

Strategy & Value Oversight Overview

Audit Approach Options:

Business Objective Starting Point

Audit of Management's Assessment



Traditional Methods

Risk Starting Point

Business Process Focus

Control Criteria Evaluation

Compliance/ Inspection Focus

Traditional Product:

Audit's report/opinion on risk/control effectiveness

vs.

Strategy/Value Management Product:

Audit's report on management's self-assessment

Risk Sources
Events, activities, or circumstances that can effect an organization and the achievement of business objectives

- Customers
- Suppliers
- Employees
- Competition
- Product/Service Liability
- Natural Events
- Political Influences

Regulators The Board of Directors

Business Objectives Arena

Business Unit

Sub

Sub

Sub

RiskStatusline™



- Finance/Economic
- Environmental Liability
- Missing Objectives
- Fraud/Corruption
- Equipment/Technology
- Control Design
- Human Behaviour
- Commercial / Legal
- Public Perception

Assurance Functions/Activities

External Audit	Health & Safety	Environment	Legal
Internal Audit	Quality	Risk & Insurance	Regulatory Compliance

Management Self-Assessment Approach Options:

Business Objective Starting Point

Self-Assessment Report: Management / Work Units



Traditional Methods

Risk Starting Point

Business Process Focus

Control Criteria Evaluation

Compliance Self-Assessment

Analysis of risks, risk treatment, and performance linked to key business objectives

Strategy/Value Management Product:
Management's report on risk status linked to key business objectives.

vs.

Traditional Product:
Management's assessment of risk/controls