

ERM Times

Council of Inspectors General on Integrity and Efficiency (CIGIE) | Enterprise Risk Management Working Group (ERMWG)

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INSIDE THIS ISSUE ISSUE

Leveraging a Risk Value Network

Risk liaisons are designated personnel within a component who support ERM activities and represent the ERM viewpoint in decision-making. Liaisons have a clear understanding of component risks.

[Leveraging a Risk Value Network](#)

As liaisons become seasoned, they influence decision making in their component, or choose other high potential personnel to represent ERM in everyday operations. Senior leaders can empower personnel by ensuring that liaison roles are taken into consideration for advanced training, and developmental opportunities. For instance, a liaison may be given an opportunity to present on a component enterprise risk to the Risk Management Council or senior leaders.

[Artificial Intelligence \(AI\) Likely to Eliminate 130,000 Federal Jobs](#)

Risk liaisons spend approximately 10-25% of their time on risk management activities. They are trained on risk management, so that they can identify potential risk to their ERM team. Additionally, liaisons share common practices regarding mitigation procedures.

[16 Blockchain Disruptions](#)

[Counter Fraud 2019 Conference](#)

[Upcoming ERM Book](#)

[Upcoming Events and Training](#)

Risk liaisons roles should be consider as organizations look to implement ERM capabilities. They can offer insight, knowledge and capabilities within component areas that a centralized ERM function could not replicate.

Artificial Intelligence (AI) Likely to Eliminate 130,000 Federal Jobs

On February 2019, The Partnership for Public Service and the IBM Center for The Business of Government issued a report titled “More Than Meets AI, Assessing the Impact of Artificial Intelligence on the Work of Government.” The report found that the adoption of AI technologies over the coming decade is likely to eliminate work currently being done by more than 130,000 federal agency employees in more than 80 occupations. AI technologies are likely to play a significant role in helping federal agencies to provide services more efficiently, but they will also reshape the workforce. President Trump recently issued an executive order urging agencies to promote AI research and development in addition to making government data widely available to industry and reducing regulatory barriers to innovation.

As recommended in the report, leaders should start thinking about both the opportunities and risks presented by this imminent transformation. Challenges will include the need to re-train hundreds of thousands of federal government employees in a budgetary constrained environment, and the need to recruit new talent needed to facilitate this shift.

<https://ourpublicservice.org/wp-content/uploads/2019/02/More-Than-Meets-AI.pdf>

SAVE THE DATE

Next ERMWG Quarterly Meeting Scheduled for June 26, 2019 (1-3pm)

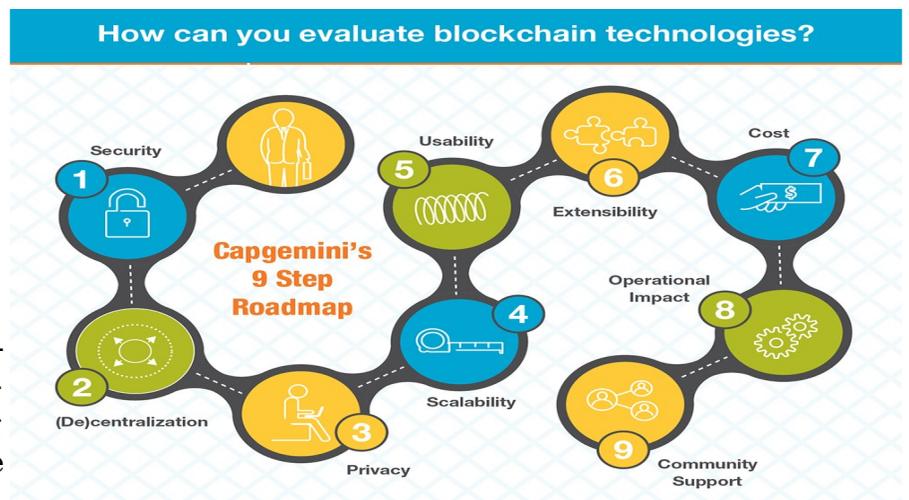
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16 Blockchain Disruptions

What is blockchain? BitFortune.net created an interesting infographic that will give you a better understanding of how this technology is disrupting 16 different industries, from music to government. It can be accessed at: <https://bitfortune.net/blockchain-disruptions-infographic/>

The blockchain era could be very impactful, and will likely change the way online transactions are being managed. Most professionals agree that blockchain will disrupt the banking and monetary industries. Blockchain allows decentralized transactions across a peer-to-peer network; with the middle man eliminated, resulting in near instant operations and more importantly, low costs. Transactions processed via blockchain are very secure and private.

There are unique benefits from implementing blockchain technology. For instance, the government of Dubai is aiming to put all government documents on the blockchain by 2020. Also, [GovCoin Systems](#) is helping the UK government distribute public benefits using blockchain technology.



Counter Fraud 2019 Conference

U.S. Department of Labor, Inspector General (IG) Scott Dahl led the U.S. team at the annual Fraud Forum and Counter Fraud Conference hosted by the United Kingdom Cabinet Office on February 13, 2019. The conference focused on tackling and preventing fraud across the public sector, and included counter fraud officials from Australia, Canada, and New Zealand. Scott provided an international perspective on counter fraud, including the role of the IG in combating public sector fraud. He and representatives from the U.S. Government Accountability Office (GAO) shared ideas on fraud risk reduction strategies and the requirements of the Fraud Reduction and Data Analytics Act of 2015. More information can be found at: <https://fraudanderror.co.uk/>

Upcoming ERM Book

Coming Soon! New book on **Public Sector Enterprise Risk Management: Advancing Beyond the Basics**. In this book Pension Benefit Guaranty Corporation's IG Bob Westbrook offers his perspective in a chapter entitled **Working with the IG and GAO: Creating a Win-Win Relationship**.

A key challenge to the successful implementation of ERM in the public sector is reconciling the roles of the risk function with those of the inspector general and the GAO. The book explores how auditors can play an important role in risk management as champion, evaluator, and risk advisor. There is also a chapter that highlights current efforts within our IG community in the areas of performance and risk management. The book will be published by Routledge around mid May 2019, and will be available for purchase on Amazon.com.

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Upcoming Events and Training

AFERM's First RiskRealm Webinar from KPMG

March 4, 2019, 1-2pm

The KPMG Government Institute, in collaboration with AFERM, invite you to a Webcast discussing approaches to assess and strengthen a government organization's risk culture.

The risk culture has been identified as the top barrier to implementing enterprise risk management (ERM). This Webcast will explore risk culture, which is the heart and soul of ERM since it drives what actually happens in organizations.. Learn more and register at: <https://www.aferm.org/events/kpmg-webcast-your-risk-culture-an-erm-enabler-or-barrier/>

Spring 2019 ERM Roundtable Summit Plus Post Roundtable Workshop

April 25-26, 2019

The purpose of the workshop is to provide participants with practical insight and tools to help to continue to build out ERM and to use it to drive real and sustainable organizational value. The workshop will include presentations as well as facilitated table group work, where we move from academic discussions to "how to" explanations and examples. The small, facilitated groups will enhance opportunities for both hands-on work and Q&A. More information can be found at: <https://erm.ncsu.edu/executive-education/event/ERMRTAPR2019#.XIaV63mWznO>

Risk Management Society (RIMS) Conference,

April 28-May 1

RIMS 2019 is the largest risk event of the year. You'll find an unprecedented number of sessions across a wide-range of risk-related topics. Learn more and register at:

<https://www.rims.org/RIMS2019/Pages/Sessions.aspx?conf=main>



“Eternal vigilance is the price of eternal development.” ~Gordon B. Hinckley