Risk & Risk Management Assessment for Internal Auditors

The modern organisations in order to be more competitive and successful in their industries they need to accept additional risks, this implies that the Internal Audit (IA) expectations are also rising and our assurances and consultancy services are required and have been recognised as added value in helping an organisation achieve goals and objectives within their risk appetite environment. In order to provide additional services to the company and following the three lines of defence model, the IA need to be able to understand how the Risk Function of its company assess and manages risks in order to be able to properly audit it.

This seminar will present a full analysis of how a risk function works, delivering the risk appetite and risk tolerance of the company whilst at the same time the internal auditor needs a method to be able to assess the adequacy and effectiveness of the risk management program at the organisations; this method is called the “Risk Maturity model.”

Course Objectives:

The objectives of the seminar will be to ensure that the participants knowledge on the subject matter will be enriched, their existing skills will be updated in including the latest risk-based best practice internal auditing methodologies and lastly to improve their attitude to Risk(s) concepts.

In order to achieve these objectives, we will:

- Explore the Risk methodology of your company against best practices
- Discover all modern tools and methods employed by internal auditors in assessing risk functions
- Understand essential steps used by Risk management
- Comprehend risk factors and their use in preparing your risk assessments and risk plans
- Create a risk-based analysis of your audit environment
- Gain an insight on how to implement a Risk-based approach in your entire audit effort
- Manage efficiently and effectively the expectations of your stakeholders

Who Should attend?

The course is addresses to all the employees of the company including internal auditors from all the levels of the hierarchy.
Course outline:

Risk Management fundamentals:

- Why is risk management such a hot topic?
- Risk appetite
- Risk and the internal auditor
- Different types of risk and how these are assessed and mitigated
- Stakeholders risk exposures
- All you will ever need to know about risk:
  - appetites,
  - tolerances,
  - registers,
  - factors,
  - risk wheel,
  - heat/risk maps,
  - probabilities and impacts
- Get feedback on risk priorities from the Audit Committee
- Create the risk-based audit plan
- Risk-based internal auditing is your final destination!

Controlling Risk

- Risk manager & RC roles and responsibilities
- You will be introduced to TARA & SARA
- Embedding the ERM in the culture of the company
- Risk based auditing

Workshop: Case study – Full analysis and presentation of the “Chen Products company” scenario.

Risk Assessment A Practical Example

- The Risk-Wheel
- Establishing the risk factors
- Creating a point scale for grading risks
- Assigning a weighting factor on the risks
- Assigning of audit cycles

Methodology of Risk based auditing

- Effective ways to measure risk
- Risk Analysis a case study
• Carry out risk assessments and align the internal audit function with the risk appetit of the organisation
• Risk based auditing the methodology
• Likelihood and Impact – preparation of a heat/risk map

**Workshop:** each participant will create its “Own Company’s Risk Wheel” and will present it to the class for discussion

**Use of the Risk Maturity Model:**

• How the internal auditors can evaluate enterprise risks management maturity:
  o Risk Culture
  o Risk Identification
  o Risk Assessment
  o Articulation of Risk Appetite
  o Risk response
  o Risk reporting
  o Integration and strategic planning
  o Assessment of ERM effectiveness

**Workshop:** use of the CGMA TOOLS in order to evaluate the ERM maturity of your company and compared against market set standards.

**CPE Points:** 18
**Learning Level:** All
**Delivery Method:** virtual – Live instructor Led course