The Governance Institute

Key Questions: Enterprise Risk Management

- How much risk—broadly defined—have we assumed already? What is on the horizon?
- What is our current "risk capacity"?
- What is our risk preference/appetite, and is it aligned with our strategic plan?
- Do we have a risk assessment that is built into all business planning processes?
- Does our organization have a "culture of safety" that encourages transparency when adverse events occur?
- Does our board exhibit a culture that supports effective ERM?
- How does information related to ERM flow from management through committees and to the board?
- Do we have the best committee approach to support governance oversight of ERM?
- Do we have, and regularly update, an enterprise "risk inventory"?
- Are we actively using scenario planning—and closely monitoring potential "clouds on the horizon"?