

## Paper for the meeting of the board of [Company xx]

*Date and time:* [xx]

*Location:* [xx]

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**Paper type:** For Decision (*or Information or Update – delete accordingly*)

**Recommendation:** That the board should approve the purchase and implementation of the enterprise risk management software, to automate the risk management processes in the bank at a cost not exceeding US \$25,000, one off and annual fees of US \$4,000. This recommendation has been informed by detailed analysis.

**Agenda item no.:** xx of [year]

**Subject:** Enterprise risk management automation

**Responsible for paper:** [xx], Risk Manager.

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**Purpose of the paper:** To inform the board of the need to automate our enterprise risk processes, which are currently manual and out-dated and how this is increasing our compliance costs and affecting effective risk management. This is to request the board to approve the procurement and implementation of the enterprise risk register at the soonest.

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**Financial impacts:** *Reviewed and signed off by:*  
Xxx, Finance Director

**Legal impacts:** *Reviewed and signed off by:*  
Xxx, Legal Manager/ Advisor

**Productivity impacts:** *Reviewed and signed off by:*  
Xxx, Operations Manager

**IT impacts:** *Reviewed and signed off by:*  
Xxx, IT Manager

**Overall business case:** *Reviewed and signed off by:*  
Xxx, CEO

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### Executive summary

Effective risk management is a mandate of the board. Currently, the risk management processes in the bank are manual, which makes the bank manage risks in a reactive instead of proactive way. The general awareness for risk within the bank is low. This is attributed to a poor risk culture, lack of risk education and

ad hoc processes. Automation of the risk management processes at a cost of US \$25,000, one off and US \$ 4,000 annually will:

- Reduce compliance risks as all staff, including the board will have a username and password to access the system and review the bank's top risks anytime, anywhere
- Reduce the need for more head count in the risk department, therefore lower HR and attendant costs
- Position the bank at the centre of excellence in risk management, among peers
- Make the bank's risks processes more attractive to partners and government
- Comply with the new provisions in the Public Finance Management and Accountability Act, section 45(2) that requires the need to establish effective risk management processes

Attachments: **Enterprise Risk Management Business Case, appendix 1.\***

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\* In the appendix 1, the relevant department must provide detailed business case analysis of the project or issue to enable an informed decision.