CORE VALUE DRIVER/STRATEGIC ANALYSIS TEMPLATE

|  |  |
| --- | --- |
| MISSION:  *What is the organization’s key purpose? Why does it exist?* |  |
| CORE VALUE DRIVER/STRATEGIC INITIATIVE:  *Select a core value driver (service, knowledge, skill, attribute, etc. that drives the organization’s value) or a strategic initiative (program or activity the organization is planning to increase the value it provides in the future)* |  |
| WHAT MUST GO RIGHT\*:  *What must go right for this core value driver or strategic initiative to succeed?* |  |
| RISKS TO THE CORE VALUE DRIVER/STRATEGIC INITIATIVE:  *What internal or external events might prevent what must go right for the strategy to succeed?* |  |
| ASSUMPTIONS\*:  *What assumptions is the organization making related to the core value driver or strategic initiative?* |  |
| RISKS OF ASSUMPTIONS:  *How might assumptions be flawed, based on unreliable data, or outdated?* |  |
| RISKS OF THE CORE VALUE DRIVER/STRATEGIC INITIATIVE:  *What impact might this strategy have on existing programs and other initiatives?* |  |
| OPPORTUNITIES:  *How might a risk the organization is facing turn out to be an advantage?* |  |

\*It may be difficult to distinguish between what must go right and assumptions. It does not matter what goes in which box, as long as both boxes combined capture all factors. Asking the questions differently helps identify more factors.

SWOT ANALYSIS TEMPLATE

|  |  |
| --- | --- |
| **STRENGTHS** | **WEAKNESSES** |
| *What do we do well? What internal resources do we have? What advantages do we have over similar organizations?* | *What factors in our control detract from our ability to be more effective? What areas need improvement? What does our organization lack?* |
| **OPPORTUNITIES** | **THREATS** |
| *What opportunities exist in our area of expertise that we can benefit from? Is the opportunity sustainable or one-time?* | *What might threaten our effectiveness? What factors exist that are beyond our control? Are there any anticipated unfavorable trends?* |

PESTLE ANALYSIS TEMPLATE

|  |  |
| --- | --- |
| **COMPONENTS** | **RELEVANT ISSUES AND EFFECTS** |
| POLITICAL FACTORS  *Elections, change of government leadership, potential policy changes, rule of law, etc.* |  |
| ECONOMIC FACTORS  *Economic growth or stagnation, interest rates, exchange rates, inflation, unemployment, etc.* |  |
| SOCIAL FACTORS  *Population and demographic changes, health conditions, level of education, social mobility, social attitudes, religious beliefs, socio-cultural changes, etc.* |  |
| TECHNOLOGICAL FACTORS  *Changes in the availability or price of new technologies, technological infrastructure, potential changes in technological standards, etc.* |  |
| LEGAL FACTORS  *Labor laws, relevant court cases, employment regulations, etc.* |  |
| ENVIRONMENTAL FACTORS  *Climate, weather, energy consumption regulations, etc.* |  |

RISK IDENTIFICATION USING RISK CATEGORIES TEMPLATE

|  |  |
| --- | --- |
| **RISK CATEGORIES** | **RELATED RISKS** |
| FINANCIAL/FIDUCIARY  *e.g., fraud/theft/bribery, accuracy/sufficiency of*  *financial information, adequacy of reserves/cash flow, dependency on limited income sources, currency fluctuations* |  |
| IMPACT/OPERATIONS/PROGRAMS AND SERVICES  *e.g., service delivery, staff recruitment, training and retention, contracts, volunteers, disaster recovery and continuity* |  |
| LEGAL/COMPLIANCE  *e.g., legislation and regulations, reporting requirements, taxation, conflicts of interest, codes of conduct* |  |
| GOVERNANCE/LEADERSHIP/STRATEGY  *e.g., oversight, decision-making, organizational structure, theory of change, accountability* |  |
| EXTERNAL ENVIRONMENT/SOCIAL AND ENVIRONMENTAL/POLITICAL  *e.g., demographics, government change, natural resources, climate change, human rights* |  |
| INFORMATION TECHNOLOGY  *e.g., data loss or corruption, breach or misuse of confidential/sensitive data, reliability of essential technology, business continuity/disaster recovery* |  |
| REPUTATIONAL  *e.g., media coverage, stakeholder relations, social media* |  |
| SECURITY/SAFETY  e.g., violence or crime, civil unrest, accident, illness |  |

BOW-TIE ANALYSIS EXAMPLE

The following questions can be used to guide the analysis:

1. What are the top 3-4 root causes that might cause the organization to be vulnerable to the risk?
2. What risk responses does the organization already have in place to prevent the root causes of the risk from occurring?
3. How confident is the organization that these actions will be effective at minimizing risk exposure?
4. What else might the organization do to more effectively prevent this risk from occurring?
5. Assuming the risk occurs, what are the specific responses the organization would implement should the risk begin to occur?
6. How confident is the organization that these responses would be effective at minimizing the consequences of the risk?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| CAUSES | RESPONSES TO PREVENT RISK | RISK | CONSEQUENCES | RESPONSES TO MINIMIZE IMPACT |
| Compensation and benefits not competitive | Conduct benchmarking with entities that compete for same talent | Current environment may make it difficult to attract and retain talented workforce | Key operations are interrupted for period of time | Prioritize functions that need staffing most and boost compensation packages to secure longer employment |
| Younger people do not view industry as favorable | Develop awareness campaign of importance of industry | Existing employee base has to work overtime | Provide incentives and rewards to recognize extra efforts |
| Unclear career path options | Develop a leadership development pro- gram to layout career path options | Over-taxed workforce continues to leave at faster pace | Seek opportunities to outsource key functions to third parties |
| Physical workplace locations unappealing | Upgrade facilities; offer remote work opportunities | Certain initiatives have to be placed on hold | Prioritize initiatives to place on hold first |

BOW-TIE ANALYSIS TEMPLATE

|  |  |
| --- | --- |
| RISK: |  |
| RISK OWNER: |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Root Causes Vulnerabilities that Might Precede Risk Event | Current Responses That Lower Probability of Root Cause Occurring | Assessment of Effectiveness of Response  (1=Not Effective; 10=Extremely Effective) | What Else Might Be Done to Prevent the Risk | Risk Event | Responses to Minimize Impact of Risk | Assessment of Effectiveness of Response  (1=Not Effective; 10=Extremely Effective) | What May Be Done Differently to Lessen the Impact of the Risk |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

KEY RISK INDICATOR (KRI) IDENTIFICATION USING BOW-TIE ANALYSIS TEMPLATE

|  |  |
| --- | --- |
| RISK: |  |
| RISK OWNER: |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Root Causes That Would Start Path Towards Risk Event | Leading KRIs | Intermediate Events That Would Precede Occurrence of Risk Event | Leading KRIs | Risk Event | Initial Signs of Risk Consequence | Lagging KRIs | Ultimate Consequence Of Greatest Concern |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

RISK PROFILE TEMPLATE

|  |  |  |  |
| --- | --- | --- | --- |
| RISK: | | DESCRIPTION: | |
| RISK OWNER: | |
| WHAT ARE WE DOING TO PREVENT THE RISK FROM OCCURRING?  (PREVENTIVE RESPONSE): | | WHAT ARE WE DOING TO MINIMIZE CONSEQUENCES OF THE RISK IF IT OCCURS?  (REACTIVE RESPONSE): | NEED FOR ADDITIONAL RESPONSES: |
|  | |  |  |
| SPEED OF ONSET: |  | INFORMATION HELPFUL FOR MONITORING RISK (KEY RISK INDICATORS): | |
| LIKELIHOOD: |  |
| SEVERITY: |  |
| PREPAREDNESS: |  | WHEN WILL WE KNOW DIFFERENT ACTION SHOULD BE TAKEN (TRIGGER POINT)? | |
| FINANCIAL IMPACT: |  |

EMERGING RISK SUMMARY TEMPLATE

|  |  |
| --- | --- |
| PREPARED BY: |  |

|  |  |  |
| --- | --- | --- |
| RISK ISSUE: | | |
| WHAT IS HAPPENING RIGHT NOW? | | |
| WHAT FACTS DO WE CURRENTLY KNOW? | WHAT DO WE CURRENTLY NOT KNOW? | HOW MIGHT THIS RISK IMPACT OUR ORGANIZATION? |
| HOW FAST IS IT MOVING? | WHAT SEEMS TO BE DRIVING THIS RISK? | |
| WHAT DATA CAN WE TRACK TO MONITOR THIS RISK? | | |
| WHAT RESPONSES DO WE HAVE IN PLACE? | | WHAT ELSE SHOULD WE CONSIDER? |

ERM PROCESS PLANNING TEMPLATE

|  |  |
| --- | --- |
| GUIDING PURPOSE | *Why are we implementing ERM? What do we aim to achieve? What benefits are we hoping to see?* |
| MOST CRITICAL ELEMENTS OF THE ERM PROCESS FOR OUR ORGANIZATION | *Which elements of the ERM framework are most important for our objectives?* |
| APPROACH FOR ADAPTING ERM PRINCIPLES TO OUR ORGANIZATIONAL CULTURE AND NEEDS | *How can we integrate ERM into our existing processes most effectively? Will we form a new risk council or use an existing forum for risk discussion? How will we train risk owners? How will we include ERM into budgeting and strategic planning? How will we engage our board of directors?* |
| PLAN FOR INCREMENTALLY INCREASING THE VALUE OF ERM TO OUR ORGANIZATION | *How and when will we expand ERM to increase the value it provides our organization?* |