

ERM VIDEO INSIGHTS

Transcript of Bruce Branson and Christol Bordovsky ***ERM Talent Development and Recruiting***

Bruce: I am Bruce Branson; I am the associate director of the Enterprise Risk Management Initiative at NC State University. I am speaking today with Christol Bordovsky. Christol has the ERM effort at the Tesoro Corporation. Tesoro is a Fortune 100 petroleum company involved in refining, distribution, and marketing of petroleum products. Christol is going to talk with us a little bit today about talent development in the ERM space. Christol I know you have an interesting background, or somewhat an uncommon background for someone leading in an ERM function. I hope you could talk to us a little bit about that, how you came to this position.

Christol: So my education, my experience is all in the area of human resources. So I went to a college, Texas A&M, to get a HR degree, and the intent was to pursue a career in human resources, which I did for the first 10 or 15 years. And then I had the opportunity, as our company was forming an ERM function, to join that group. So I have a lot of experience in recruiting, training, compensation work, and now I'm seen more as a risk person as opposed to a HR person.

Bruce: With that HR background, can you tell us a little bit about how that helps you identify talent and what are some of the skills you are looking for when you are looking for when you are looking to bring people onto the ERM team?

Christol: I think a lot of that depends on where the company is and their ERM journey. Like when we were just starting out, it was very important for that leader to have a credible presence in the company, familiarity with senior leaders, because you're using a lot of that time to have interviews with people. So with human resources, there is a lot of that interviewing that goes on and you're looking for people to share that information with you that they may not be comfortable with sharing. So I used that skill set quite a bit in the early years.

Bruce: And you think that is unique to some of that HR training and background that you've had in the past?

Christol: I do, and so I think those interpersonal skills helped very much when you're in a very qualitative approach, which we have been. Now the key is we get more into a quantifiable approach as we mature, how do I transition those skills from an interpersonal nature and how do I start building those analytical skills. So that applies to not only me, but the small team that we have. As the company matures, as their expectations improve and change, and as our business grows, there is a bigger demand for more a more mature ERM program. So how do we make sure we stay, not only relevant, but kind of ahead of the game to meet those expectations.

Bruce: When you are looking to add to your team or if you need to bring someone new aboard, what are some of the skill sets that you are looking for?

Christol: I look for somebody who has familiarity with the company, familiarity with the industry. Ideally we want somebody who understands the whole value chain of the company because risks live everywhere in the company. And how do I understand and identify those risks if I don't have that industry knowledge. I look for someone who has a good reputation in the company, well respected, and somebody who can not only get into the weeds in the details, but then bubble up in a more strategic level and connect those dots that aren't necessarily obvious to share with our executive leadership.

Bruce: It sounds like it is not someone that you would want to bring in from the outside necessarily.

Christol: It depends, I think a good balance is having an internal person who has knowledge of the company, but it's also good to have that external knowledge so those two can balance each other and I think can create a better ERM program.

Bruce: Fantastic. I guess I would close with offering you the opportunity to maybe convey a few thoughts to others that might be challenged by filling out an ERM group and what they might do to help identify the appropriate skill set.

Christol: The value of an ERM program, I think there is a lot of transferrable skills, so people around the company are managing risks day to day in their work and then how do you bring that forward in a more holistic version for the company overall. I think there's value in not only pulling talent from internal audit and the finance groups, but in our industry, if we have operations in that technical knowledge, that helps us understand the risks throughout the company.

Bruce: That's great Christol, thanks for joining us today.

Christol: Thank you, I appreciate the opportunity.