

# The Inside View of Building the Best GRC Strategy

## A Future of Agility, Resilience, Integrity, Accountability & Engagement

MARKET RESEARCH BRIEFING

Governance, Risk Management & Compliance Insight

# Navigating Chaos



The more we study the major problems of our time, the more we come to realise that they cannot be understood in isolation. They are systemic problems, which means that they are interconnected and interdependent.

- Physicist Fritjof Capra



The Organization Has to be Able to See . . .

❑ **The Tree.** The individual risk

❑ **The Forest.** The interconnectedness of risks and objectives

# The Official Definition of GRC . . .



GRC is a capability that enables an organization to:

**G)** reliably achieve objectives

**R)** address uncertainty and

**C)** act with integrity.

SOURCE: OCEG GRC Capability Model



# Governance, Risk Management & Compliance in Context



## GOVERNANCE

Governance sets direction and strategy for the organization to reliably achieve objectives. Governance sets the context for risk management, without context risk management fails.



## RISK MANAGEMENT

Risk management seeks to manage and understand uncertainty by identification, assessment, and monitoring of risk within context to act on risk through acceptance, avoidance, mitigation, or transfer.



## COMPLIANCE

Compliance aims to see that the organization acts with integrity in fulfilling its regulatory, contractual, and self-imposed obligations and values. Compliance follows through on risk treatment plans to assure that risk is being managed within limits and controls are in place and functioning.

# Five Strategic Trends in GRC in 2023 Across Segments



# Agility: Navigate and Leverage Your Environment



**Resiliency:** Ability to Recover from Events and Get Back in the Game





**Integrity:** Does the Organization Pretend It is Something Else?



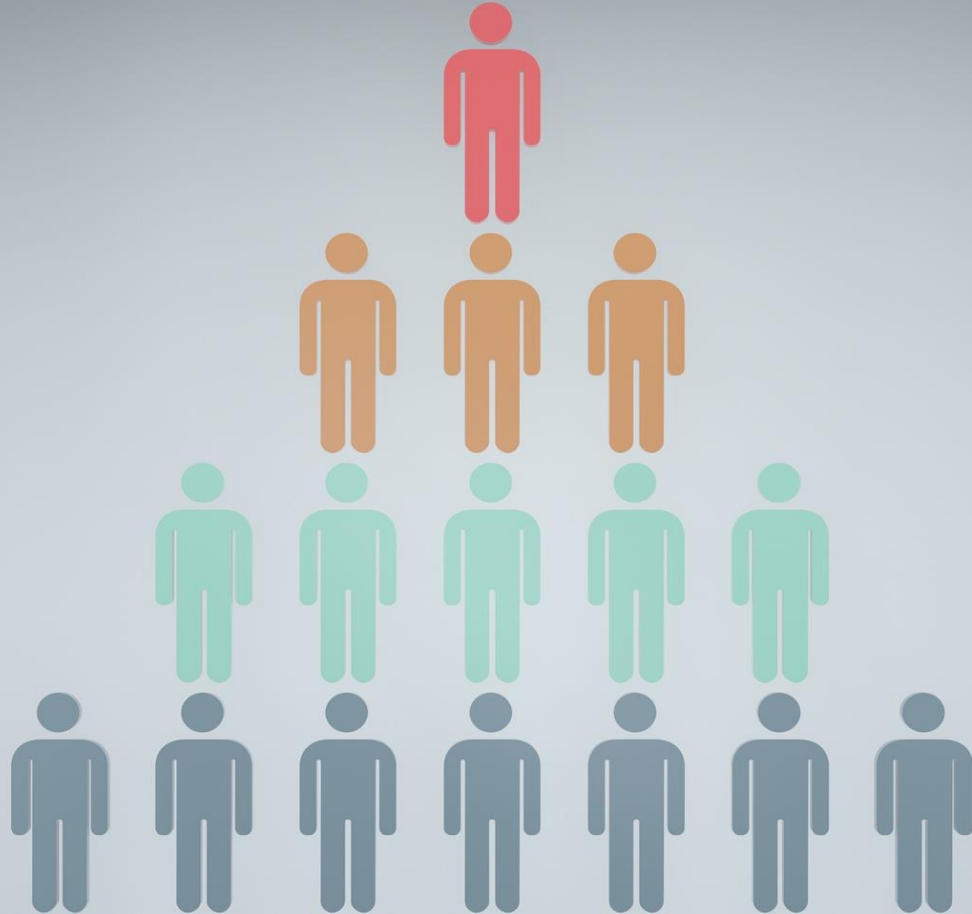
# Accountability is Different than Responsibility



## ACCOUNTABILITY VS RESPONSIBILITY

(a subtle but very powerful difference)

# Engagement is Measured at All Levels of the Organization



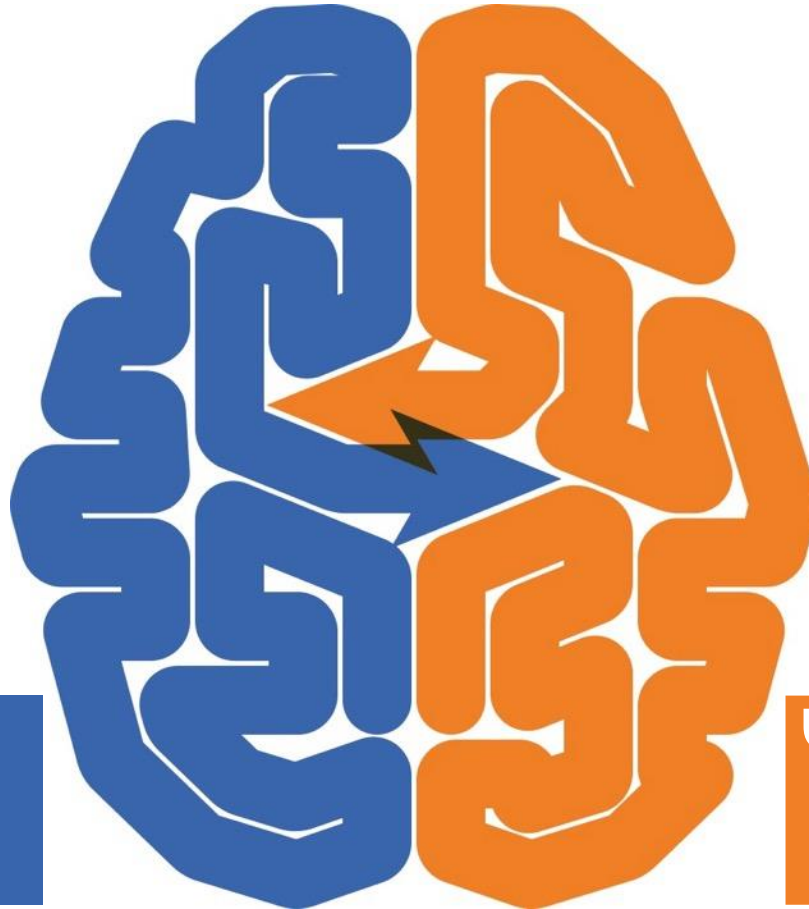
# Creative Risk Thinking: Looking at Risk Structurally and Creatively

## Left-Brain

***Logical and  
structured  
thinking about  
risk  
management***

**“** *It is a capital mistake to theorize before one has data. Insensibly one begins to twist facts to suit theories, instead of theories to suit facts.*

Sir Arthur Conan Doyle  
(British Physician and Writer)



## Right-Brain

***Creative and  
imaginative  
thinking about  
risk  
management***

**“** *You can use all the quantitative data you can get, but you still have to distrust it and use your own intelligence and judgment.*

Alvin Toffler  
(American Author and Futurist)



# From GRC 1.0 to GRC 5.0: A History of Technology for GRC



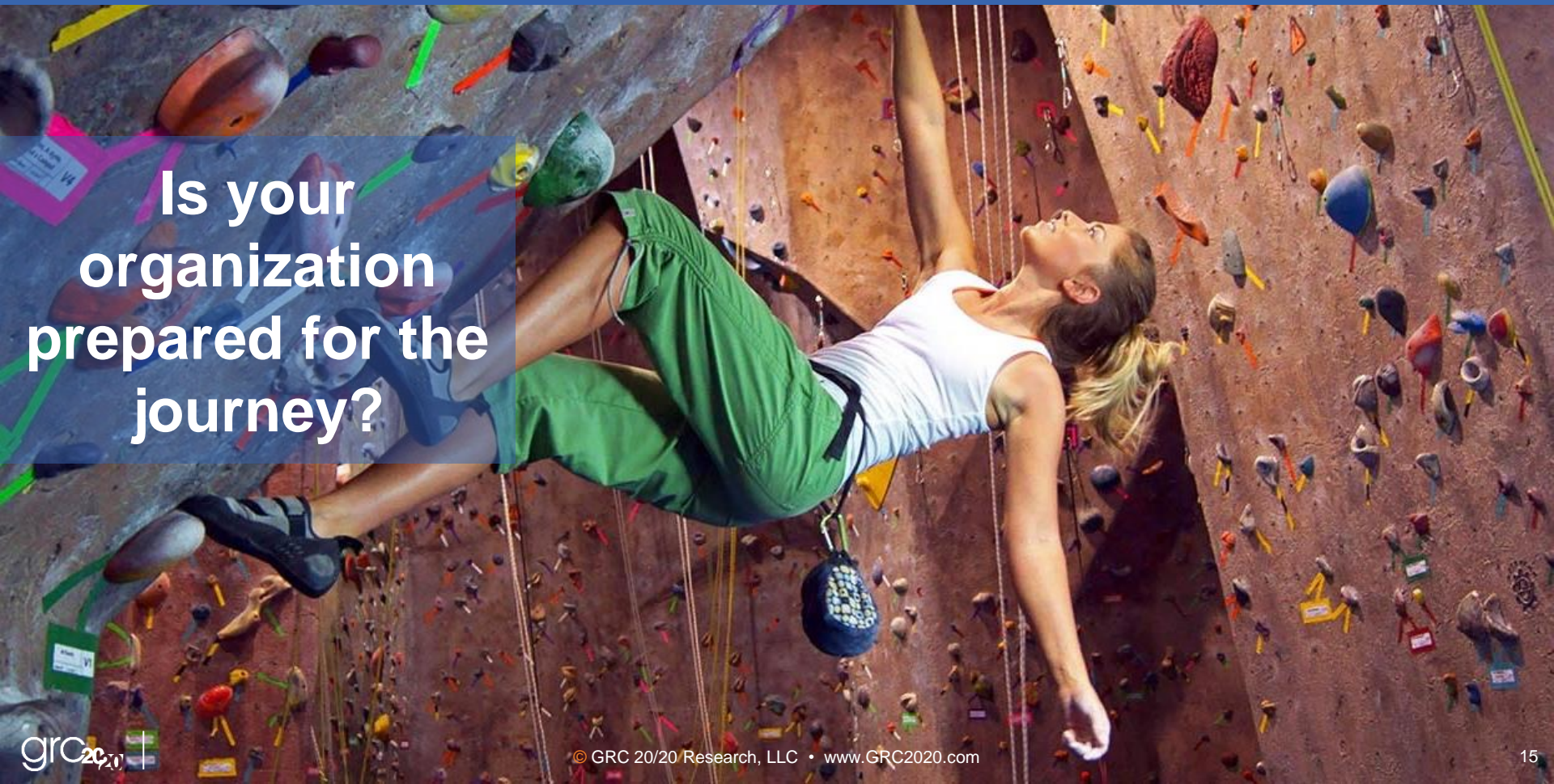
# Careful planning is the key to a GRC management strategy

It is critical to plan your journey by laying out the route ahead of time





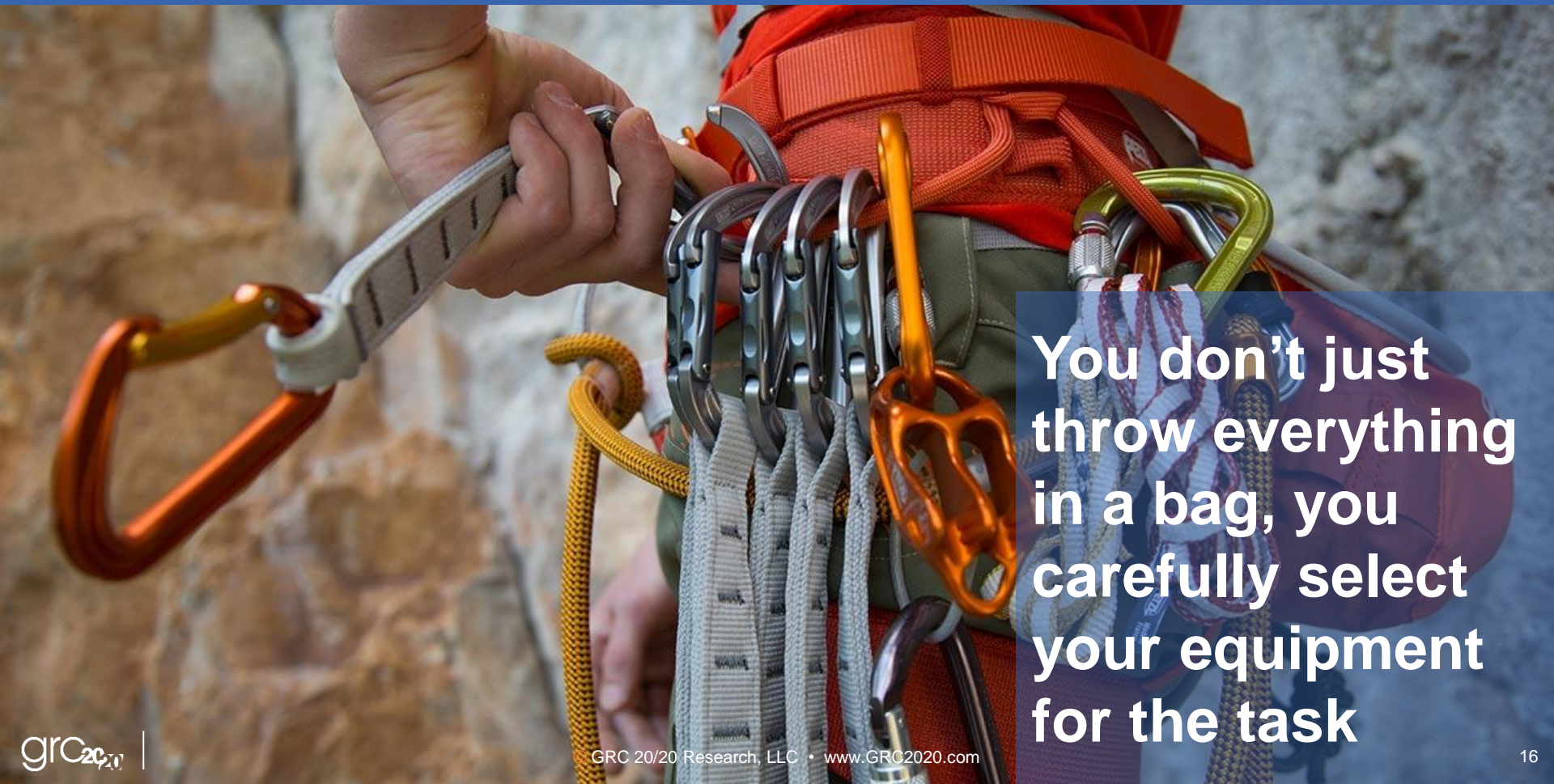
Conditioning is critical, make sure your team is ready



Is your  
organization  
prepared for the  
journey?



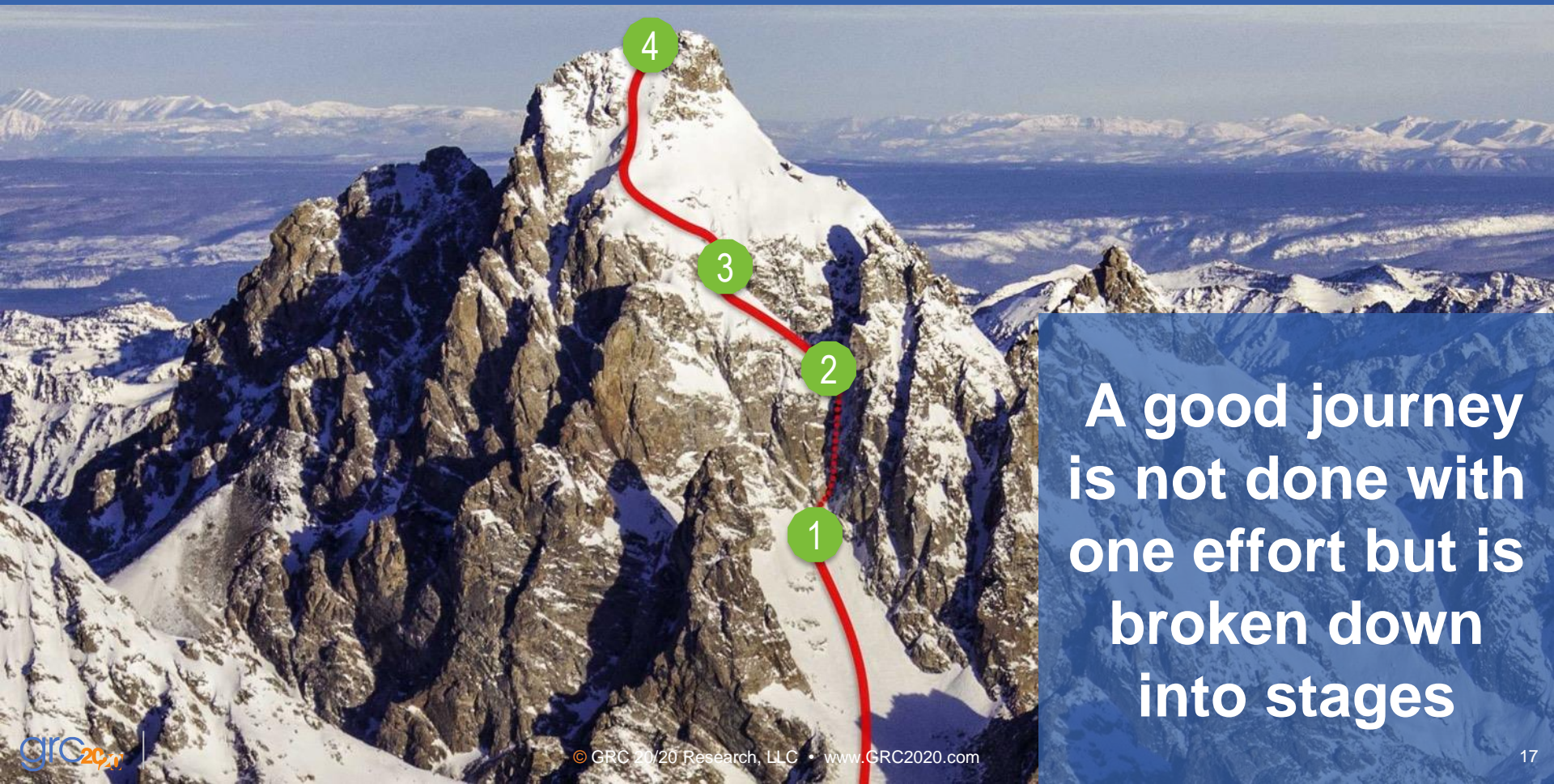
# Select the right equipment for the GRC management journey



**You don't just  
throw everything  
in a bag, you  
carefully select  
your equipment  
for the task**



# Tackle your GRC management strategy in stages



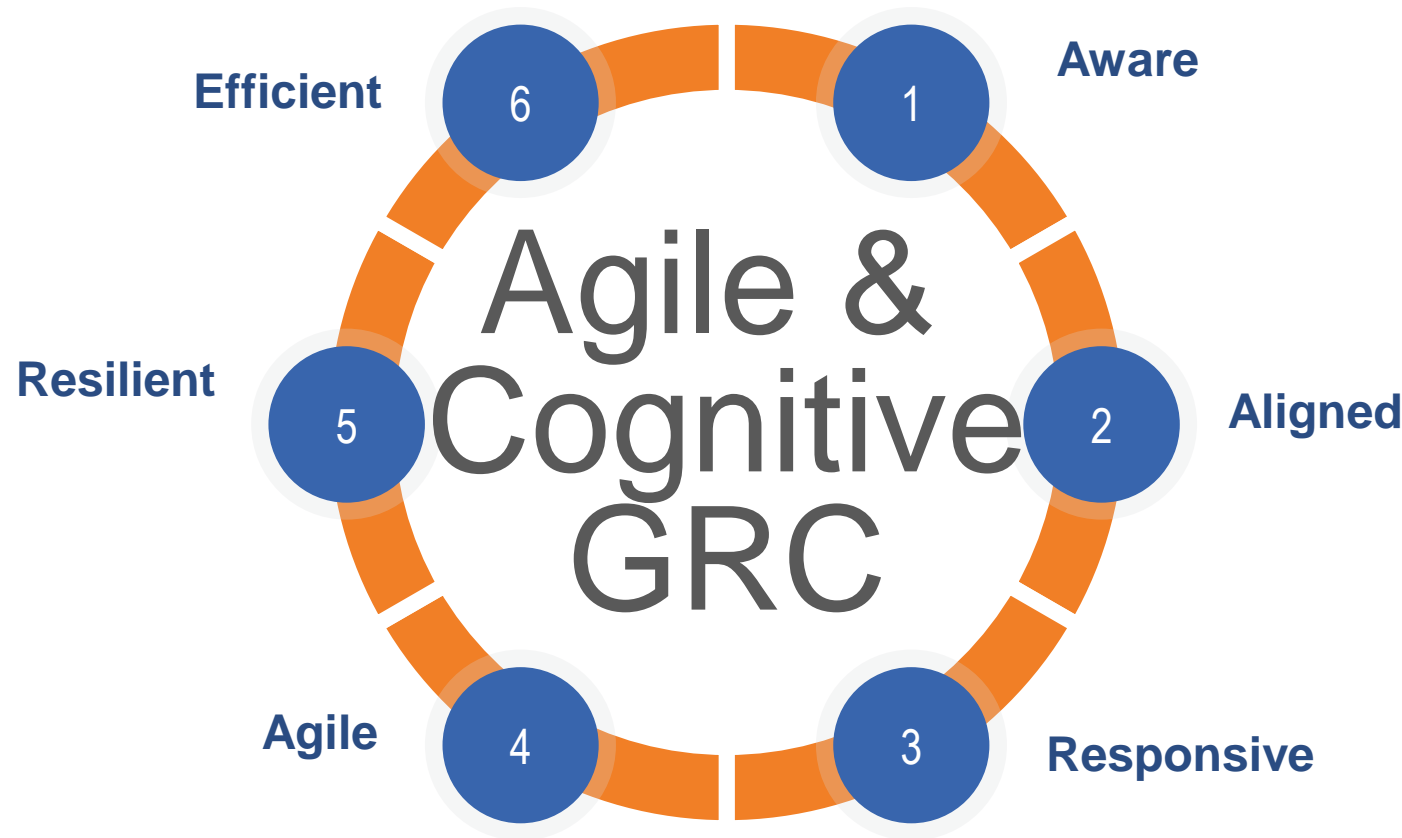
**A good journey  
is not done with  
one effort but is  
broken down  
into stages**



# Preparing for the next journey



Once complete  
it is not over,  
you begin  
preparing for  
the next change





## Questions?

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