



ERM Committees: A Guide and Tool

Institutions with enterprise risk management (ERM) programs often use an ERM committee to collaboratively manage the process. The committee is comprised of key leaders from across the institution who regularly come together to advance the enterprise-wide risk management process. This cross-collaboration helps ensure a coordinated and visible approach to managing risks, making it likelier that risk management stays an institutional priority and not a marginalized side project.

Leaders overseeing your institution's ERM program can use this guide and tool to establish and scope your ERM committee's responsibilities. Also, leaders can use this tool to identify strategies for involving others in your institution's risk management efforts without compromising your committee's size.

Learn Committee Members' Main Responsibilities

An ERM committee oversees and manages the ERM process. Committee member responsibilities include:

- Identifying, assessing, and monitoring institutional risks on a regular cadence
- Assigning risk owners to treatment and mitigation plans
- Overseeing and tracking risk treatment and mitigation efforts
- Communicating goals and reporting on progress and next steps to the board, senior administration, and risk owners

Ensure Your Committee's Size Isn't Unwieldy

To ensure decisions are made swiftly, limit committee membership to eight to 12 core members. Smaller committees can delegate work while maintaining clear ownership over the ERM process.

A critique from an institution with an ERM committee with over 20 core members was that the committee struggled to gain consensus and took longer to make decisions. This meant the committee focused more on process and less on meaningful action toward managing risk.



Accountability Tip

We've seen institutions struggle to hold leaders accountable for prioritizing ERM and taking action throughout the year. One institution suggested aligning leaders on their ERM responsibilities by including them in job descriptions and performance goals. Doing so can incentivize leaders to prioritize risk management as part of their day-to-day work and help departments plan for ERM in advance.

Guide for Involving Everyone in Your ERM Efforts

1. SELECT A CHAIRPERSON TO LEAD ERM EFFORTS

Committees need a clear owner to champion ERM efforts and hold leaders accountable. Often an ERM committee chairperson oversees progress, maintains and updates key documents and reports, and manages any ERM technologies or processes. This leader likely will be your liaison to the senior administration and board.

In some cases, an institution may have a leader in mind for this role. When senior leaders are looking to identify a new ERM committee chair:

- Base your decision on a leader's skills, experience, and interest in risk management, not on a person's title or position at your institution.
- Ensure the leader has experience overseeing cross-functional efforts and moving strategic projects forward.
- Consider leaders with the ability to clearly communicate with the board and senior administration.

Examples of Leaders Serving as an ERM Committee Chair

Common positions of people who assumed the role of Committee Chair include Chief Business Officer, Risk Manager, Compliance Officer, and General Counsel.

Recently, we also have seen institutions task Chief Information Officers (CIOs) with leading ERM efforts, given these leaders' roles in managing complex risks with a cross-functional approach.

Some institutions also have created a new position to oversee ERM efforts, separate from risk management and insurance efforts.

Ultimately, any leader with skills and interest in risk management and cross-functional efforts can be an effective ERM committee chair given training, resources, and support from senior leadership.

2. IDENTIFY YOUR ERM COMMITTEE MEMBERS

All institutions are different, and your committee should reflect those differences. When forming a committee, important considerations include:

- Positional authority of members
- Departments of your institution that need representation
- Specific subject matter expertise, experience, or personality of leaders who participate

Start at the Top

For risk management to become part of your institution's culture and strategic objectives, the ERM process needs buy-in from senior leaders and participation from leaders with authority to implement change.

A helpful starting point is to consider your institution's senior administration, as they will understand risks from an institutional perspective rather than from individual departments. Senior administrators will have the authority to influence action across your institution.

Consider Other Departments

Given that a successful risk management program considers risks affecting the entire institution, the committee must represent your institution's programs, people, and risks.

To keep committees agile and small, consider the following departments for rotating committee membership or assistance in an advisory capacity or *ad-hoc* basis for a specific risk:

- Athletics and Student Programs
- Campus and Residential Life
- Counseling Services
- Compliance/Internal Audit
- Facilities
- Health, Safety, and Wellness
- Operations
- Public Safety
- Research
- Title IX

Some departments or functional areas often represented at the senior executive level include:

-  Academic Affairs or Provost
-  Admissions and Enrollment
-  Communications
-  Finance
-  General Counsel
-  Human Resources or Administration
-  Information Technology
-  Risk Management
-  Student Affairs

Some members of these departments may need to serve as full-time members on your ERM committee if a specific risk is a high priority or if leaders in these areas have expertise on multiple institutional risks. For instance, many institutions include a permanent member from Counseling Services or Title IX given the significant impact student mental health and sexual misconduct has on many institutional risks.

Other Qualities to Consider

If your ERM program is relatively new, consider including:

- A risk champion who can help engage others in risk management efforts to gain buy-in and momentum
- Leaders skilled at collaboration, influencing, and strategic thinking

We've seen institutions select one or two committee members based on their success with leading cross-functional initiatives to ensure the committee meets its goals and maintains momentum. For example, one institution selected a leader overseeing study abroad programs given that leader's relationships with others across the institution and enthusiasm for creative risk management efforts.

3. INCLUDE OTHERS IN RISK MANAGEMENT EFFORTS

Remember that leaders don't necessarily need to be on your ERM committee to have a voice or to lead risk management efforts on campus.

While we recommend your ERM committee remains small to make quick, informed decisions, there may be other ways to involve leaders in your risk management efforts without expanding to an unwieldy size.

Additional tips for selecting committee members and involving others in risk management:

- **Invite non-members to share expertise or listen in.** While the ERM committee can't include all departments, we've seen committees invite leaders with subject matter expertise on a specific risk to a single committee meeting to inform discussions about that risk. For example, if a high-priority risk on your institution's risk register is deferred maintenance, invite the Facilities Director to a committee meeting focused on that risk to explain key risks and answer questions about potential mitigation strategies.
- **Delegate.** You can delegate projects to task owners outside the committee and ensure they report to the ERM member overseeing that project. For instance, the Associate Vice President (AVP) of Administration may delegate to the Facilities Director a task force on deferred maintenance. While the AVP remains a committee member and is responsible for reporting on progress and holding the team accountable, a director may be better positioned to work on mitigation strategies and partner with leaders.
- **Start working groups.** Use a working group to tackle individual risks your ERM committee identifies. For example, if student mental health is a top risk, you may start a working group whose membership includes managers from divisions like Counseling Services, Academics, Athletics, and Housing and Residence Life. The Director of Counseling Services may lead this group's efforts and report progress back to the ERM committee.

- **Consider ERM as an opportunity to develop future leaders.** For professional development and succession planning purposes, select a leader not otherwise engaged in the ERM process to sit in on an ERM committee meeting. Participation can show people the value of risk management, inform the leader’s departmental efforts, and help senior leaders discover and prepare future leaders for growth opportunities.
- **Rotate membership.** Keep a small, core ERM committee group. Rotate out one or two members annually to get a new perspective and avoid burnout of existing members. While the ERM committee should remain consistent, and executives like your Chief Financial Officer (CFO), CIO, Communications Officer, and General Counsel likely will remain on the committee, you may rotate out different leaders for an Athletics or Academic Affairs spot, for example.

Tool for Selecting Committee Members and Participants

Having reviewed practical guidance for forming an ERM committee and ways to involve leaders in risk management efforts, consider your institution’s people and programs. Use this interactive tool to select which areas will be represented on your ERM committee and which areas may have other roles, including rotating membership, leadership roles on risk working groups, and potential task owners.

TOOL INSTRUCTIONS:

- 1 Select which departments or areas will be represented in a permanent or rotating capacity on your committee. Under the corresponding column, include the name and/or title of the leader. Keep your committee agile by limiting membership to eight to 12 leaders. Once you’ve prioritized who will participate on your committee, ask whether others can potentially participate in working group and/or task owner roles. Under the applicable “Permanent Member” or “Potential Rotating Member” column, insert the name of the leader who will be involved.
- 2 While the ERM committee will be limited to a core group, use this second column to identify leaders who may assist the ERM committee in other ways. Under the column “Other Risk Management Roles,” include the name/title of the leader who may assist the ERM committee by serving on a working group or as a task owner for an institutional risk. Although these leaders may not be members of a formal ERM committee, it is valuable to identify others who can inform and assist with risk management efforts to identify training needs and cross-functional involvement.
- 3 Consider adding members outside of the departments in the left column. Each institution is unique, and this tool may not represent all departments or functional areas on your campus. We included space at the bottom of this column for additional departments or functional areas we may have missed. At the bottom of this column, add any additional departments or functional areas that may need to be involved with the ERM committee or other risk management efforts. In that row, include the name/title of the leader who may assist with ERM efforts under either the “ERM Committee” columns or the “Other Risk Management Roles” column.

Risk Management Role

3 Potential Department Represented	1 ERM Committee		2 Other Risk Management Roles
	Permanent Member	Potential Rotating Member	
Academic Affairs			
Admissions & Enrollment			
Athletics & Student Programs			
Campus & Residential Life			
Communications			
Compliance/Internal Audit			
Diversity, Equity, & Inclusion			
Facilities			
Finance			
General Counsel			
Health, Safety, & Wellness			
Human Resources			
Information Technology			
Operations			
Public Safety			
Research			
Risk Management			
Student Affairs & Activities			
Student Services			
Study Abroad			
Title IX			

	ERM Committee Members	Rotating Members
Total Number of Members		

Consider limiting to eight to 12 committee members

Questions About Implementing ERM At Your Campus?

Contact us or refer colleagues to [UE.org](https://ue.org) for resources about ERM and examples of risk mitigation strategies and activities.

Email risk@ue.org with questions about specific risk management efforts or implementing ERM on campus.

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To learn more, please visit www.ue.org.

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