

# Governance Risk Management Compliance

**“All for one. One for all”**

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# Focus Areas

- Understanding GRC
- GRC and Protecting the Business
- GRC and Client Experience
- GRC and Competitive Advantage
- Developing a GRC Strategy
- Deploying a GRC Strategy
- Impact Evaluation
- Summary



# Building our Understanding



## GOVERNANCE

- Authority
- Direction
- Control
- Decision-Making



## RISK MANAGEMENT

- Identification
- Measurement
- Neutralization
- Communication



## COMPLIANCE

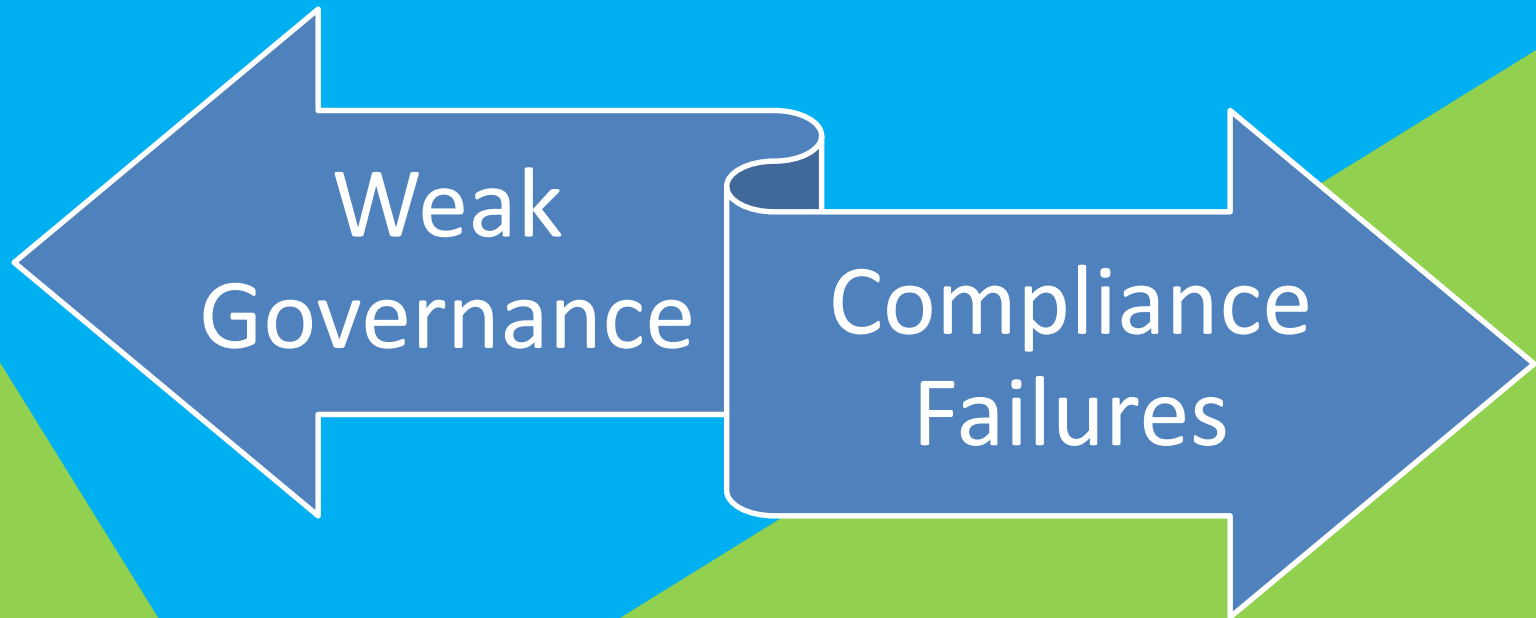
- Alignment
- Order
- Protocols
- Behaviour

## Oversight Functions

GRC: "All for One. One for All"



# How do these elements interface?



**Heightened Risk!**



# How do these elements interface?



**Weak Governance!**



# How do these elements interface?



## COMPLIANCE FAILURES



**GRC**

# PROTECTING THE BUSINESS



# Body Armour

## Recruitment Strategy

Due Diligence

Compensation

Consequence Management

## Policies and Procedures

Segregation of Duties

Delegation of Authority

Training and Equipping

## Monitoring and Reporting

Management

Board

Audit





**GRC**

**RULES CORPORATE GOALS AND  
CLIENT EXPERIENCE**



# The Firm and the Regulator

## CORPORATE FOCUS

- Profitability
- Low costs
- Reasonable risk
- Competitive products and services
- Client Experience
- Firm Longevity

## REGULATORY FOCUS

- System conducive to
  - Fair competition
  - Financial Stability
- Operating framework
- Board oversight
- Risk management
- Compliance





Ethics

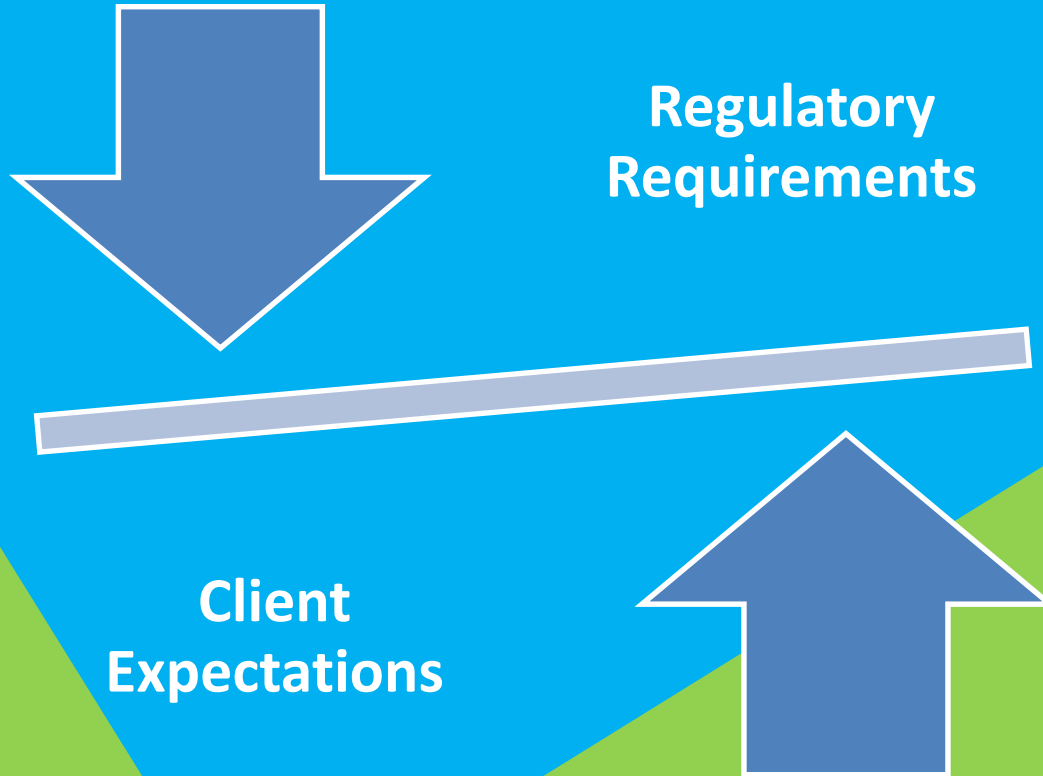
Fiduciary

Social  
Responsibility

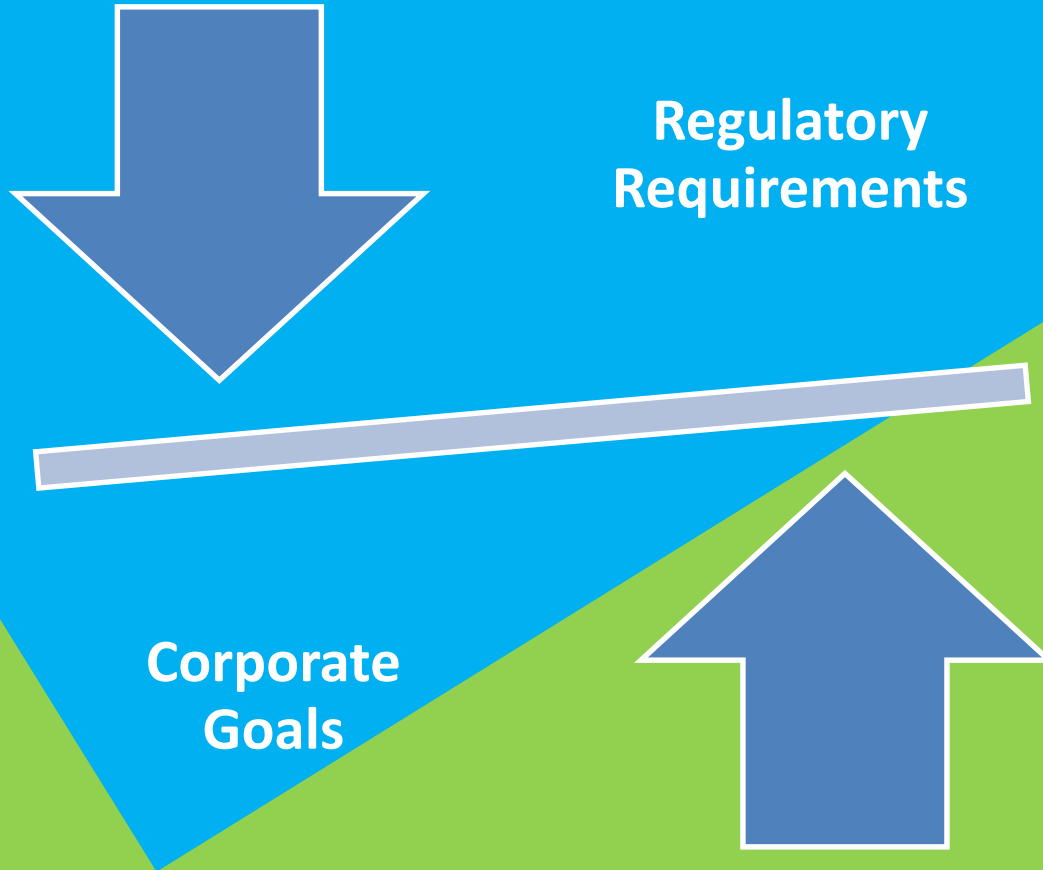
Client Expectations



# Is it possible?

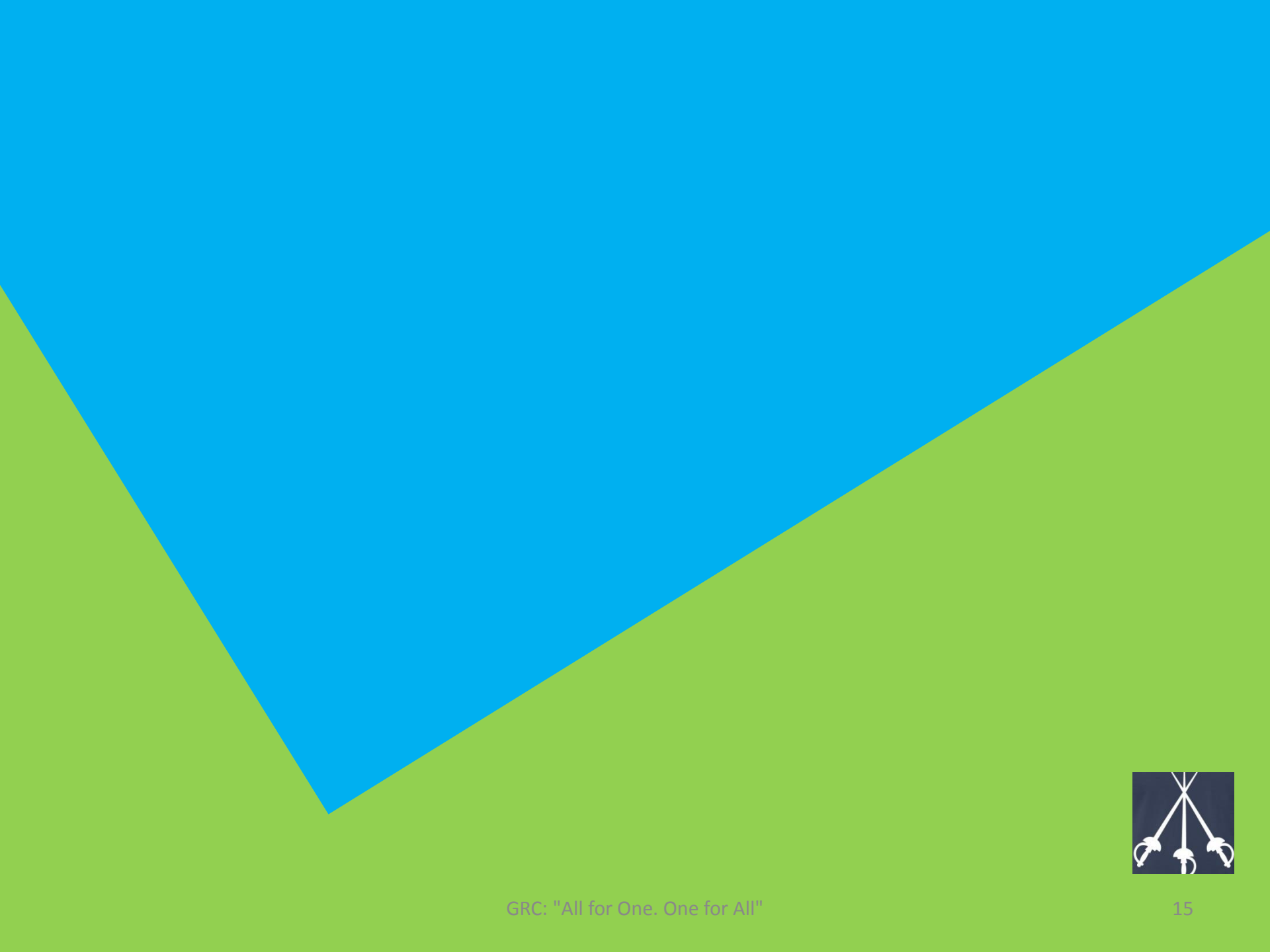


# Is it possible?



# Why does it appear so out of balance?





**GRC**

**FORGING A COMPETITIVE  
ADVANTAGE**

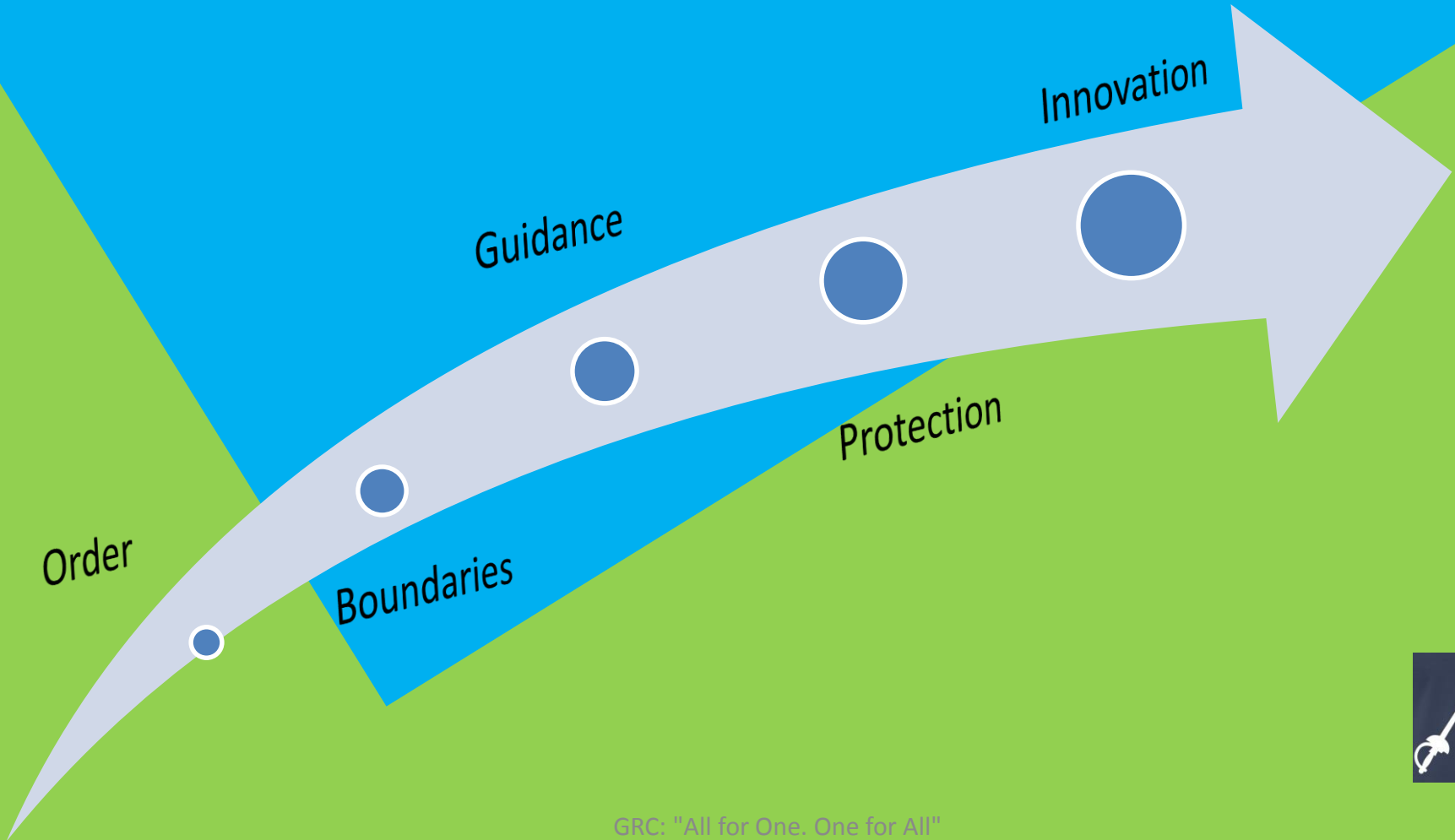




# WHAT'S UP WITH RULES?



# Rules Rule!



**GRC**

# DEVELOPING A STRATEGY

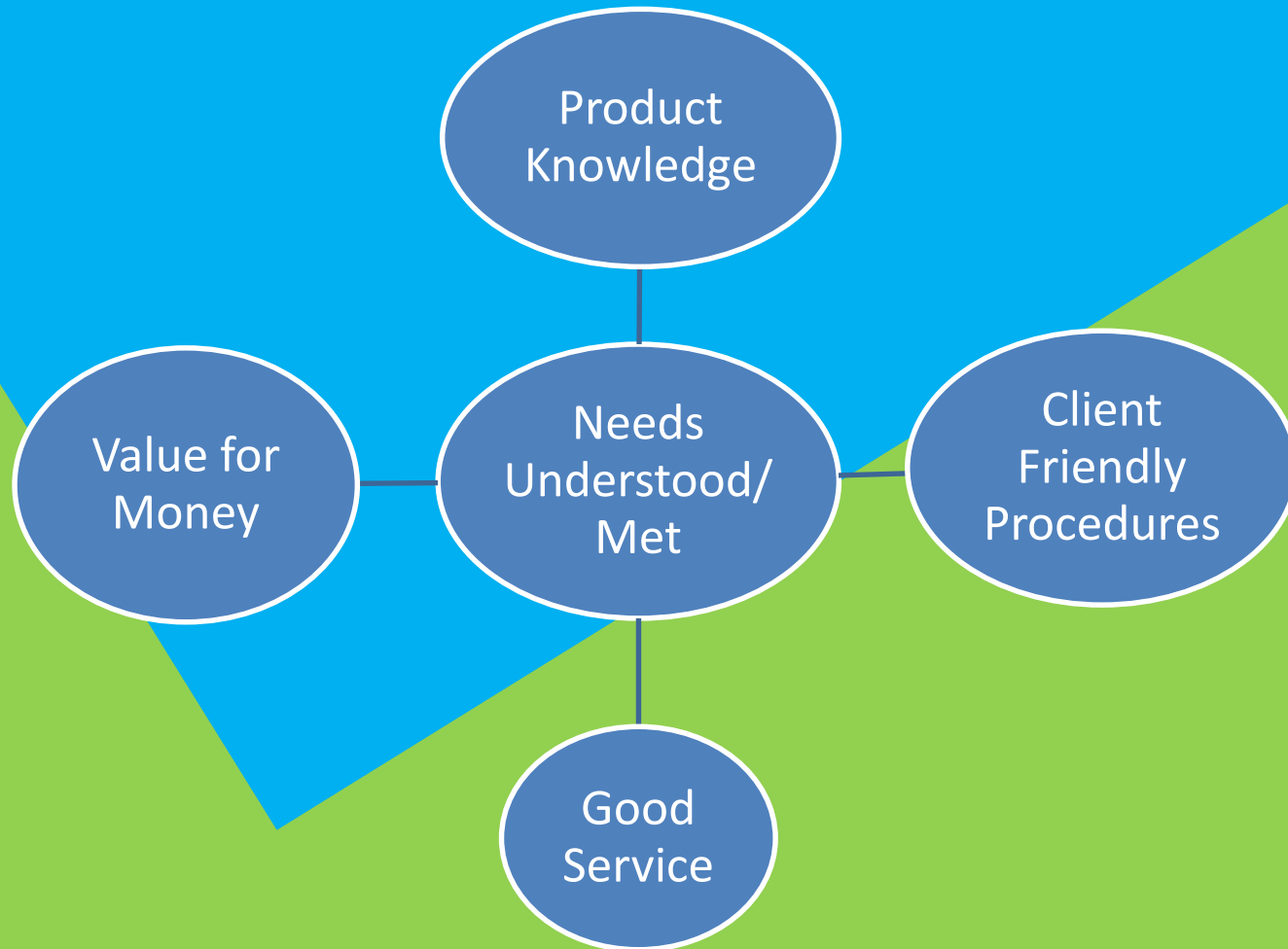


*View business from the customer's  
point of view...for a change!*



(Million \$ ?)

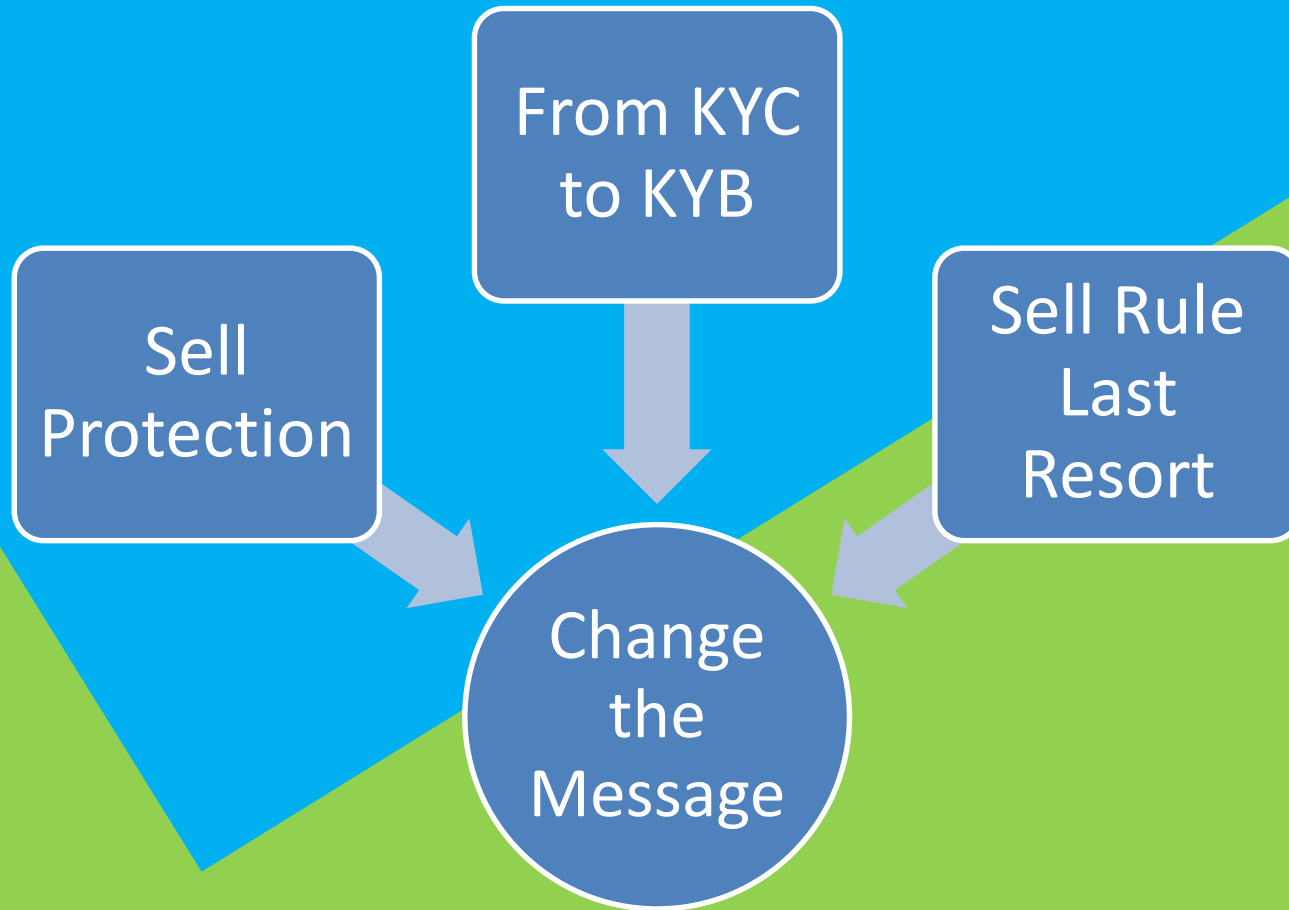
# What do I expect as a Customer?



# Bring them together!



# Reframe Rules for Advantage



**GRC**

# DEPLOYING YOUR STRATEGY





# Address Fundamentals

Apply risk based approach

Simplify procedures

Train staff

Keep Board/CEO informed



**Work through GRC Champions!**

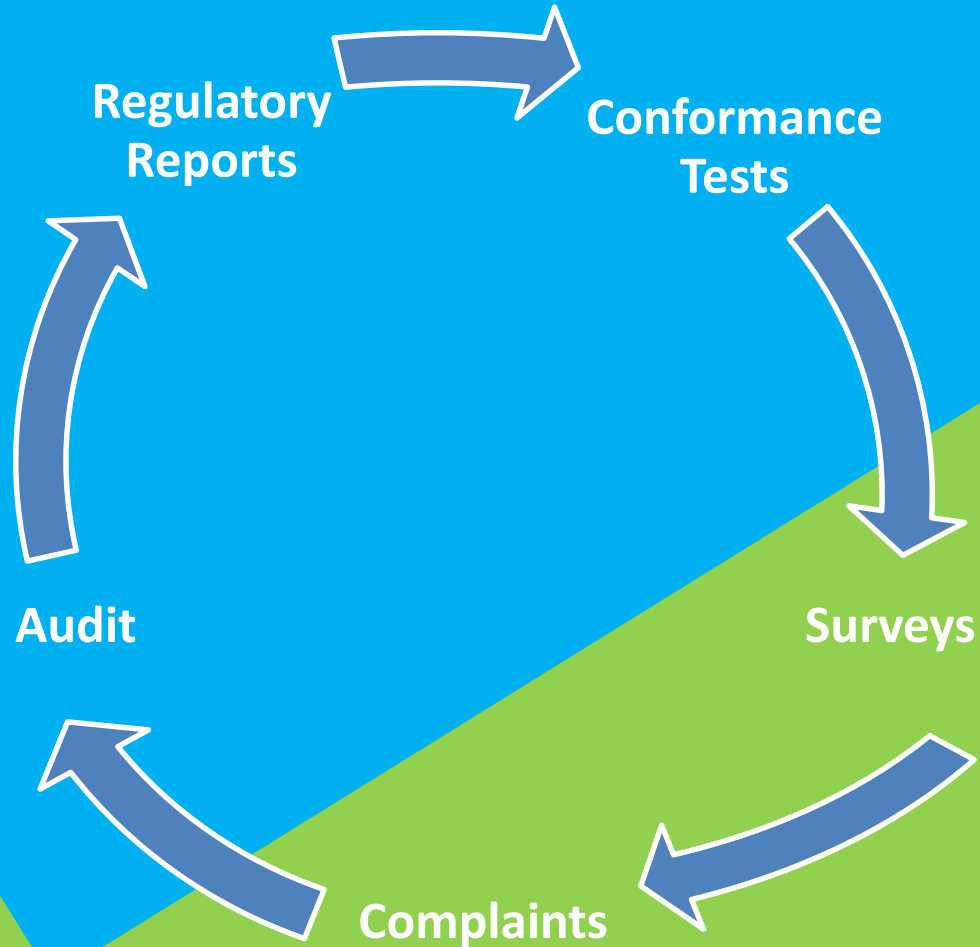


# **GRC**

# **EVALUATING IMPACT**



# Assessment Tools



**Governance. Risk Management. Compliance**  
**SUMMARY**



# Summary

- Once understood and effectively integrated GRC is “value-adding”
  - Makes for effective client engagement
  - Supports the achievement of corporate goals
  - Can provide a competitive edge
  - Produces positive regulatory outcomes
- An effective GRC strategy involves
  - Revisiting the notion of ‘rules’
  - Working with and through key stakeholders
  - Asking tough questions through periodic assessment

