



NEWSFLASH

April 2015

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MESSAGE FROM THE PRESIDENT



SHERALEE MORLAND
IRMSA President

Dear All

The year is advancing at a tremendous pace and we are fast approaching some of the exciting events in our corporate calendar.

One that would be risky to miss, and the focus of my message in this NewsFlash is the Risk Lab, that takes place in Johannesburg and Cape Town in July. It is bound to contain many risks of relevance to everyone. Aptly named 'State of the Nation or Nation in a State'.... Join us as we look at risks facing South Africa. Come along and enjoy the day - debate, challenge and participate.

FEATURED ARTICLE



By Jonas Shai CA(SA)

Director, Risk Management Support and Training Officer

The analysis pertaining to the landscape of risk management in the public sector is performed on the back of a weakening Rand, sluggish growth outlook and the downgrading of South Africa's sovereign credit rating. The negative impact of these events is further exaggerated by the continuous uncertainties with regards to electricity supply. These challenges paint a picture that purports to the system of risk management in the public sector not functioning. This picture is far from the truth.

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Jeremy Maggs, who is the presenter of Newsnight every weekday on eNCA, as well as the presenter of Maggs on Media, will facilitate his 5th series of Risk Labs. He is a very skilled and experienced interviewer who gets the real story out of his interviewees and our panellists at The Lab!

Next up will be a representative of Zurich, the event's main sponsor, who will provide an overview of the Global Risk Report compiled for the World Economic Forum. Thereafter a panel of risk experts will be unpacking the report, looking at issues such as Environmental, Cyber and Political Risk and their relevance for South African organisations.

Participation is expected to be high in an interactive risk intelligence session. The IRMSA Risk Report was received with open arms by the business community and is recognised as a key input into strategic planning. It is the result of a collaborative and exhaustive process over an extended period of time. Chris Palm will provide an overview of the 2015 IRMSA Risk Report and inform delegates about the start of the process for the 2016 report. Risk managers and other delegates will have the opportunity to start contributing to the new IRMSA Risk Report in a true laboratory setting.

The risks of corruption facing South Africa in 2015 and 2016 come under the microscope because increasing levels of corruption were identified as the number 1 risk facing business in South Africa, both in terms of likelihood and impact, according to the IRMSA Risk Report. As a founding member of Corruption Watch, Mr. Mavuso Msimang will address the threat this poses to business and what can be done about it.

Top of everyone's minds currently is load shedding. The two experts from ESKOM will be interrogated by Jeremy Maggs about the true state of affairs. Delegates will have the opportunity to put their questions to the experts as we gain an insight into how to survive load shedding. Closely linked to this is consideration of "The Risks and knock-on Effects of Load Shedding" is the severe impacts for business, in terms of revenue lost, additional cost as well as reputation. Chris Yelland, a well-known commentator on ESKOM and its problems, as well as its potential solutions, will share his views on the problems, and solutions with the Lab and answer questions from participants.

Politics and the Economy come up in many a discussion in South Africa, from "Pay back the Money", through "Rhodes and other statues must go" right up to "56% of people under 30 are unemployed or unemployable". However, what the REAL

ARTICLES



RISK OVERSIGHT BY THE BOARD OF DIRECTORS ANTICIPATING AND MONITORING KEY STRATEGIC RISKS

By Ghislain Giroux Dufort
President, Baldwin Risk Strategies Inc.

and

Denis Lavoie
**Director of Enterprise Risks, Insurance and Claims, VIA
Rail Canada Inc.**

"Directors cannot be expected to guarantee a perfect outcome. In business, you need to take risks because, without risk, there would be no reward. This may increase the risk of judgments being contested, but directors who make business judgments based on a sound factual foundation have nothing to fear."

- Brian Levitt, Vice-Chair of Osler, Hoskin & Harcourt LLP

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socio-political and economic risks businesses should be concerned about will be explored by our expert speaker who will tell us the truth behind the story.

Cyber risk is on the agenda because there are two types of companies - those that know they have been hacked and those who don't. In this session we will consider how cyber risk affects South African business and what can be done about it and hopefully provide risk managers with valuable advice on how to face and react to this insidious threat.

Chris Hart, known to many with his commentary sessions on 702 and business TV channels, returns with a unique and entertaining way of explaining the economic situation of the world and the impact this has on South Africa. He looks at the global shifting investment prospects and debates the question whether the SA Economy has a 'slow puncture'.

The presenter of the probing "The Justice Factor" on eNCA is an old favourite of Risk Lab delegates and he will once again bring his insightful and humorous presentation to the proceedings of the day. Justice Malala unpacks the political situation like no-one else and it is a must-see for anyone who wants to begin to understand South African politics.

I really hope to see you there so book a seat for the city of your convenience by going to the IRMSA website:

www.irmsa.org.za

Moving along now to a reminder that the first official board exam takes place on 30 June 2015.

The certification will ensure that Risk Managers have the necessary competence and knowledge required of them in their respective roles. The objective of the exam is to ensure that we bridge the skills, knowledge and competency gap of risk professionals in the industry.

The certification exam has been developed in such a way that the candidate's learning and work experience are integrated, relevant and transferable to any industry.

And, best of all, the board exam will be for *designation purposes!* Once the candidate successfully completes the exam and the evaluation of their work experience receives a positive outcome, the candidate will be deemed competent and they will be awarded the designation of Certified Risk Management Practitioner (CRM Prac).



**REPUTATION
RISK IS HERE
TO STAY**

By Leslie Gaines-Ross

Chief Reputation Strategist, Weber Shandwick

As Weber Shandwick's Chief Reputation Strategist, I focus on the ever changing world of reputation. For the past 25 years, I have relentlessly observed, researched and commented on the rise and fall of reputations.

It has been awhile. I was curious to see how mentions of "reputation risk" had changed, if at all, in the global top tier media since the year before. Every year we conduct a Factiva search of the term to track its progress over the years. As you can see, the number of mentions has dramatically increased in the past decade, with over 800 in 2014 alone. It's really fascinating to me to see how reputation risk continues to surge when it was barely on the horizon in 1990. It wasn't until 2002 when the term truly emerged and for good reason. That is when we hit the wall with the dot com bust and the demise of WorldCom, Adelphi and Enron.

Deloitte.

[Click here to see report survey by Deloitte.](#)

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IRMSA BREAKFAST PRESENTATION

IRMSA BREAKFAST PRESENTATION

RISK APPETITE

DEPLOYING RISK APPETITE TO OPTIMISE ENTERPRISE VALUE



JOHANNESBURG - 5 MAY 2015

CLICK HERE TO BOOK NOW

This year's applications for the June board exam have unfortunately closed. However, as IRMSA we encourage growth in your professional field and as members, we encourage you to upgrade to associate or fellow member level, in order to meet the criteria and apply for the November Board exam. Good luck to all writing!

Yours in the interest of growing the practice of Risk Management.

Sheralee Morland
President

IRMSA TRAINING

Upcoming IRMSA Training:

Business Continuity Management - 7-8 May 2015
Johannesburg

[> BOOK NOW](#)

IRMSA CONFERENCE 2015



The poster features a group of superheroes in a cityscape. The IRMSA logo is in a speech bubble at the top left, and the MARSH logo is in a speech bubble at the top right. The main title is 'SUPERHEROES RISK MANAGEMENT TO THE RESCUE'. A yellow starburst contains the text: 'Book before the 17th August to qualify for the Early Bird Special. Members: R 5 950 ex vat. Non-Members: R 6 900 ex vat'. A speech bubble at the bottom right says 'CLICK HERE TO BOOK NOW'. At the bottom, it reads: 'IRMSA CONFERENCE 17-18 SEPTEMBER 2015 GALLAGHER CONVENTION CENTRE'.

CRUYWAGEN-IRMSA RISK FOUNDATION RISK LAB



The poster features a stylized South African flag with splatters. The CRUF logo (Cruywagen - IRMSA Risk Foundation) is at the top left, and the IRMSA logo is at the top right. The main title is 'STATE OF THE NATION... OR NATION IN A STATE' with the subtitle 'The Risks facing business in South Africa'. The Zurich logo is at the bottom right. The text at the bottom reads: 'The Cruywagen - IRMSA Risk Foundation Risk Laboratory Johannesburg 18 July 2015 Cape Town 20 July 2015 BOOK NOW'.

Should you wish to contribute to this newsflash, please contact the IRMSA Team at events@irmsa.org.za

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