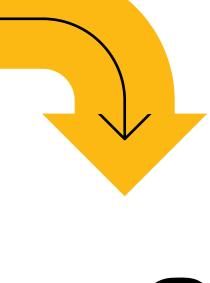


# The journey to strategic risk management Choose your adventurer

## Some risk leaders have longer journeys than others, but the goal for each is the same.



#### list and never enough time. He struggles to find talent to fill key roles. All his time is

**Edward** 

spent on solving urgent problems. Edward needs to find his footing so he can begin thinking strategically.

Edward has a huge risk management to-do

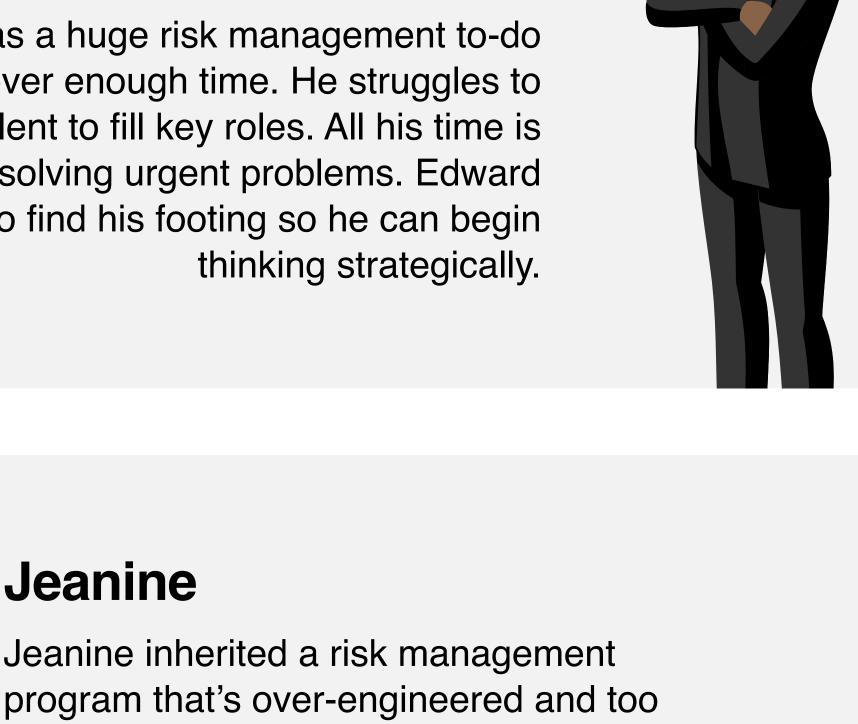


#### processes obscure a strategic through-line. More than anything, she needs a breath of fresh air and an opportunity to simplify.

**Jeanine** 

**Pierre** Pierre's risk teams are highly competent,

complicated. The overgrowth of roles and



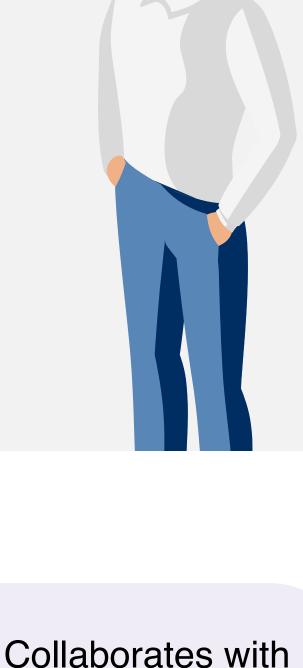
### and communication suffer. Now, Pierre needs to bring business and risk teams

together in collaboration. Edward starts here Assess

but they handle too much. His organization

sees little coordination between first- and

second-line teams, which means strategy



the first line to

identify important

risks related to

products and

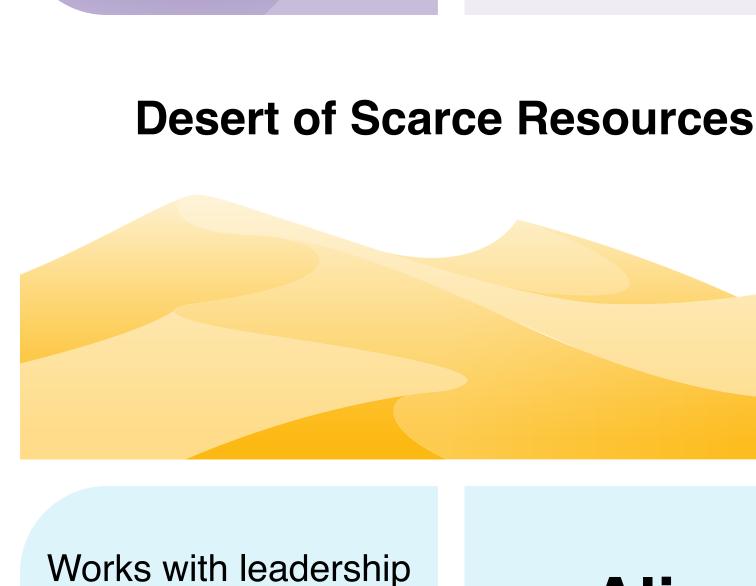
services and develop

shared language

Integrates risk

management into

products, services,



to implement a

proactive, right-sized

risk management

approach that's

aligned to risk

appetite

Communicates with

stakeholders to

identify and remove

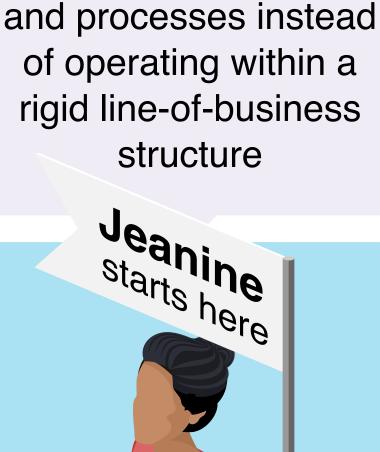
unnecessary tasks

that don't affect risk

exposure

# Align







Reorient



Harmonize

### via change management Identifies which risk management activities might be handled by business teams so risk teams

can shift to advisory

and governance

Shifts to a first-line

perspective and

talks about risk

management using

business-oriented

language

Adjusts tone from

"the second line does

it all" to emphasize

first-line

responsibility;

smooths transition



throughout the

organization

Moves toward

assessing risk

based on change

instead of fixed

intervals

Report

**Implements** 

technology that

allows business

and risk teams to

monitor and react

to data in real time

Moves many risk

management

activities into the first

line so that the

second line can

focus on governance

and risk oversight

Aligns business and

risk management

teams through

# Document



Identifies

concentrations of

risk to allocate

governance

resources and

address hot spots

#### Captures and communicates information in terms that are meaningful to

the first line

Blends business data

with governance data

so the organization

can evaluate risk

management costs

Assess

Integrates tools

and technologies to

push and pull data

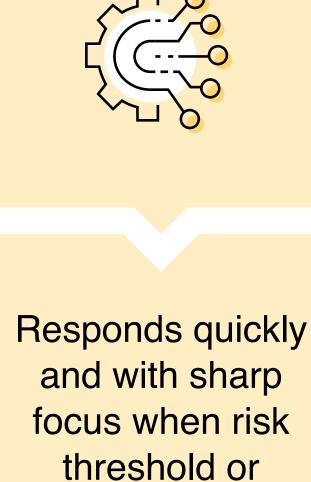
efficiently and

without manual

manipulation

## versus opportunity costs

Road to Strategy



appetite is

breached

Respond

teams on growth strategies

Success!

With risk management tasks shifted to the

business while your risk teams provide guidance

in business-oriented terms, you can serve as a

strategic resource for your organization and help

drive innovation, growth, and business value.

Applies deep

understanding of

the business and

risk landscape to

advise business

## Manages issues in accordance with a robust issues

management

program

## Crowe specialists can help risk management teams

claim a seat at the table.

We've guided a range of banks and financial services companies on the journey to realize a highly efficient strategic risk management framework based on shared language and responsibility between the

**Explore risk management services** 



+1 630 990 4484

its subsidiaries, and Crowe Global.

**Financial Services Consulting** 

ryan.luttenton@crowe.com

Partner

first and second lines.



Fintech

+1 317 208 2438

**Clayton Mitchell Managing Principal** 

clayton.mitchell@crowe.com

in this document. © 2023 Crowe LLP.



**Gayle Woodbury** 

+1 630 586 5325

**Financial Services Consulting** 

gayle.woodbury@crowe.com

**Principal** 

"Crowe" is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. "Crowe" may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S. member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit www.crowe.com/disclosure for more information about Crowe LLP,

The information in this document is not – and is not intended to be – audit, tax, accounting, advisory, risk, performance, consulting, business, financial, investment, legal, or other professional advice. Some firm services may not be available to attest clients. The information is general in nature, based on existing authorities, and is subject to change. The information is not a substitute for professional advice or services, and you should consult a qualified professional adviser before taking any action based on the information. Crowe is not responsible for any loss incurred by any person who relies on the information discussed