



● ○ ● ○ BOARD QUESTIONS TO ASK TODAY ● ○ ● ○

Distribution: July 1, 2011
Subject: Risk Management

How does your board define and carry out its *risk oversight* responsibilities?

**There is lots of talk and headlines about ERM.
But, is your company focused on SRM?**

Six Questions To Ask Now

1. ERM is a framework for addressing all aspects of your business, but is often misconstrued as a compliance tool. Has your company's ERM processes evolved into SRM – a strategic risk management tool?
2. Is ERM a “project,” or has it evolved into a “process?”
3. Does every director understand the company's risk assessment process? Risk oversight is a full board responsibility, even if the full “report out” happens during the audit committee meeting.
4. Is management prepared to respond to potential risk events in a way that reduces downside *and* increases upside?
5. Is your risk management process transparent?
6. When did the board last hear the results of the company's “risk health check,” including a picture of process ownership, past and current company culture, risk appetite and new opportunities?

The role of the board of directors has morphed from “decorative” to “watch-dog/overseer” and “sounding board for the CEO.” In recognition of this evolution, and the heightened public interest in good corporate governance, ***boards are asking more meaningful questions***. Pose these questions at your next board meeting – the list is intended to stimulate discussion. Check www.governancesolutionsgroup.com for a new list each month.

Some of the questions are easy to answer and will allow you to validate your belief that your board is operating within the scope of “governance best practices.” However, good governance is more than checking a “good governance box” so that the board keeps out of trouble and out of the spotlight. Good governance is about examining how the board is actually functioning and about making meaningful changes to improve your board's effectiveness, engagement, efficiency and accountability. If your board could benefit from a dose of independent advice concerning how to establish or modify your board's governance practices, structure your board or revitalize your board, call Denise Kuprionis at The Governance Solutions Group.



The Governance Solutions Group, LLC.

Web site: www.governancesolutionsgroup.com Phone: 513.272.8500 Email: denise.kuprionis@governancesolutionsgroup.com

“Good governance is part of every good business solution.” Mary Denise Kuprionis