



**ISOLTX -ERM™**

**and**

**Enterprise Risk Management (ERM)**

Article Written by: Nico Snyman

MBA, Fellow-IRMSA, M.I.S

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Advanced Auditing Techniques (AAT) and Internationally Certified Train the Trainer

Chief Executive Officer (CEO)

Crest Advisory Africa (Pty) Ltd

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## Introduction

Enterprise Risk Management (ERM) is a fascinating environment to work in. This requires a deep understanding of the working environment and the interconnectivity of various risks between departments, functions and activities. Without this in-depth understanding of the Enterprise, the risks which will be identified will be futile and the value of the risk registers and all the energy going into the risk management process, are wasted.

Very few enterprises truly evaluate their risks effectively and efficiently. The practice is that companies take a list of risks common to their industry and just have a tabletop discussion once a year or once a quarter. This is not risk management at all. Objectives are the most important departure point for any risk management program. In the absence of Objectives, an enterprise doesn't have risks nor uncertainties.

## What is the 5 most needed Characteristics of an Enterprise Risk Management Program?

Over the years of working with risk, we have identified the five characteristics of a good enterprise risk management program:

- A hunger and appetite for knowledge about the business
- Understanding of Business Quality Management Systems to drive success within the business

- Knowledge of Software and the drive to learn more about the best available Assurance software, not only Risk Software;
- Strong and tested Objectives for the company to drive success
- The analysis of the Objectives to determine Uncertainty in any of the Objective Deliverables;
- A strong Risk Management Framework, measured against the Industry Best Practices, to guide you to a common approach across the enterprise
- Risks, from Model Risks, to any other risk which creates uncertainty in achieving the Objectives, are open, transparently and visible across the enterprise;
- There is operational support for risk management and accountable ownership of risks
- There is a futuristic business process approach to the best available risk management technology and software.

## **ISOLTX and ERM**

ISOLTX-ERM™ has been developed with the future of ERM in mind. The tougher the business environment gets to drive business, the stronger the Enterprise should be to address the ever-changing environment.

The industry norm is that if you procure an ERM software system, you are procuring a certain version of the ERM software. This means if you bought Software 1: ERM-V4.1 in 2012, and the Software is on ERM-8.3 in 2020, that you are working on an outdated system, and that it will cost you a lot of money (CAPEX) to upgrade to the new version. This will also mean that your staff needs to be re-trained. This also means that the ERM Software are used less and less and eventually the enterprise sits with multiple Excel Spreadsheets, which takes a long time to manage and a longer time to report on.

This usually meant that the enterprise decides to replace the system, go with other software and this change brings about mistrust in the Risk Management Function. This change leads to an increase in change management, the re-configuration with a new software, which is working on different methodologies.



Website

[www.isoltx.com](http://www.isoltx.com)