight activities.

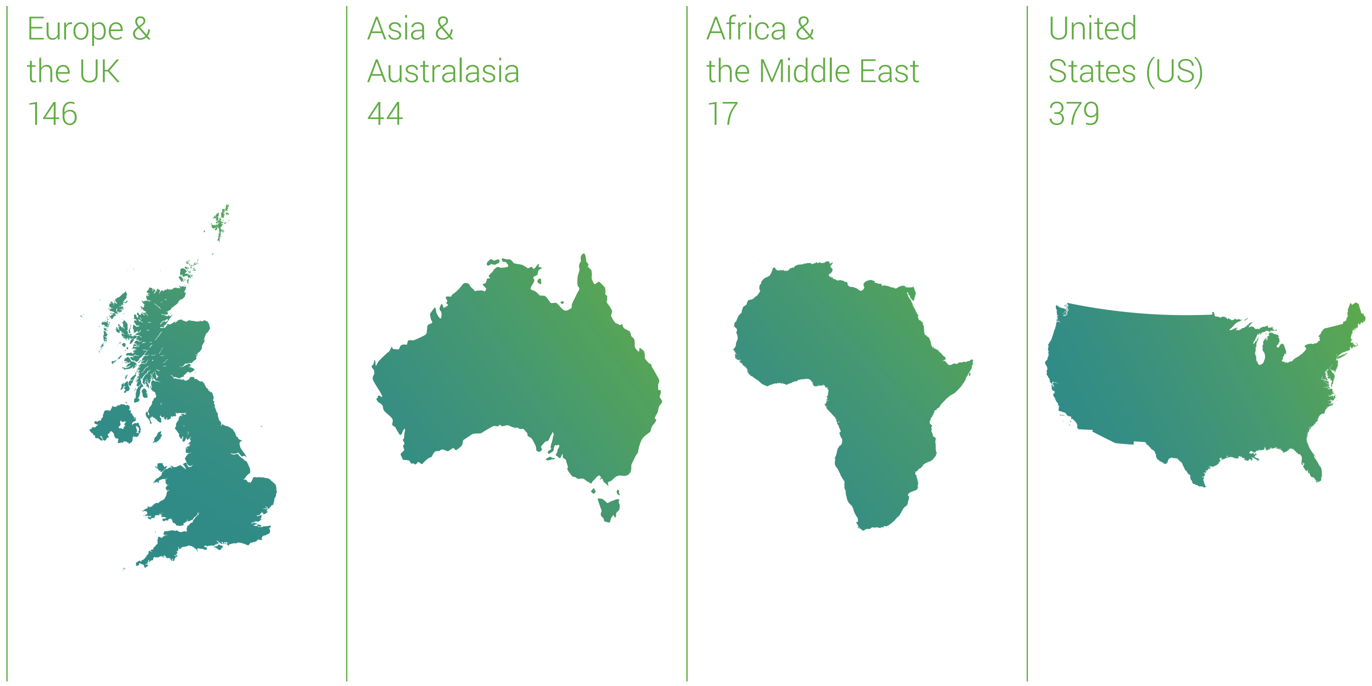
Global input to research

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 organisations' strategic success.

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

Because the business climate differs in various regions of the world, the resulting expectations for more enhanced risk oversight may also differ. This means the current state of enterprise risk oversight practices may not be the same worldwide. Using an online survey, 586 business leaders across four core regions of the world gave us input that allows us to identify and analyse differences in the current state of ERM practices around the globe. The chart below provides the breakdown in geographic regions represented in this study.

Number of survey responses



More than half the respondents serve in senior accounting and finance roles, with the remainder representing a variety of management positions. A range of industries is represented, with no industry comprising more than 29% of respondents in any given region.

Over two-thirds of the respondents are from organisations with annual revenues (converted to USD) of $500 million or below. See Appendix 2 for the demographics of respondents.

Perceptions about risks in the business environment

Respondents indicate that the business environments affecting all organisations include numerous complex and interconnected risks. They overwhelmingly believe that the volume and complexities of the risks they face today have increased “mostly” to “extensively” over the past five years. This is true for all regions of the world. As shown by the bar graph below, about 60% of respondents from all over the world indicate that the volume and complexity of risks have increased in this way, suggesting that no particular region of the world appears to be noticeably less subject to risk than others. This is because the global nature of the marketplace in which many organisations operate means that risk drivers appearing in one part of the world can affect organisations that are actually based elsewhere.

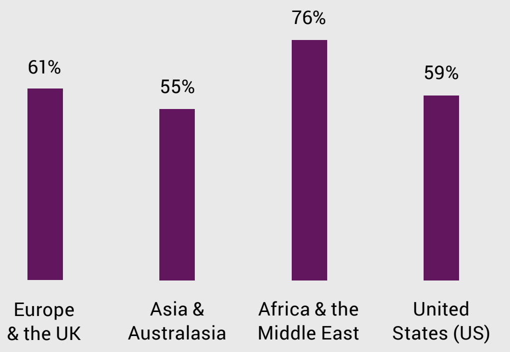
One reality of an increasingly complex business environment is that unexpected risks emerge that affect organisations in unanticipated ways. Respondents reveal that a majority of organisations (especially those from Africa & the Middle East) have “mostly” or “extensively” experienced a significant operational surprise in the past five years. The rate of organisational surprise was lowest for US organisations, with one-third of them at that level. Collectively, these results suggest that the volume and complexity of risks are significant. This often causes risks to translate into unexpected risk events that adversely affect organisations, especially outside the US.

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

Global risk environment

To what extent has the volume and complexity of risks increased in the last five years?

Percentages reflecting "mostly" and "extensively"



To what extent has your organisation faced an operational surprise in the last five years?

Percentages reflecting “mostly” and “extensively”

53%
Europe & the UK

46%
Asia & Australasia

71%
Africa & the Middle East

32%
United States (US)

Robustness of enterprise risk oversight

The increasingly complex risk environment and the potential for significant operational surprise we have already highlighted mean organisations’ current approach to risk oversight may be insufficient to deal with the rapidly changing risks they are likely to encounter. We asked respondents how far their organisations have embraced the concept of ERM.

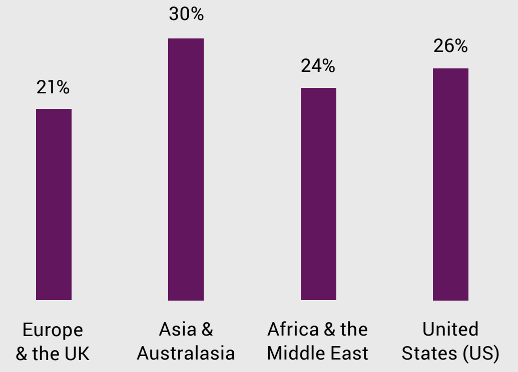
Respondents indicate that the current state of ERM adoption around the world remains relatively immature, with between one-fifth to one-third claiming to have a “complete formal enterprise-wide risk management process in place”.

An important insight to take from the bar graph below is that the state of embrace of “complete” ERM processes is relatively flat and only present in about a third of the organisations surveyed. This suggests that there are challenges that may be restricting progress in risk oversight over time. While there might be an argument that organisations view their current arrangements as appropriate given their operational environment, the widespread expectation of increased complexity in the near future makes this position untenable in the medium term.

In all regions of the world, only around a quarter of organisations describe their risk management oversight as “mature” or “robust”.

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

Percentage with “complete ERM processes in place”



Percentage with “mature” or “robust” risk management oversight

Percentage of organisations describing their ERM process as “systematic, robust and repeatable with regular reporting of top risk exposures to the board”

Percentages reflecting “mostly” and “extensively”

47%
Europe & the UK

55%
Asia & Australasia

50%
Africa & the Middle East

33%
United States (US)

We asked respondents whether their ERM processes are “systematic, robust and repeatable with regular reporting of top risk exposures to the board”. There were noticeable differences between responses from US organisations and those from all other parts of the world. About half of the non-US respondents indicate their ERM processes are systematic, robust and repeatable, while only 33% of US respondents make that claim.

We asked different questions to gather information about the relative state of organisations’ risk management sophistication. Collectively, the responses suggest that there is significant opportunity for strengthening respondents’ approach to managing risks in light of the increasingly complex global business environment.

Integration of risk management and strategy

Most executives appreciate the reality that organisations must take risks to generate returns. To get a sense of the strategic importance of their organisation’s risk oversight processes, we asked respondents about the extent to which these processes provide important strategic value. Unfortunately, for many organisations, their risk oversight and strategic planning efforts appear to be separate activities.

As shown below, there is noticeable regional variation between respondents who believe their risk management processes “mostly” or “extensively” provide a unique competitive advantage. A higher percentage of respondents in two regions – Asia & Australasia, (34%) and Africa & the Middle East (53%) – believe their risk oversight provides important competitive advantage. This is in contrast to a much smaller percentage in Europe & the UK (18%) and in the US (19%). The difference between the responses from Africa & the Middle East and all other regions may be attributed to the greater number of smaller organisations represented in that region. It appears likely that the smaller size of these organisations facilitates better communication between fewer executives about risks and strategy issues.

As summarised below, about half the respondents believe that their senior executive teams consider existing risk exposures when evaluating possible new strategic initiatives. Higher percentages were reported by respondents in Europe & the UK (53%) and in Africa & the Middle East (also 53%). Only 44% of US organisations hold a similar belief, however. There is an apparent disconnect here. On the one hand, a high proportion of respondents indicate that management considers risk exposures when evaluating possible new strategic initiatives. On the other, an overall majority does not believe their risk management processes provide strategic competitive advantage. Perhaps the relative immaturity of the organisations’ risk management processes, as described previously, suggests that the consideration of risk in the context of strategic decisions remains informal and ad hoc. This in turn limits the ability of the risk management function to contribute significant insights to the organisation’s strategic planning and execution activities.

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

Respondents stating that the risk management process “mostly” or “extensively” provides unique competitive advantage

Percentages

18%
Europe & the UK

34%
Asia & Australasia

53%
Africa & the Middle East

19%
United States (US)

The extent to which risk exposures are considered when evaluating possible new strategic initiatives

Percentages reflecting “mostly” and “extensively”

53%
Europe & the UK

52%
Asia & Australasia

53%
Africa & the Middle East

44%
United States (US)

Metrics to monitor top risks

To enable the risk management process to provide strategic value, management needs output from the processes they use to respond strategically to emerging risks. We asked respondents to indicate their level of satisfaction with the nature and extent of reporting of key risk indicators (KRIs) to senior executives regarding the entity's top risk exposures. As shown in the table below, about one-third of organisations are "mostly" or "very satisfied" with the nature and extent of KRI reporting. Around two-thirds of the organisations represented in this report therefore perceive room for improvement. There are no substantial differences between the regions.

There is therefore a widespread lack of KRIs that management can usefully monitor to proactively navigate the organisation around emerging risks. This may explain why respondents generally do not believe that their organisations' risk management processes are providing strategic value. Without effective KRIs, management is forced to react to specific risks to their businesses, rather than proactively managing risks to create strategic value.

Respondents that are "mostly satisfied" or "very satisfied" with the nature and extent of reporting of key risk indicators (KRIs) to senior executives about the entity's top risk exposures

36%
Europe & the UK

30%
Asia & Australasia

41%
Africa & the Middle East

32%
United States (US)

Existing risk identification processes

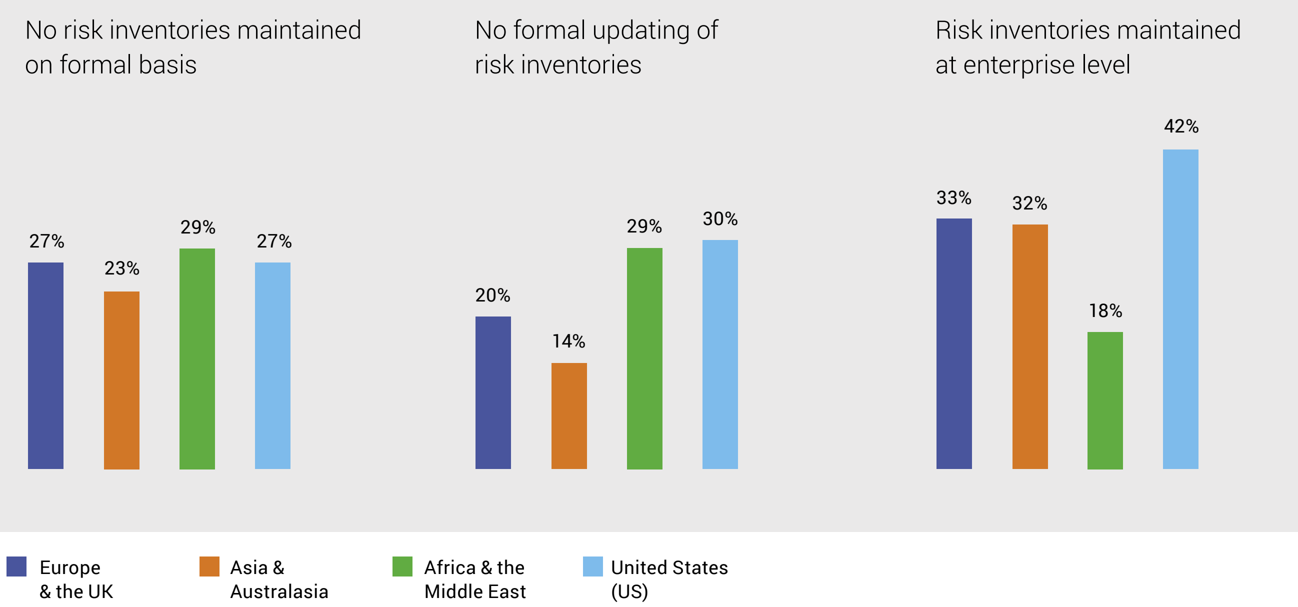
Digging more deeply into the underlying risk identification and risk assessment processes provides some insight into differences in the maturity of overall risk oversight. We asked a number of questions about the techniques organisations use to identify, assess and monitor their key risk exposures.

About one-quarter of organisations in all regions of the world do not maintain risk inventories/registers of their top risk exposures. Similar results are observed when respondents are asked if their organisations have formal processes to update key risk inventories/registers. US organisations and those in Africa & the Middle East answered negatively more often than organisations in Europe & the UK or Asia & Australasia.

Despite the lack of formal updating of key risk inventories/registers for 30% of US organisations, 42% of US respondents noted that risk inventories/registers are maintained in all business units and/or at the enterprise level. It is uncertain how those organisations maintain their risk registers without formal processes for updating them.

Organisations in Asia & Australasia and in Africa & the Middle East are more likely to have formal policy statements than organisations in the US or Europe & the UK. Around half of the respondent organisations in Asia & Australasia and in Africa & the Middle East have a formal policy statement regarding their enterprise-wide approach to risk management, as compared to one-third of US and European organisations. Additionally, most organisations (around 60%) outside the US and Europe & the UK have formally defined the meaning of the term "risk" for employees to use when identifying and assessing risks. Only some 40% of US and European & UK organisations have done so.

Risk inventories



Organisation has a formal policy statement regarding its enterprise-wide approach to risk management

Percentages responding "Yes"

36% Europe & the UK	57% Asia & Australasia
47% Africa & the Middle East	39% United States (US)

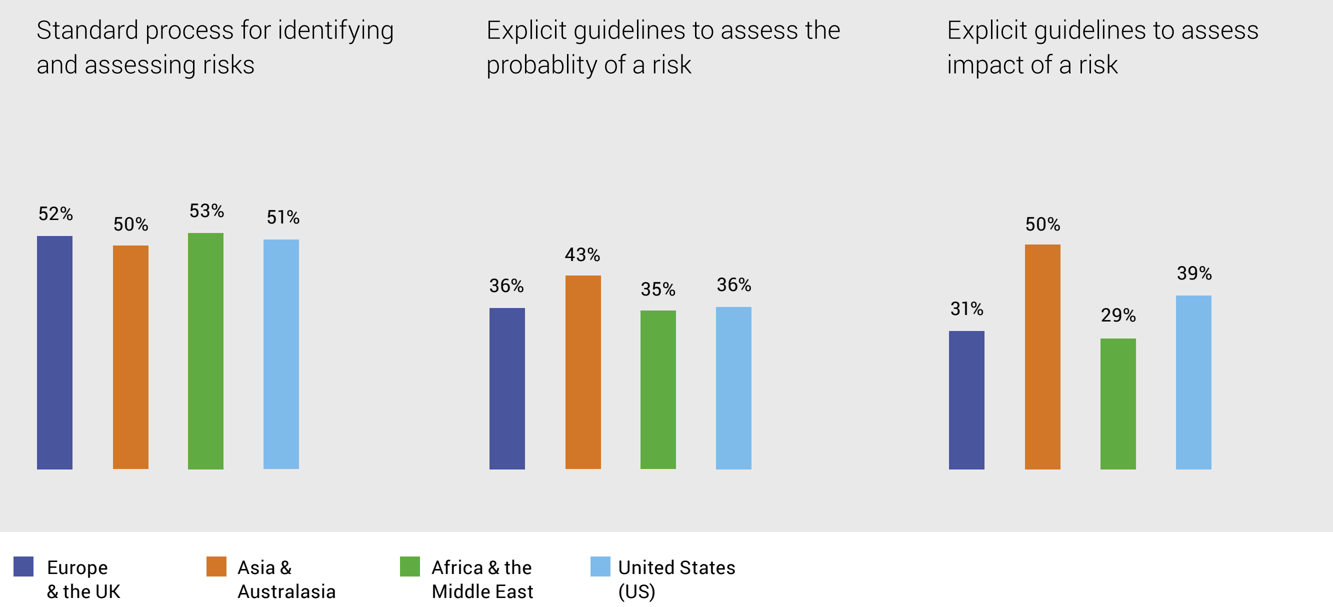
Organisation has formally defined the meaning of the term "risk" for employees to use when identifying and assessing key risks

Percentages reflecting "mostly" and "extensively"

37% Europe & the UK	59% Asia & Australasia
65% Africa & the Middle East	43% United States (US)

About half of all respondents in all regions claim to have a standardised process or template for identifying and assessing risks. When asked whether their organisations have explicit guidelines or template for assessing the probability or impact of a risk, less than 40% of respondents indicate those guidelines exist in their organisations. (The exceptions were respondents in Asia & Australasia, where 50% of the organisations provide guidelines for assessing the impact of a risk.) This lack of detailed risk oversight infrastructure across most organisations helps explain the earlier reported finding that the overall maturity of ERM processes is still developing for most organisations around the world.

Guidelines to identify and assess risks



Internal risk leadership

Around one-third of the organisations in Europe & the UK and in Africa & the Middle East have appointed an individual to serve as the chief risk officer (CRO) or senior risk executive equivalent. However, closer to 40% of organisations in Asia & Australasia and the US have done so. In contrast, more than 50% of organisations around the world have created a management-level risk committee. The exceptions are those in Europe & the UK where just over 40% have done so. For those organisations that have internal risk committees or equivalent, most (over 60% at least) meet on a quarterly or monthly basis.

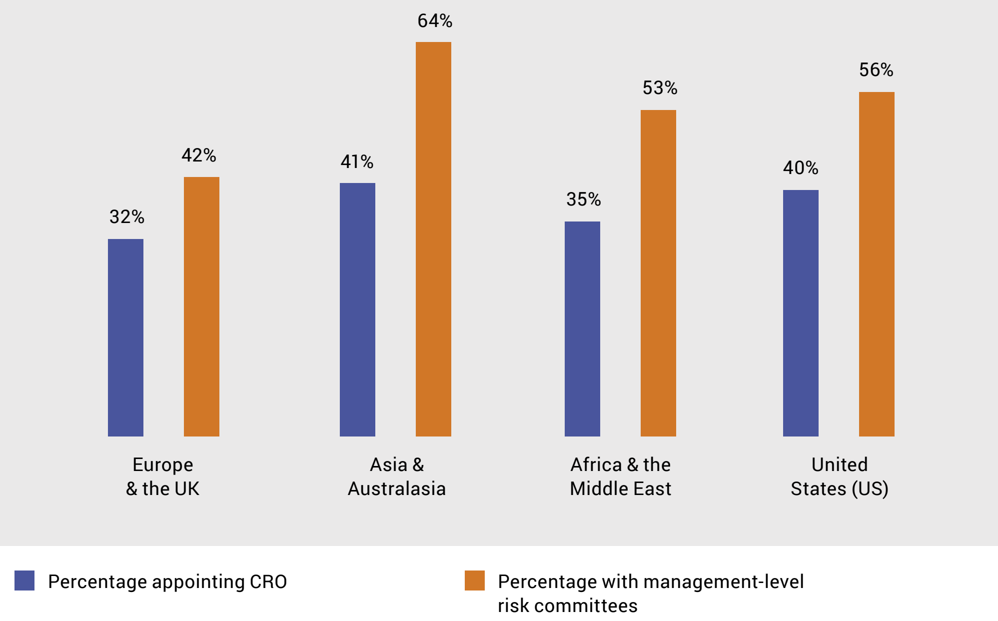
Most organisations do not include risk management activities as an explicit component when determining compensation/remuneration for management performance. A low proportion of respondents chose 'mostly' or 'extensively' in this regard. The exceptions are organisations in Africa & the Middle East, where 29% indicate an interconnectedness between performance compensation/remuneration and risk management.

Extent to which risk management activities are an explicit component in determining compensation/remuneration for management performance

Percentages reflecting "mostly" and "extensively"

15% Europe & the UK	20% Asia & Australasia
29% Africa & the Middle East	13% United States (US)

Percentage With CRO or Management Risk Committee



Other than organisations in Africa & the Middle East, under 20% of organisations have provided executives and key business unit leaders with much, if any, formal training and guidance on risk management during the past two years.

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

Extent to which senior executives and key business unit leaders have received formal training and guidance on risk management during the last two years

Percentages reflecting "mostly" and "extensively"

12% Europe & the UK	18% Asia & Australasia
29% Africa & the Middle East	16% United States (US)

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. As a result of this pressure, members of senior management, including the CEO/ president and CFO, are also calling for stronger and more effective risk oversight.

It is interesting to note that the calls for increased oversight appear to be more frequent for organisations outside the US. The table below shows that well over half of respondents in all regions (other than the US) note that their board of directors is calling for increased senior management engagement in risk oversight. This is the case for only 38% of US organisations. Calls for enhanced risk oversight are also coming from regulators in all regions of the world, with between 18% and 34% of respondents experiencing regulator demand for more effective risk oversight.

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 in the graph on the right, just over half of the boards appear to be doing so in most regions around the world. This is with the exception of Asia & Australasia, where just over 70% of boards do so.

Status of boards formally delegating risk oversight

Extent to which each of the following parties is asking for increased senior executive involvement in risk oversight	Percentages Reflecting "Mostly" and "Extensively"			
	Europe & the UK	Asia & Australasia	Africa & the Middle East	United States (US)
Board of directors	56%	70%	59%	38%
Audit committee	37%	55%	41%	42%
CEO/president	44%	59%	71%	41%
Regulators	34%	34%	18%	32%

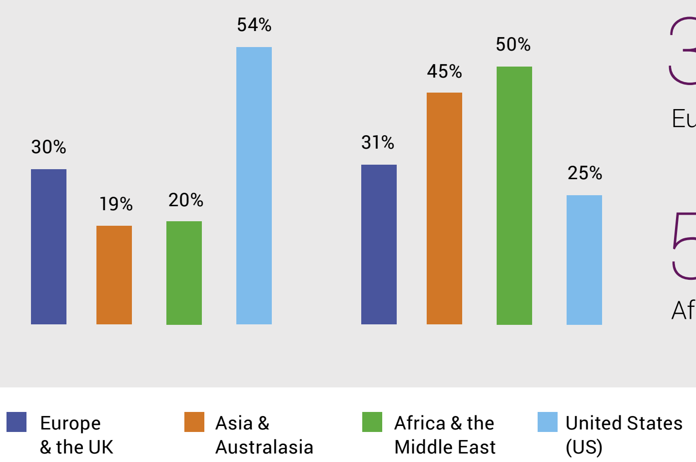
When assigning responsibility, US organisations are more likely than others to formally transfer risk oversight to the audit committee, followed by European & UK organisations. In contrast, Asia & Australasia and Africa & the Middle East organisations are more likely to assign responsibility to a separate risk committee of the board.

Compared with organisations in other parts of the world, those in the US and Europe & the UK are noticeably different in the extent to which they formally include top risk exposures in board discussions of the organisation's strategic plan. Only around 28% of respondents in the US and just 32% of respondents in Europe & the UK indicated that such discussions happen "mostly" to "extensively". In contrast, the percentages of organisations in Asia & Australasia and in Africa & the Middle East that formally discuss information generated by the organisation's ERM processes when assessing the strategic plan are much higher, at 48% and 53% respectively.

Board's delegation of risk oversight

Delegated to audit committee

Delegated to risk committee



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?

Percentages reflecting "mostly" and "extensively"

32%
Europe & the UK

48%
Asia & Australasia

53%
Africa & the Middle East

28%
United States (US)

Addressing barriers to enterprise risk oversight

The relative level of immaturity and robustness of enterprise risk oversight in organisations around the world is attributable to several perceived barriers which may be restricting progress in strengthening the overall approach to risk oversight. Several of these are noted as being a "barrier" or a "significant barrier."

All organisations in the survey face barriers to advancing their risk oversight. Around 50% of global respondents believe their risk oversight efforts are hindered by the perception that they do not have sufficient resources to ensure the process is effective. As shown in the table below, this is a particular concern for organisations in Europe & the UK and in Africa & the Middle East. Resource concerns are a common issue regardless of location. Respondents from most regions also note that other "competing priorities" may be restricting their organisation's ability to enhance its risk oversight processes. The only exceptions are organisations in Asia & Australia, where only 30% of respondents noted competing priorities as a real barrier. About one-third of respondents also indicate that a lack of perceived value from enterprise risk oversight is another important barrier to progress.

Collectively, these findings suggest that executives interested in strengthening their organisation's overall risk oversight face perceived barriers that they will need to overcome. They may need to centre part of their effort around communication and education to help articulate the value of investing in better enterprise risk oversight for strategic success. They may also need to focus on integrating their risk oversight efforts with their strategic planning efforts to address the findings we reported earlier that organisations are struggling to connect risk oversight with strategic planning and value-creating efforts. The more strongly executives recognise the strategic value of enterprise-level risk information, the more they will be willing to engage in important risk management processes. The more that 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.

Perceived barriers to effective ERM	Percentages Reflecting "barrier" or "significant barrier"			
	Europe & the UK	Asia & Australasia	Africa & the Middle East	United States (US)
Competing priorities	45%	30%	41%	46%
Insufficient resources	52%	43%	53%	45%
ERM perceived as unneeded bureaucracy	33%	27%	47%	27%
Lack of perceived value	34%	27%	41%	37%

Questions for discussion

Given the rapid pace of change in the global business environment, more organisations are realising that status quo risk management is likely to lead to failure and significant missed opportunities. As senior executives evaluate their organisations' overall approach to risk oversight, here are few questions they may wish to consider:

1. If asked to describe the organisation's approach to risk management, what explicit processes would be highlighted? How would the description vary if individual members of the board or senior management are asked to respond?
2. Who among the management team would be viewed as the leader of the organisation's processes to oversee the risks on the horizon?
3. To what extent does management's identification of key risks tend to focus on already "known" or well-understood risks? To what extent is the risk management process helping management identify "unknown but knowable" risks?
4. Is there a consensus view among the board of directors and senior management about what constitute the top 10-15 most important risks on the horizon for the organisation?
5. How much is the information output generated by the risk management process used as an important input to the strategic planning process? That is, when evaluating strategic alternatives, does the strategic planning process evaluate the nature and extent of risks identified by the risk management process?
6. What do recent risk events experienced by the organisation suggest about the effectiveness of the organisation's risk management processes?
7. To what extent are senior management and the board able to identify the organisation's current responses for the top 10-15 risks to the enterprise? How does management determine the effectiveness of those responses?
8. To what extent does management's information dashboard include KRIs in addition to KPIs?
9. 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?
10. Where are the biggest vulnerabilities in the organisation's risk management processes?

Those that embrace the reality that risk and return are related are likely to increase their investment in enterprise risk oversight. This will 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 enterprise-wide risk oversight efforts.

See Appendix 1 for more CGMA resources, tools and case studies to help you and your organisation manage risk effectively and become risk leaders.

Appendix 1 – CGMA resources

The "CGMA Risk Management Toolkit" brings together a wide range of practical resources, tools and case studies to help you and your organisation manage risk effectively. Key content includes:

"What does it take to be a risk leader?" – highlights the qualities and competences required of effective risk leaders in an increasingly complex business environment. These are underpinned by the CGMA Competency Framework, which demonstrates the relevance and capabilities of a CGMA as a trusted finance and business professional.

"Aligning strategy, planning and risk processes at MassMutual" provides a case study of how one organisation has better aligned its strategy, planning and risk processes for improved governance and performance.

"Ensuring corporate viability in an uncertain world – framing the board conversation on risk" provides useful questions and issues to consider for boards within an integrated framework to help them consider risks and long-term viability within the complex business environment. The report also contains a range of perspectives and insights from board members.

The "CGMA Global Management Accounting Principles" provide the best-in-class management accounting framework that empowers organisations to take the best possible decisions to create long-term sustainable value. Risk management is one of the 14 key practice areas of the management accounting function as captured by the Principles, providing a robust and structured approach to strengthening enterprise risk oversight.

A full list of resources is below:

CGMA Competency framework
www.cgma.org/resources/tools/cgma-competency-framework.html

Cyber risk
www.cgma.org/resources/reports/irm-cyber-risk-report.html

ERM maturity case study
www.cgma.org/resources/tools/evaluate-enterprise-risk-mgmt-cs.html

Ethics, risk and governance through the value chain
www.cgma.org/resources/reports/ethics-risk-and-governance-through-the-extended-value-chain.html

Ensuring corporate viability in an uncertain world: Framing the board conversation on risk
www.cgma.org/resources/reports/ensuring-corporate-viability-in-an-uncertain-world.html

Extended enterprise risk
www.cgma.org/resources/reports/irm-extended-enterprise-risk-report.html

Financial risk management tool
www.cgma.org/resources/tools/financial-risk-management.html

Fraud risk management
www.cgma.org/resources/reports/fraud-risk-management.html

Global Management Accounting Principles
www.cgma.org/resources/reports/globalmanagementaccountingprinciples.html

Global state of enterprise risk oversight
www.cgma.org/resources/reports/global-state-of-enterprise-risk-oversight.html

Joining the Dots: Decision making for a new era
www.cgma.org/resources/reports/joining-the-dots.html

Managing innovation
www.cgma.org/resources/reports/managing-innovation.html

Mass Mutual Case study
www.cgma.org/resources/reports/massmutual-case-study.html

Risk - process innovation
www.cgma.org/resources/tools/risk-questions.html

Risk appetite and tolerance
www.cgma.org/resources/reports/risk-appetite-and-tolerance.html

Risk culture
www.cgma.org/resources/reports/risk-culture.html

Risk Heat Map
www.cgma.org/resources/tools/essential-tools/risk-heat-maps.html

Risk management: A guide to good practice
www.amazon.co.uk/Risk-ManagementGuide-Prac-tice-Research/dp/1859715648/ref=sr_1_1

Scenario planning tool
www.cgma.org/resources/tools/scenario-planning.html

The boardroom and risk
www.cgma.org/resources/reports/tomorrows-company-boardroom-risk.html

Tomorrow's Risk Leadership
www.cgma.org/resources/reports/tomorrows-risk-leadership.html

What does it take to be a risk leader?
www.cgma.org/resources/reports/what-does-it-take-to-be-a-risk-leader.html

For more information and resources visit cgma.org.

Appendix 2: Demographics of survey respondents

Number of respondents by region

	Europe & the UK	Asia & Australasia	Africa & the Middle East	United States (US)
Number of Survey Respondents	146	44	17	379

Management titles for respondents

Titles	Percentages			
	Europe & the UK	Asia & Australasia	Africa & the Middle East	United States (US)
Chief financial officer or finance director	49%	39%	23%	33%
Controller	19%	16%	6%	16%
Treasurer	1%	0%	0%	1%
Head of internal audit	1%	0%	0%	9%
Chief risk officer	0%	2%	18%	8%
Other titles	30%	43%	53%	33%

Industries represented

Industries	Percentages			
	Europe & the UK	Asia & Australasia	Africa & the Middle East	United States (US)
For-profit entities				
Manufacturing	24%	21%	12%	13%
Finance, insurance, real estate	13%	14%	29%	27%
Services	28%	18%	29%	14%
Wholesale distribution	6%	11%	6%	5%
Construction	8%	16%	6%	5%
Retail	3%	2%	0%	3%
Transportation	2%	2%	0%	2%
Mining	1%	5%	18%	4%
Agriculture, forestry, fishing	3%	2%	0%	1%
Non-Profit	12%	9%	0%	26%

Appendix 2: Demographics of survey respondents (continued)

Size of organisations represented

Range of revenues in most recent fiscal year (reported in USD)	Percentages			
	Europe & the UK	Asia & Australasia	Africa & the Middle East	United States (US)
$0 < x ≤ $10 million	29%	12%	31%	15%
$10 million < x ≤ $100 million	48%	41%	31%	28%
$100 million < x ≤ $500 million	12%	33%	19%	17%
$500 million < x ≤ $1 billion	6%	5%	6%	9%
$1 billion < x ≤ $2 billion	2%	2%	6%	8%
$2 billion < x ≤ $10 billion	1%	5%	0%	14%
x > $10 billion	2%	2%	7%	9%

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 Organizations of the Treadway Commission (COSO) and has served on other US national-level task forces related to risk management issues. He advises boards and senior executive teams on risk governance issues and is a frequent speaker at national and international levels. He 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 an Alumni Distinguished 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 also has 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, the 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 the compensation committees.

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Enterprise Risk Management Initiative

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