

A Strategic Approach to Managing Risks at Your Organization

Enterprise Risk Management,
Accreditation, & External Review

Presented by...

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Enterprise Risk
Management

A comprehensive plan

Accreditation

e.g. AEE, AMGA, Corps
Network, ACA, Gap Year

External Risk/Safety
Review

Desired Outcomes

Help us all to be better risk managers that will improve the risk profiles of our organizations and to provide you with additional tools to do so

Desired Outcomes

- Be introduced to a framework for how Enterprise Risk Management (ERM), an accreditation program, and an external risk management review can work in concert to more effectively manage risk
- Practice and become familiar the ERM process
- Develop an understanding of how the concepts of Probability and Severity, along with a Heat Map can be used to assess risks
- Be prepared to bring these concepts back to your respective organizations

An appetizer...



BROCCOLI RABE, CANNELLINI BEAN, AND RICOTTA CROSTINI

Crusty, garlicky toasted bread is topped with creamy ricotta, rosemary-accented beans, and spicy sautéed broccoli rabe in this quick, satisfying Italian appetizer.



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Enterprise Risk Management (ERM)

- Plan-based strategy that aims to identify, assess and prepare for any dangers, hazards and other potentials for disaster – both physical and figurative – that may interfere with an organization's operations and objectives.
- The process of planning, organizing, leading, and controlling the activities of an organization in order to minimize the effects of risk.
- Methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives.

ERM Steps

- Risk Identification – Identify high-level risks on an enterprise basis
- Risk Analysis – Measure and report risk exposure
- Risk Response – Formulate strategies to limit risk
- Risk Control – Implement strategies
- Risk Monitoring – Monitor results
And repeat...

Risk Categories

Strategic	How your organization is positioned in the marketplace. Do you have the right direction?
Financial	Biggest opportunities for financial loss. Are your assets properly valued and protected?
Operational	Risks related to conducting programs, operations, staff and participant safety. How complete and up to date are your policies/procedures/practices? Can you attract and retain staff?
Organizational	Relates to clarity of organizational structure and oversight.
Reputational	What customers are saying about you and the services that you provided. This includes how you protect your reputation during serious incidents.



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SHANTI STUPA ↑

**LEAVE SOONER DRIVE SLOWER LIVE LONGER
PLANT TREES SAVE ENVIRONMENT**

The ERM Process and Tools

Risk Identification

- Build a Risk Register (aka risk list)
 - Identify all of the risks to which your organization is exposed
 - Try to divide them by category Strategic, Financial, Operational, Organizational, and Reputational
 - A Risk Register is in your packet

Risk Register	
Strategic Risks	Brief Description
1.	
2.	
3.	
Financial Risks	Brief Description
1.	
2.	
3.	
Operational Risks	Brief Description
1.	
2.	
3.	
Organizational Risks	Brief Description
1.	
2.	
3.	
Reputational Risks	Brief Description
1.	
2.	
3.	



Risk Assessment

Use the concepts and definitions of Consequence, and Probability to assess each risk identified in the register.

The Need for Prioritization

- Don't have time to address all risks at the same time
- Use a Heat Map to help prioritize the most important risks to address first
- Plot the risks on the Heat Map
- Identify the "Top 5" risks for mitigation

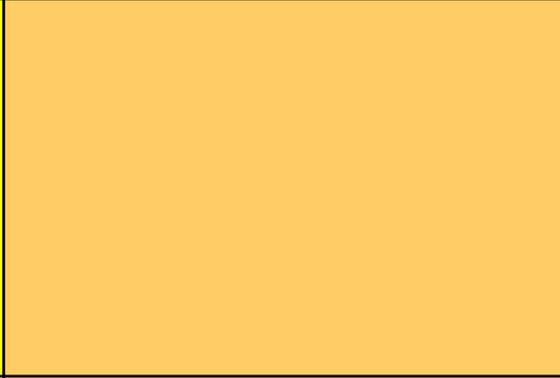
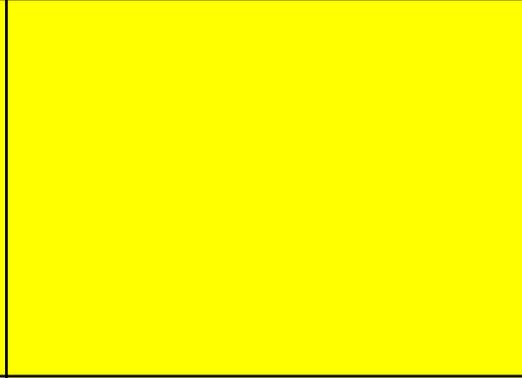
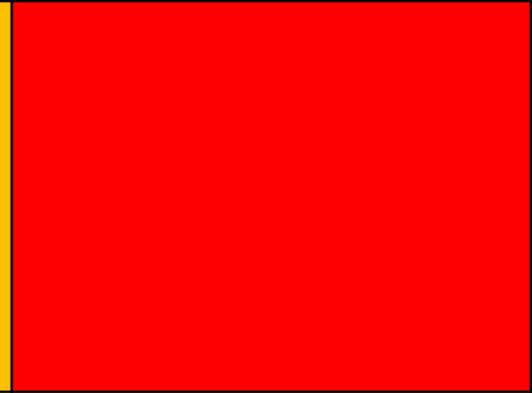
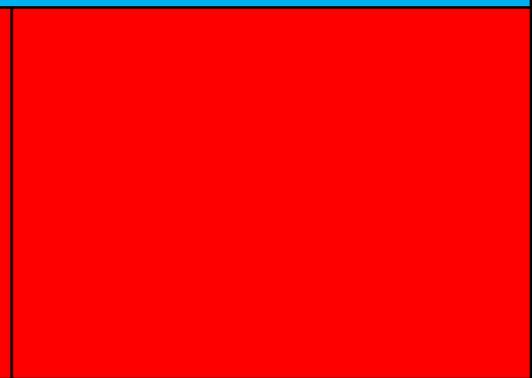
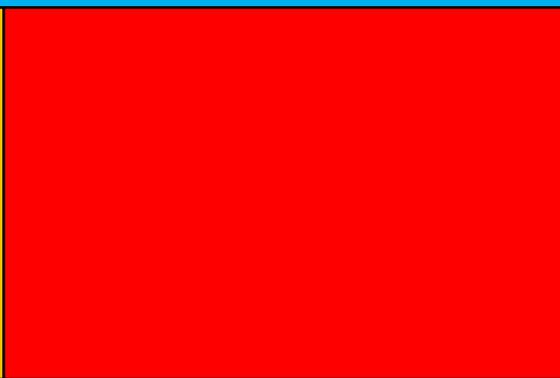
ASSESS THE RISKS – HEAT MAP

CONSEQUENCE/SEVERITY/IMPACT

**SIGNIFICANT
CATASTROPHIC**

MODERATE

**INSIGNIFICANT
LOW**



UNLIKELY

LIKELY

HIGHLY PROBABLE

PROBABILITY/LIKELIHOOD/FREQUENCY

ASSESS THE RISKS – SAMPLE HEAT MAP

CONSEQUENCE/SEVERITY/IMPACT

CONSEQUENCE/SEVERITY/IMPACT	SIGNIFICANT CATASTROPHIC	Loss of permits	Sexual misconduct Wild fire	Transportation
	MODERATE	Crime/Cyber	Ability to attract and retain staff	No hazard assessment for new programs
	INSIGNIFICANT LOW	Marketing/Comm unications	Unclear Roles/Resp. Governance	New/untested ERP
		UNLIKELY	LIKELY	HIGHLY PROBABLE

PROBABILITY/LIKELIHOOD/FREQUENCY

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ASSESS THE RISKS -- ASSESSMENT WORKSHEET

Risk	Consequence (1-5)	Probability (1-5)	Risk Score (Consequence X Probability)

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ASSESS THE RISKS -- ASSESSMENT WORKSHEET

Risk	Consequence (1-5)	Probability (1-5)	Risk Score (Consequence X Probability)
Staffing	4	3	12
Permits	5	2	10
Transportation	5	4	20
Wild Fire	4	4	16
New ERP	2	4	8
Roles/Resp.	3	3	9



Small Group Work – 20 min.

- Groups of 5 participants
- One organization will serve as the subject of the ERM process, the other 4 group members will serve as advisors
- Each group works through the ERM and Heat Mapping exercise (See handout)
- This will be a high level exercise and not get down to field level details like rock fall in 'xyz canyon'



Debrief

Questions

- Describe the process for deciding which risks to include in the initial Risk Register
- How easy/difficult was it to think about these higher level risks that affect the whole organization?
- Share what you included in your risk register.
- How often do you think about risks at this higher level?

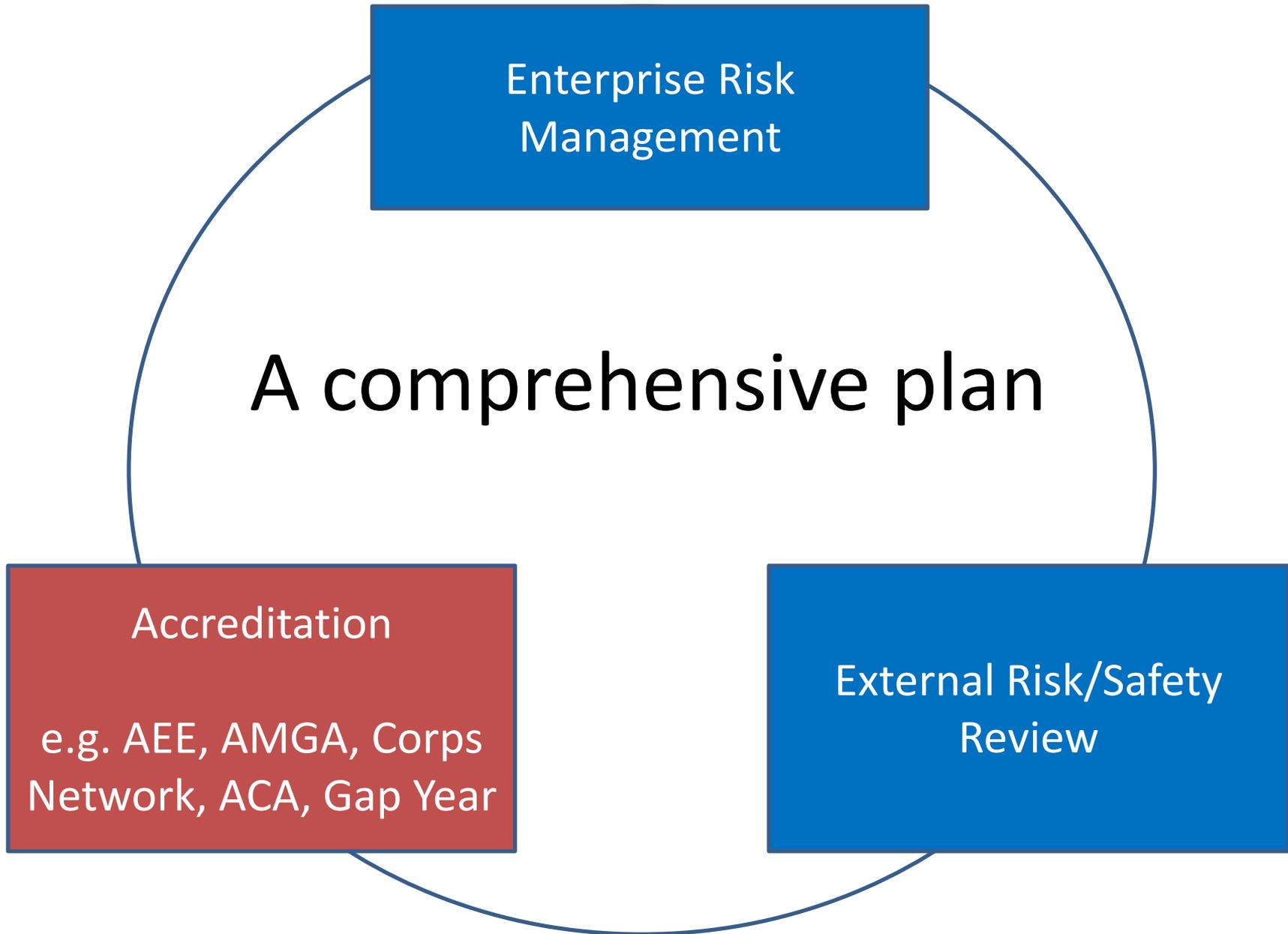
Questions

- How easy/difficult was it to assess each risk?
- Which tool was easier for you to use; the Assessment Worksheet, or the Heat Map?
- Which tool was more useful?
- Will you do this activity with you organization?
- What do you need to know more about to use either of these tools?

ERM a Review / Questions?

- One step of a comprehensive risk identification, assessment, and mitigation plan
- Identification of high-level Strategic, Financial, Operational, Organizational, and Reputational risks
- Can be used to assess the effectiveness of risk controls and treatments, e.g. mitigation and transfer strategies
- Identifies risk areas needing a deeper level of targeted inquiry and assessment





Accreditation

- ACA, AEE, AMGA, Corps Network, Gap Year, etcetera...
- Each Accrediting Body has a slightly different process but all have these parts:
 - A Process for Organizational Development to Meet Expectations
 - Assessment
 - Conferring the Recognition of Accreditation

“Useful standards are those which are well examined by a consensus groups of experts written in a manner that does not tie the hands of practitioners faced with circumstances that compel a deviation. They may purport to set out a “best” or “preferred” or “accepted” practice, or merely a floor below which an organization should not fall.” Reb Gregg

Organization of AEE Standards

- Philosophical, Educational, & Ethical Principals
- Program Governance
- Program Management, Operations & Oversight
- Technical Activities
- Non-Technical Activities



Section 4. Program Oversight and Management of Activities

4.05 The program engages in internal and external risk-management reviews.

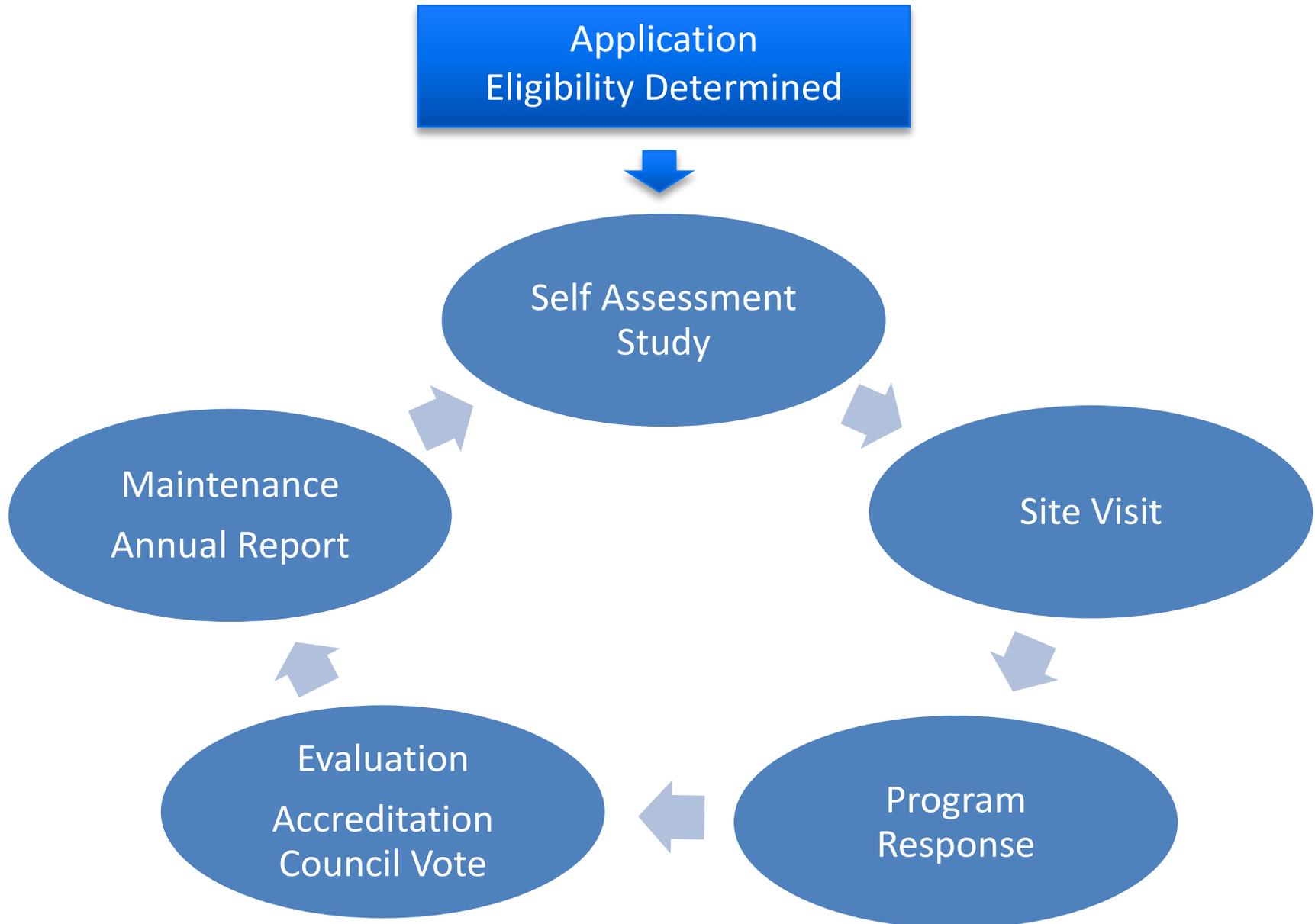
Section 4. Program Oversight and Management of Activities

4.13 The program has a written field emergency action plan that addresses steps to be taken in the field and/or during initial response. The emergency action plan is practiced on a regular basis.

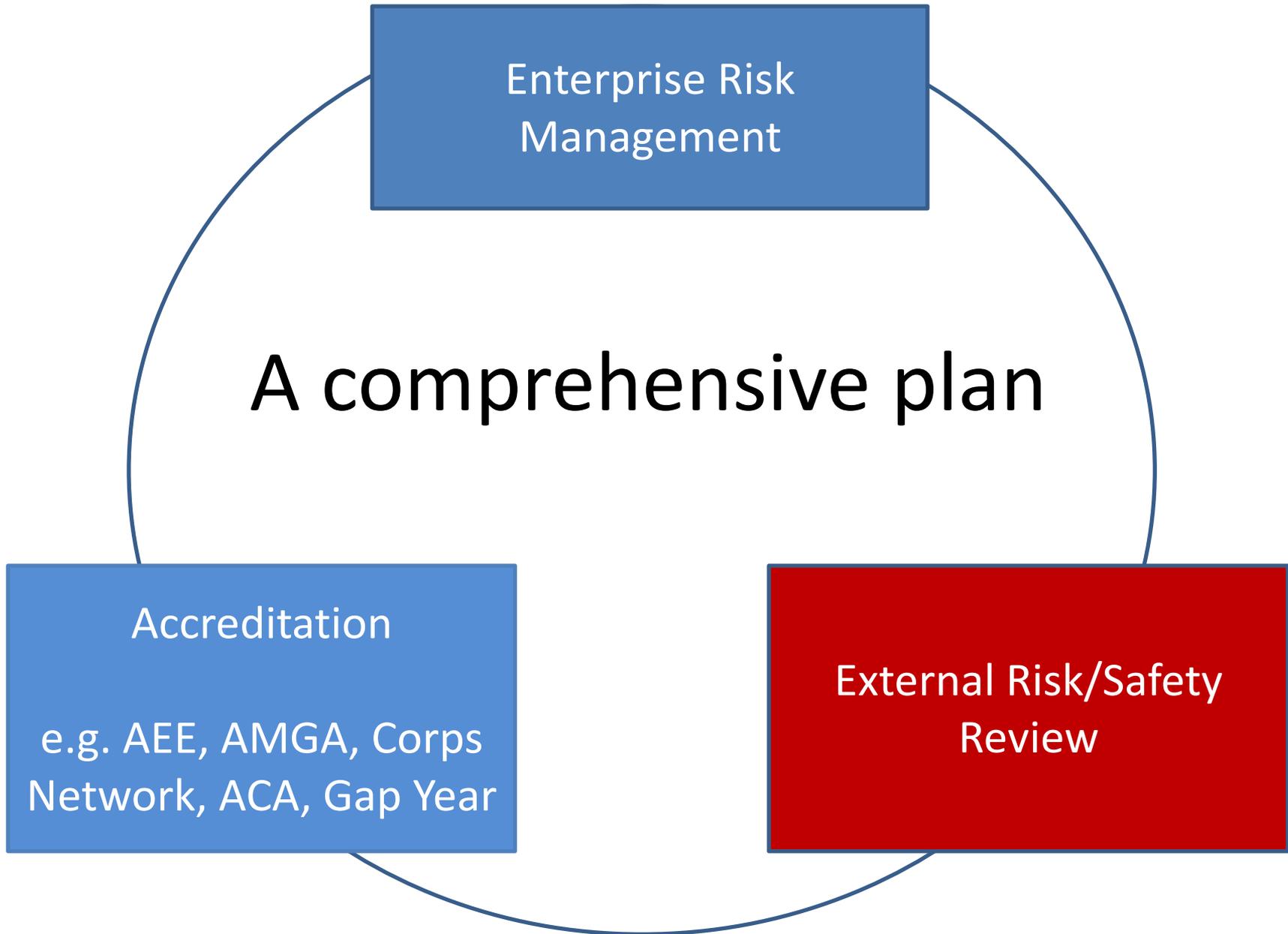
Section 4. Program Oversight and Management of Activities

4.19 The program has a system for tracking and analyzing field-related incidents, illnesses, and near misses.

Outline of AEE Accreditation







External Review

- Can be targeted to focus on specific risks, or programmatic elements that have been identified through an accreditation, or ERM process
- Can hire experts with specific expertise
- Results should be reviewed by your Board
- Objective 3rd party

Choosing a Reviewer

- References
- Areas of expertise
- Model of Practice/Review format
 - What will your organization be measured against?
- Cost

Action Steps

- Lead your senior staff (and Board) through an Enterprise Risk Management exercise
- Develop mitigation strategies for your “Top 5” risks
- Engage in an accreditation process to evolve your organization and gain recognition
- Conduct an external risk management review to further assess and mitigate your organization’s risks

Accreditation Resources

- **ACA:** <https://www.acacamps.org/>
Elizabeth Snell, 781.541. 6080 x16
- **AEE:** <https://www.aee.org/>
Steve Pace, 720.573.4223
- **AMGA:** <https://amga.com/>
Ed Crothers 303.271.0984
- **Corps Network:** <https://www.corpsnetwork.org>
Allen Dietz, 509.630.8124
- **Gap Year Assoc:** <https://www.gapyearassociation.org/>
Ethan Knight, 503.206.7336

External Review Resources

- Experiential Consulting, LLC <https://www.outdoorrisk.com/>
- Lindsey Outdoor Recreation Risk Management Consulting
Lodestone Safety International: www.lodestonesafety.com
- NOLS Risk Services: <https://www.nols.edu>
- Outdoor Safety Institute:
<http://www.outdoorsafetyinstitute.com>
- Resilient Solutions: <http://www.resilientsolutions.us>
- Safety Ed: www.safetyed.net
- Jed Williamson: jedwmsn@mac.com

Debrief

What was the most useful part of today's presentation?



Thanks!

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