

How KPMG can assist

KPMG – Risk Integrated Simulated Strategy Enabler (K-RISSE)

The K-RISSE Framework Model enables companies to automate and transform ERM from a siloed, risk-driven approach to a holistic risk integrated strategy tool. This enables

businesses to make more informed decisions and track the appropriate KPIs. It uses various multi-factor models and stress testing scenarios.

Source agnostic
Connect and integrate with all kinds of data systems and formats. Customizable as per client needs and the nature of the inter-related risks

Visual insights
Transforms large data sets into intelligent, dynamic and interactive dashboards

Business enabling
Generates actionable assurance insights to facilitate management decision making

Continuous monitoring
Continuous monitoring of KPIs, automation, maturity, etc. and exception reporting



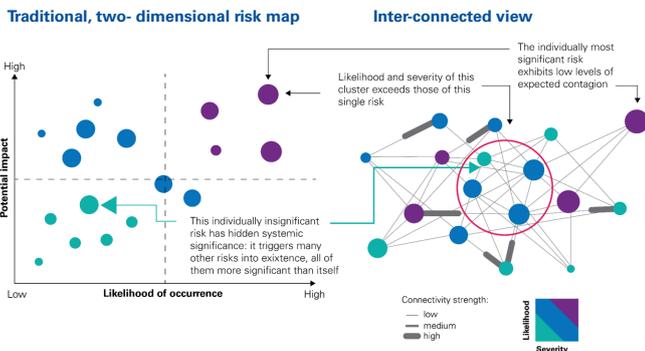
Dynamic Risk Assessment

Dynamic Risk Assessment (DRA) is an evolution in risk assessment. It considers the traditional measures of risk severity and likelihood.

- The DRA process uses the scientific consensus methodology of expert elicitation to collect data for analysis and network theory in order to identify, connect and visualize risk in four dimensions.

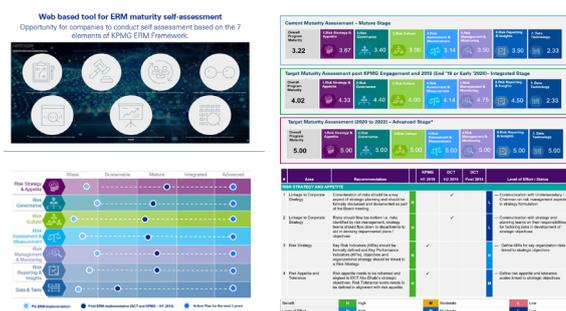
DRA also takes into account interconnectedness (risks that link together) and velocity (expected speed at which risks will affect operations).

A step-by-step methodology can be used to assess, evaluate, identify interconnectedness and visualize risks in a four-dimensional model with adequate controls/mitigation plans in place to minimize risk exposure:



- Understand the systemic risk profile of an organization via risk assessment interviews with key management personnel
- Evaluate risks based on risk impact, likelihood of occurrence and risk velocity
- Determine whether individual risks can be expected to cluster together to form key concentrations of single risks (interconnectivity)
- Determine whether individual risks may not necessarily form part of a risk cluster, yet pose significant contagion risk by virtue of the second order contagion
- Plot risks in the form of a 4D model/risk interconnectedness map
- Develop dimension-wise controls and recommend mitigation plans where gaps exist

ERM Maturity Assessment



The Maturity Assessment Tool is based on KPMG's proprietary Enterprise Risk Management framework, which combines leading risk management standards - namely COSO and ISO 31000. For each component of the framework, the attributes are rated on five maturity levels. The Tool provides a means for determining the overall maturity of ERM practices within the organization.