



# Risk Management: The Unlikely Hero of Strategic Planning

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# Development of risk management at ISED

*From*



**Traditional compliance  
and reporting**



*To*



**Preservation and  
creation of value**

*Through*




**Integration**



# Integrated Risk Management in Action

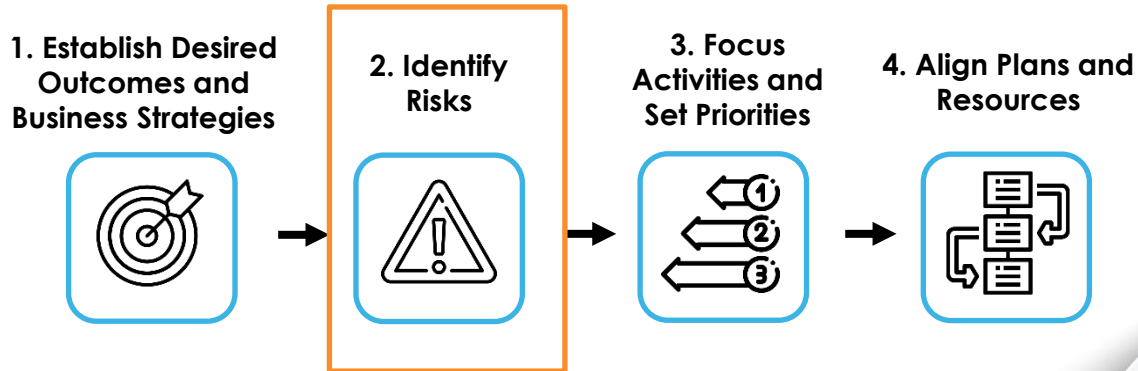
‘Risks’ exist at every activity level. The focus of this presentation is at the **Enterprise level**:



Activity level	Defined as: Risks to the achievement of ...	Examples of risk
<b>Enterprise</b>	<b>Departmental outcomes as defined in the Departmental Results Framework</b>	<b>Internal capacity to connect with outside stakeholders to understand their needs and challenges</b>
Corporate	Internal management outcomes (sub-set of ‘Enterprise’ risks) as defined by Corporate Priorities & Plans	Growing rate of employees who are eligible to retire
Sector	Sector outcomes as defined by Sector Priorities & Plans	Anticipated reduction in revenues used to fund operations
Program	Program implementation and outcomes as defined in Performance Information Profiles and TB Submissions	Friction in inter-governmental relations that could hinder collaboration on cross-jurisdictional program delivery
Project	Project implementation and outcomes as defined through the Project Complexity and Risk Assessment	A project that is dependent on the outputs of another project
Individual G&Cs	Objectives of the transfer payment as defined in the business analysis for the individual G&C	Supply chain risks for a particular company that could delay construction of a new facility

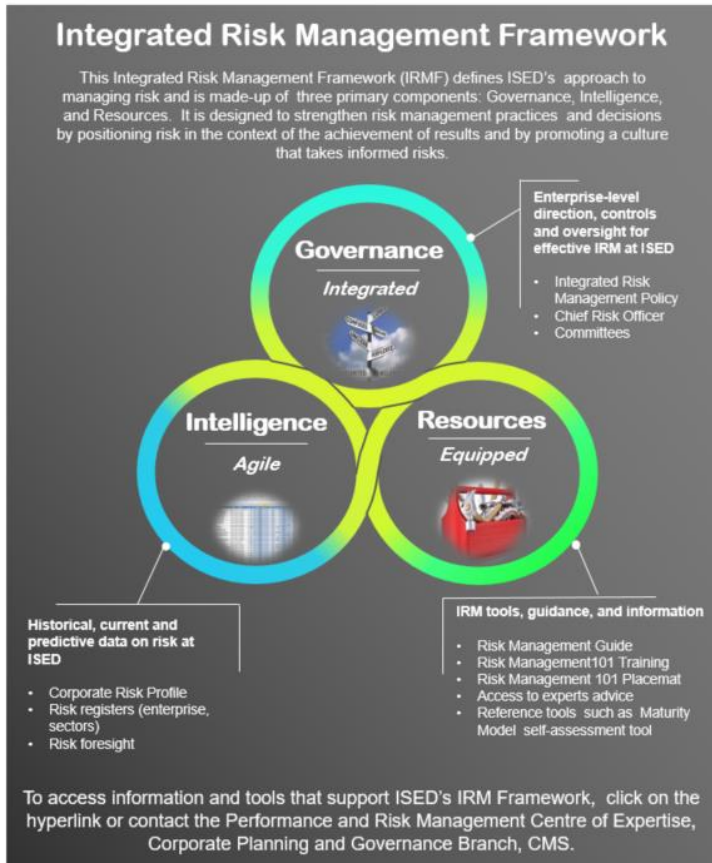
# Integrated Risk Management

- Good risk management is a continuous, proactive and systematic process to understand, manage and communicate risk from an **organization-wide perspective** in a cohesive and consistent manner:
  - **cannot be practiced effectively in silos,**
  - requires an **ongoing identification and assessment** of risks at every activity level and across sectors.
- ‘Integrated’ risk management involves the use of risk intelligence to **inform decision-making and business practices** within the organization.





# ISED's Integrated Risk Management Framework



## What is the Framework?

A set of interdependent instruments to detect, control and avoid key risks so that the organization's results can be achieved with **predictability** and **reliability**.

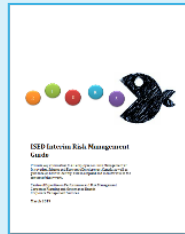
## Objectives of ISED's Framework:

- Align processes and practices
- Promote an intelligent risk-taking culture
- Improve operational efficiency and resilience
- Strengthen accountability and decision-making for the achievement of results



# Components of the Integrated Risk Management Framework

**Individual**  
*Be equipped*



**Risk Management Guide**

**Risk Management Update Training**



**Sectoral**  
*Be agile*

**Harmonized processes and practices**



**Risk Community of Practice**

**Risk Management Maturity Model**



**Corporate**  
*Be integrated*



**IRM Policy**

**Corporate Risk Profile**



**Chief Risk Officer**

**Risk Register**



# Key sectors in the new approach

## Sectoral risk management

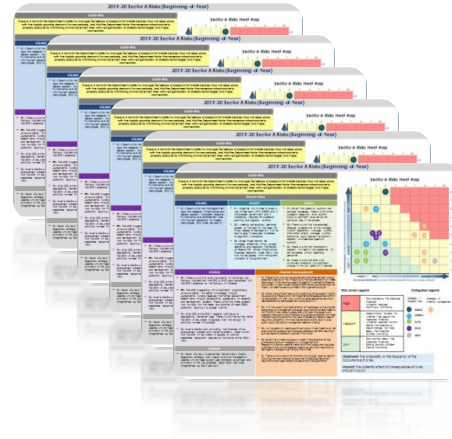
Conduct sectoral risk identification, assessment, mitigation and monitoring using standardized IRMF instruments

## Integration of risk information

Contribute to corporate risk management, including sharing information on sectoral risks and their mitigation

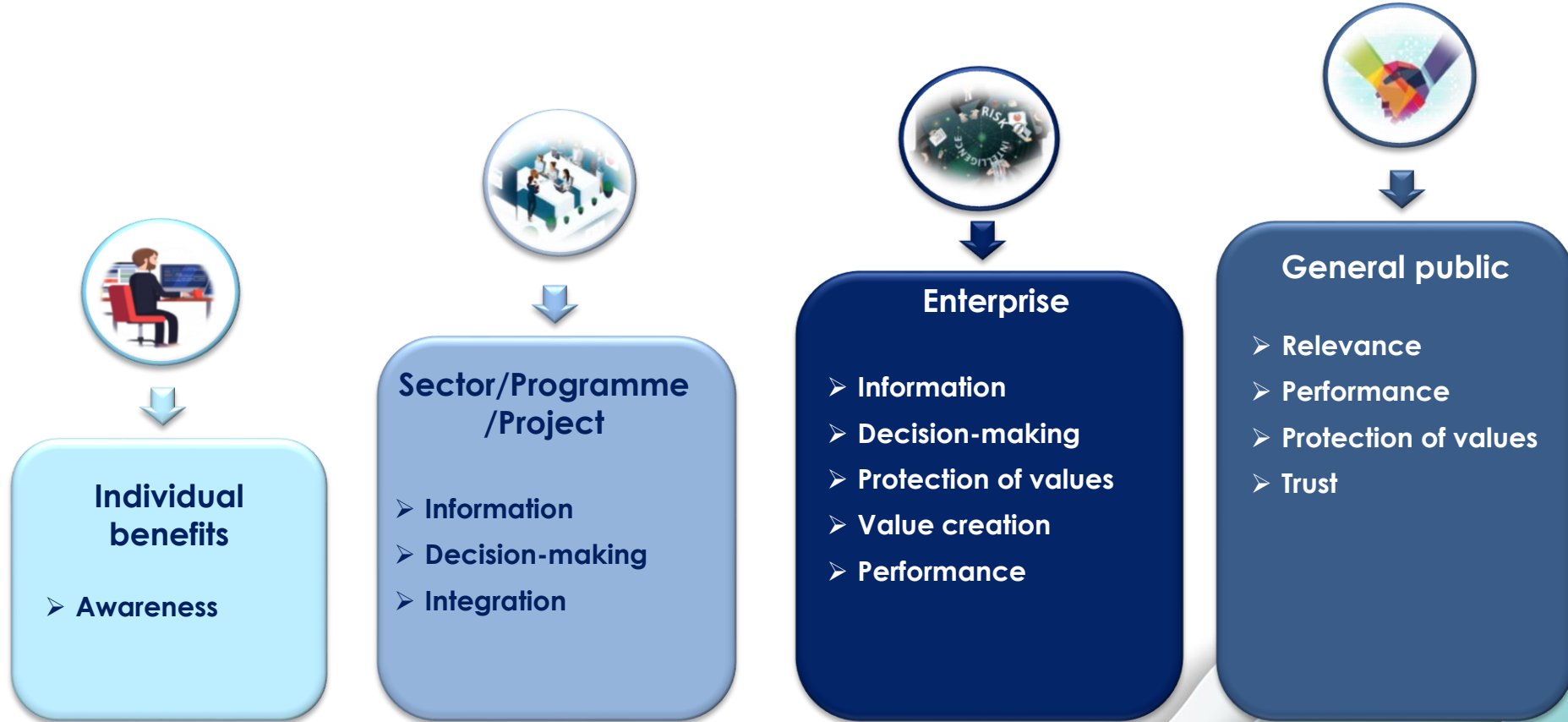
## Risk-informed decision-making

Consider risks when making decisions such as (re)allocating resources and setting priorities



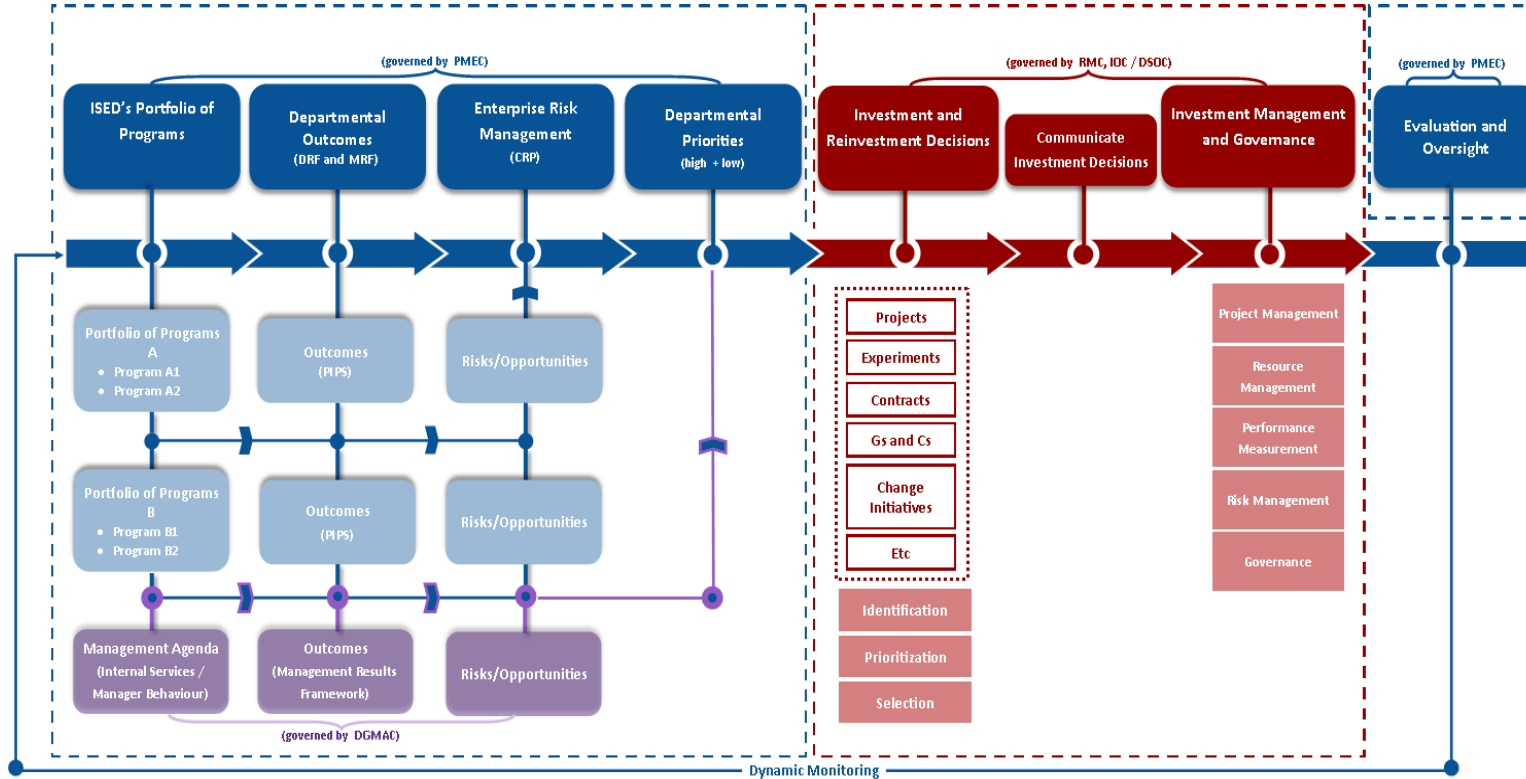


# Benefits of sound risk management





# The Enterprise Management Framework



Program management priorities take into account risks and opportunities.

The Department has a horizontal view to prioritize current and future investments.

# Questions?

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