

Workshop on 'Enterprise Risk Management'

[Organised by Centre for Corporate Governance of Indian Institute of Management Calcutta (IIMC) in association with National Foundation for Corporate Governance (NFCG) on 1st September, 2018 at Management Development Centre (MDC), IIM Calcutta]

- **Objectives and Deliverables of the Programme:** The workshop is designed to sensitize participants on the need for an efficient ERM framework and to demonstrate that the benefits of an effective ERM far outweigh costs associated with it.
 - The participants would be able appreciate the benefits of implementing ERM in their organization in the light of uncertain external environment and stringent regulatory requirements. This can go a long way in inculcating a healthy and holistic risk culture in organizations

➤ **Session wise summary of the programme**

Session 1: Speaker: Prof. Arpita Ghosh	Understanding the ERM Frameworks
<p><u>Session summary:</u> The Session started with a discussion of the pitfalls of Traditional Risk Management in the present VUCA world. It was followed by a deliberation on the drivers of Enterprise Risk Management (ERM) and how ERM can act as a tool to overcome the pitfalls of Traditional Risk Management. After that the participants were introduced to the formal definitions of ERM and the ERM Frameworks provided by Committee of Sponsoring Organizations of Treadway Commission (COSO) [ERM- Integrated Framework (2004) and ERM – Integrating with Strategy and Performance (2017)]. There were discussions on the potential channels through which ERM can bring in benefits to an organisation and some empirical validation of such benefits. Implementation challenges and limitations of ERM were also mulled over. The session ended with a discussion on findings of an ERM benchmark Survey on the level of adoption of ERM.</p>	
Session -2: Speaker: Mr. Adithya Bhat from KPMG	ERM: A Practitioner's Perspective
<p><u>Session summary:</u> This session started with the concept of ERM looked at from the lens of a practitioner. There were detailed discussions on the global trends in risks (2018), their interconnectedness and how the same can impact organizations. Two cases in point were also deliberated upon namely, Kodak and Thailand Floods. The session concluded with emphasis on why is it essential for companies to be able to read the signals of change as harbinger of risks & opportunities and how companies should respond to such change.</p>	
Session -3: Speaker: Mr. Deep Narayan Mukherjee	Financial Reporting, Corporate governance and Risk Management
<p><u>Session summary:</u> The session went into elaborate discussions on how to look for governance problems through the red flags in the Financial Statements. It was an interactive session with several real life examples being discussed. Few models along with some empirical findings were also pondered upon. The session brought together the concepts of Corporate governance, risk management and financial reporting, in an integrated fashion.</p>	
Session - 4: Speaker: Prof. Ashok Banerjee	Financial Risk Management
<p><u>Session summary:</u> The last Session focussed on Financial Risk Management. It walked the participants through three broad categories of financial risks namely Market Risks, Credit risks and Liquidity risks, with the help of several real life examples from oil, gas and power sector. There were discussions on possible risk strategies and risk management tools – ranging from natural hedging to use of options, futures and swaps.</p>	