

Members



SOLID FOUNDATION A CLEAR DIRECTION A LIMITLESS FUTURE A SOLID FOUNDATION A CLEAR DIRECTION A LIMITLESS FUTURE

- Hand-chosen by ERM
 - Understand ERM and its value
 - Strategic thinkers
 - Willing to discuss uncommon ideas without introducing (much) personal bias
 - Have influence in business areas
 - Wide array of experience and knowledge
- Several members assigned STEEP responsibilities
 - Recommend risk tolerances, limits, and/or company actions as necessary



Meetings



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- Quarterly, or as needed
- Materials sent out a week in advance
 - Usually planned topics chosen by CRO, using news articles or other emerging risk prompts
 - World Economic Forum's Global Risk Report
 - Cambridge Centre for Risk Studies
- STEEP Owners expected to introduce own material
- Group discusses topics, impact to industry/company, generates questions to follow-up



Definitions and Sample Topics



SOLID FOUNDATION A CLEAR DIRECTION A LIMITLESS FUTURE A SOLID FOUNDATION A CLEAR DIRECTION A LIMITLESS FUTURE

- Societal
 - Definition: Risk due to changing employee, customer, and society's demographics, behaviors, and expectations
 - Example: Changing workplace expectations, e.g. <40 hour work week
- Technological
 - Definition: Risk due to failures or unanticipated changes in IT systems and information security
 - Example: Cybersecurity
- Economic
 - Definition: Risk due to unanticipated financial market behavior
 - Examples: Persistent Low Rates, High Inflation

Definitions and Sample Topics



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- Environmental
 - Definition: Risk due to uncertain ecological aspects, including natural disasters, weather, climate change
 - Example: California Drought
- Political
 - Definition: Risk due to changes enacted by political/legislative body (that have not been proposed)
 - Example: Medicare Supplement regulation changes

Resulting Actions



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- Contingency planning
 - Updated Business Continuity Plans
 - Defined actions
- Table-top Exercises
 - Test management responses
- Financial Hedges
 - Consider systemic risk
- Opportunities
 - Some emerging risks may pose an opportunity to profit or capitalize.



Considerations



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- No need for formal group, though may help to drive action
- Hand-pick members
- Formalize risk assessments to ensure full coverage
- Work the normal channels to get things done
- Consider opportunities

