



Welcome

ERM: It's "All" about the Culture!

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The slide has a header banner at the top with the AGA logo on the left and the PDT 2017 logo on the right, set against a background of blue and red circles. Below the banner, the word "Welcome" is written in a bold, dark blue font. The main title "ERM: It's 'All' about the Culture!" is centered in a dark grey font. A small number "2" is located in the bottom right corner of the slide.



Learning objective

- Promote a wider understanding of what is needed to successfully integrate ERM into the management fiber of organizations, so that it adds value and becomes a routine part of day-to-day programs and operations.

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Our panel

- Larry Koskinen, JD, Chief Risk Officer, HUD
- Frank Petersen, CGFM, Director, Quality Assurance Division, NASA
- Doug Webster, DBA, CGFM, PMP, CGEIT, Director, Risk Management, U.S. AID
- Mike Wetklow, MPA, CGFM, CPA, Deputy CFO, NSF
- Jeff Steinhoff, CGFM, CPA, CFE, CGMA, Managing Director, KPMG Government Institute (Moderator)

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Panelist question 1

In words of Peter Drucker: “*Culture eats strategy for breakfast.*”

- Why is the risk culture so important?
- What does it really mean to you? Isn't it just the “soft” stuff that good management advocates talk about?

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Panelist question 2

- What are the attributes of a good organizational risk culture?

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Panelist question 3

- Can you provide examples where the right risk culture either improved mission outcomes or helped avoid serious problems?
- Or vice versa, where the wrong risk culture resulted in either too little or too much control, negatively impacting mission outcomes or causing other problems, such as wasted resources or breakdowns in citizen service?

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Panelist question 4

Okay, I'm sold!

- Now, how do we better understand, influence, and change the risk culture across our agency?
- How do size, organization, and mission impact the equation?

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Panelist question 5

OMB Circular A-123: *“Successful implementation of this circular requires Agencies to establish and foster an open, transparent culture that encourages people to communicate information about potential risks without fear of retaliation or blame.”*

- How do we make this part of the culture so people feel comfortable raising concerns or sharing bad news in organizations that have traditionally discouraged such open communication.

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Panel question 6

- In the context of culture, “what” will it take to implement ERM in a manner that provides measurable value to the organization?
- How “long” does it take in leading organizations before they see results?
- And “how” will we know if we’ve been successful, or not?

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Panel question 7

- What if the agency head just does not see this as a priority?
- What should people do when they view their organization's implementation as largely a check-the-box compliance exercise with little value?

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Panel question 8

From OMB A-123: “ *agency managers, Inspectors General and other auditors should establish a new set of parameters encouraging the free flow of information about agency risk points and corrective measure adoption.*”

- How is this being addressed in your agency?
- What advice do you have for breaking down what many perceive as a cultural barrier between government auditors and agency management?

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Question 9

- What are your final thoughts on the way forward?

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In closing

ERM: It's "All" About the Culture

- Make it clear
- Make it known
- Make it real
- Make it happen
- Make it stick

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Hat's off to our outstanding panelists!

Two Big
Thumbs Up!

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Thanks to each of you for attending!

- You had other choices.
- We are honored you selected this session!

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