

Heather Namovich_2

Length: 8:26

SPEAKERS

Bruce Branson, Heather Namovich

Bruce Branson 00:07

Hi. I'm Bruce Branson, associate director of the enterprise risk management initiative in the Poole College of Management at NC State University, joined today by Heather Namovich. Heather is the director of Enterprise Risk Management at Blue Cross Blue Shield of North Carolina. Heather, thanks so much for spending some time with us. Absolutely. Thanks for having me, Heather. We wanted to have a conversation today about perhaps improving conversation or dialog around risk. Some folks have told us that it's often challenging to when they're meeting with, say, their senior leadership team or perhaps the board, to talk about risk. A lot of people want to talk about the good things, and maybe are reluctant to talk about risk or some of the downside, potentially, that's there. What have you done in your organization to kind of help with that conversation?

Heather Namovich 00:54

Great question, and I would say that it is certainly a journey. We are lucky in the insurance industry, where we kind of use that terminology quite often. Now we might say upside, downside, headwinds, tailwinds, but we always align it to the strategy. And so it's about, What must we achieve? What outcomes do we need to get to be successful, and then back into it, what could happen? What are the barriers to our success? And one of the things that we've also been successful in doing in those conversations is getting our leaders to think about risk taking as a positive, as a positive, right? So if they are looking for investments, or if they're looking for resources, how can you think about risk and use that in those types of conversations to elevate the need for resources right? Because it's really about what is most important to the company and the strategy, and how do we align the right resources through that discussion? That sounds great.

Bruce Branson 01:54

The one of the things that we do here sometimes when people in your role risk management leaders you're talking with their senior executive team, for example, is that the conversation sometimes doesn't really become a conversation. It's a little more one sided, more of a presentation. What have you found helpful in facilitating kind of a two way exchange of information?

Heather Namovich 02:18

Well, why should I can say that is not always the case, but that is certainly the case sometimes. And we also have different forums for our committees. We have an executive committee and we also have a VP committee. And so the how we introduce conversations are a little bit different. And so through the executive committee, it might be a little bit more of a one, one sided dialog, but then we will introduce or

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invite leaders like our CISO to come and present on a regular basis, or we might bring in some trends that we're learning from, like the initiative or other benchmarking association. So within the other risk committee, though, we will actually have workshops, and we will do some breakout, breakout sessions, and each of the risk leads that are responsible for some of the top risks actually come present to their peers. And so they have to kind of give a State of the Union, and what's the overall risk outlook, what they're doing to manage risk, what are their barriers? And then in some cases, they will actually kind of see consensus from their peers in that process. So we try to make sure it's as engaging as possible by introducing different techniques, but then also different modes of conversation.

Bruce Branson 03:32

Well, it sounds like one thing you've been really successful with is kind of building a culture that that allows people to feel comfortable talking about some risks. I mean, I get that you're an insurance company, and that's maybe a little more natural, but still, I know we hear sometimes that people are sometimes, I don't want to say afraid, but concerned about hey, I've got this issue in my in my area, that I'm responsible for, and they're a little reluctant to talk about it. Can you? Can you talk maybe about some some techniques you've touched on, a few tips that you could pass on, perhaps to others in other organizations, that you found helpful.

Heather Namovich 04:14

I think, a critical success factor and folks that are in roles like myself, is making sure that you have the expertise needed and knowledge of the business, as well as the external environment, because you need to be able to ask targeted questions. You need to know enough about the business, because sometimes business folks, they don't come from a risk lens, and so you need to be able to ask the right questions, to get them to think through what they might want to say, and then also challenge and ask them to think, okay, risk may not be in your space, but what? What if this happens over here? How does that impact you? Can you think a little bit differently about, you know, the external parties and how we work as an organization. We do a lot with with external benchmarking from different management firms and associations, and it's. And sessions all over, all over the country, as far as getting those types of insights. So it's really important to make sure that you're bringing that into the conversation and leveraging those, those third parties and some of that, that expertise into the conversation as well. Great.

Bruce Branson 05:15

I mean, it sounds like this would be if, if you could envision yourself to someone brand new to this role, you want to make sure that you have developed some of that subject matter expertise or deep knowledge before entering into some of these conversations. Would you agree with that? Oh,

Heather Namovich 05:32

Absolutely. I would say step number one is there's any kind of learning and development about the organization if you're new to that line of business, making sure that you're going through that, going to internet sites, going to all your department division internet sites, and learning about what they do, what's important to them. You know, if we are invited to different types of meetings or committees, how are you sourcing content and intelligence from those types of discussions that you can kind of bring back to those types of conversations and use that as some starting point. So I think it's very important

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to make sure that you're you're always a learner, and you're kind of getting that input along the way and and bring that back to your your leaders.

Bruce Branson 06:13

Heather, one thing that I was curious about, when we think specifically about maybe longer term risks, emerging risks, are there some things you'd suggest specifically in that area that might be helpful to get people thinking about those types of concerns that maybe aren't on their day to day? To Do List? Yeah, absolutely. I would certainly recommend sourcing intelligence externally, through different third party sources, through entities like yourself, right? Like like Gartner, if there's any kind of global initiatives or risk management firms, definitely through peers, right within your industry, but even externally, because a lot of the risks are shared, we do a lot of extracting of global reports and some industry agnostic type of content. And then we also host regular conversations internally with other assurance partners, so through integrated assurance work groups or through our committee structure, so we're always sourcing little nuggets of information, and we try to leverage those conversations along the way so that you're not having to reach out again. We want to try to maximize those opportunities, and so we might pose it as well as what's coming out over the next four years. What do you think could impact our organization, or what's maybe emerging or even dynamic in the industry? And then we'll kind of catalog and put a registry together, and we'll actually revisit that with leaders and and kind of say, hey, has anything changed? Has anything actually materialized? Do we feel like something is more important right now, and how does that impact? Do we want to do anything about it, or do you want to watch it? One of the things that's impressed us at the Initiative is just some really the willingness to share. I think folks in your role we've really observed have been really remarkably open and transparent about the you know, identifying some of the things that they do that work well, and then being very receptive to some of the conversation or tips that others are passing on. So thank you very much for your willingness to share some today.

Heather Namovich 08:16

Absolutely, my pleasure. Thank you.

Bruce Branson 08:18

Thank you.