

# Q&A

## NOWELL SEAMAN

President - RIMS, *the risk management society*™



**1. You are spearheading one of the preeminent not-for profit organization dedicated to Risk Management globally. Tell us more about RIMS' future vision, professional development & certification opportunities.**

RIMS vision is to be recognized as the leading professional association for risk management worldwide. Our mission is to educate, engage and advocate for the global risk management community. Through the broad experience of its members and support from its professional staff, RIMS delivers practical real-world solutions, knowledge, relevant research and involvement opportunities for today's and tomorrow's risk management professionals.

From a professional development standpoint, we offer conferences, forums, and summits, as well as online and in-person courses, webinars, and educational content in the form of surveys, whitepapers, executive reports and risk professional technical

reports. *Opis*, RIMS' virtual community, is available to members globally to communicate directly with each other on emerging risks or challenging issues.

The RIMS-Certified Risk Management Professional (RIMS-CRMP) is a credential that demonstrates achievement of risk management competencies, knowledge and commitment to quality. It represents the standard of education, experience and ethics that the profession requires.

**2. You were recently in India for IOD's Global Convention on Corporate Ethics & Risk Management. What has been your India experience like?**

We were very pleased to meet with some of India's leading risk management practitioners at the IOD Global Convention.

The Golden Peacock Award Winners demonstrate the highest levels of risk management professionalism, while underscoring the fact that risk management must adapt to fit the objectives of each

organization.

A high-level of enthusiasm for risk management education, professional development and certification is clearly evident. A number of our delegation had visited India previously and noted the progress and advances that India has made over the past ten years in its infrastructure and economic growth. We certainly believe that RIMS has a role to play in helping to advance risk management in India.

### **3. What in your opinion are the most pressing challenges that developing countries like India face with their Enterprise Risk Management systems and frameworks?**

Whether in a developing country like India or in more developed countries such as the U.S. and Canada, the greatest challenge for embedding enterprise risk management is to understand and demonstrate the value that can be achieved for organizations. That message was clear in the presentations made by the Golden Peacock Award winners.

We are impressed that India's regulatory authorities see the value of enterprise risk management, and are requiring industries that are critical to India's economic growth, such as insurance and financial institutions, to implement and maintain enterprise risk management practices. In addition to regulation, strong executive leadership is essential to creating and supporting an effective risk management culture within an organization.

### **4. What are the top best practices that India Inc. can adopt to strengthen their Risk Management Systems?**

Research shows that organizations that incorporate risk management principles, processes and techniques into decision-making and performance management gain the greatest value. When risk management is viewed as a core competency for organizations, regardless of one's position or title, it becomes part of day-to-day practices. This requires knowledge, experience, commitment to ethical practices, and continuous learning through educational programs and through sharing experiences at events or virtual communities.

### **5. What are your global outreach and expansion plans, with special reference to set up a RIMS chapter in India?**

This is the first official delegation trip conducted by RIMS to India. It is exploratory and collaborative in nature. In addition to participating and contributing to the IOD's Global Convention on Corporate Ethics & Risk Management, we also had the opportunity to meet with key organizations in India, such as academic institutions, government regulators, insurance companies and brokers, as well as industry associations. We also conducted a roundtable discussion with risk management professionals in India.

As a result, RIMS was able to learn and gain a good understanding of the maturity level of the risk management professionals in India, as well as their needs on content and knowledge.

We plan to follow up and explore potential partnership opportunities with relevant strategic entities to further educate and advocate for the risk management profession in India. RIMS will also take steps to evaluate the feasibility of a local chapter in order to capture the interests displayed by the many people we met during our delegation trip.

### **6. Risk Management is all about managing Uncertainties. How useful is the RIMS Risk Maturity Model?**

Since it was launched in 2006, the RIMS Risk Maturity Model (RMM) has helped thousands of organizations to measure and assess enterprise risk management programs in order to better understand their risk management requirements.

The model is based on 7 attributes, 25 competency drivers and 68 readiness indicators. It can be used for assurance purposes, and to determine how well the program is meeting expectations.

The assessment can help to establish priorities and action plans to reach the organization's desired level of ERM maturity, which can result in improved capabilities to more effectively manage uncertainties.

In an article published in The Journal of Risk and Insurance, researchers Farrell and Gallagher utilized data from the RMM to study the correlation between the level of risk management maturity and value. The study suggested that firms that have reached mature levels of ERM exhibit higher firm value to the magnitude of 25 percent. ■

More information about the RIMS Risk Management Maturity Model can be found at:

<https://www.rims.org/resources/ERM/Pages/RiskMaturityModel.aspx>

