

Proudly Presents....

**Risk Management Speak –
Communicating Risk Management
Value and Results to Your
Organization's C-Suite and Board**

Session 2A

Today's presenters

- **Dan Kugler**, Assistant Treasurer Risk Management, Snap-On Incorporated
- **Robert Cartwright**, Loss Prevention Manager, Bridgestone Retail Operations

What to say and how to say it...

- Recognize who your audience is
- Speak in their language
- Use of data is key
- Show value of your position

The Risk Management Function Enables
Executive Management and Risk Owners to
Carry Out Their Respective Responsibilities

Risk or Opportunity?

- ORGANIZATIONAL
- BEHAVIOR CHANGES
 - Focus on the future
- Accurate estimates of odds
 - Spot problems earlier
 - Fewer hours in crises
 - Lower loss reserves
 - Higher risk appetites
- Innovation and growth

Typical ERM Governance Model



Risk Appetite Management

- Senior management and/or the board of directors may not reveal the magic “risk tolerance / risk appetite” number to you
 - ✓ *proceed anyway*
- Limit action plans to those risks with the potential to cause significant impediments in achieving business objectives, or which may cause major impairments of capital
- Resource allocation based on risk-rewards

Informed decision-making

Your ability to communicate is an important tool in your pursuit of your goals, whether it is with your family, your co-workers or your clients and customers."

Les Brown

**"The organization that can't
communicate can't change, and the
corporation that can't change is dead."**

Nido Qubein

Are Management's Expectations Clear to Me?

- Dovetail of Risk Management's objectives with corporate objectives
- Hazard risks or broader risk set?
- Strategic versus tactical
- Involvement in strategy setting and growth of the business

Are Management's Expectations Clear to Me?

- Breadth of responsibilities
- Managing versus doing
- Responsibilities of key partners
- Expectations to partner throughout the organization

What Input Have I Had In Setting These Expectations?

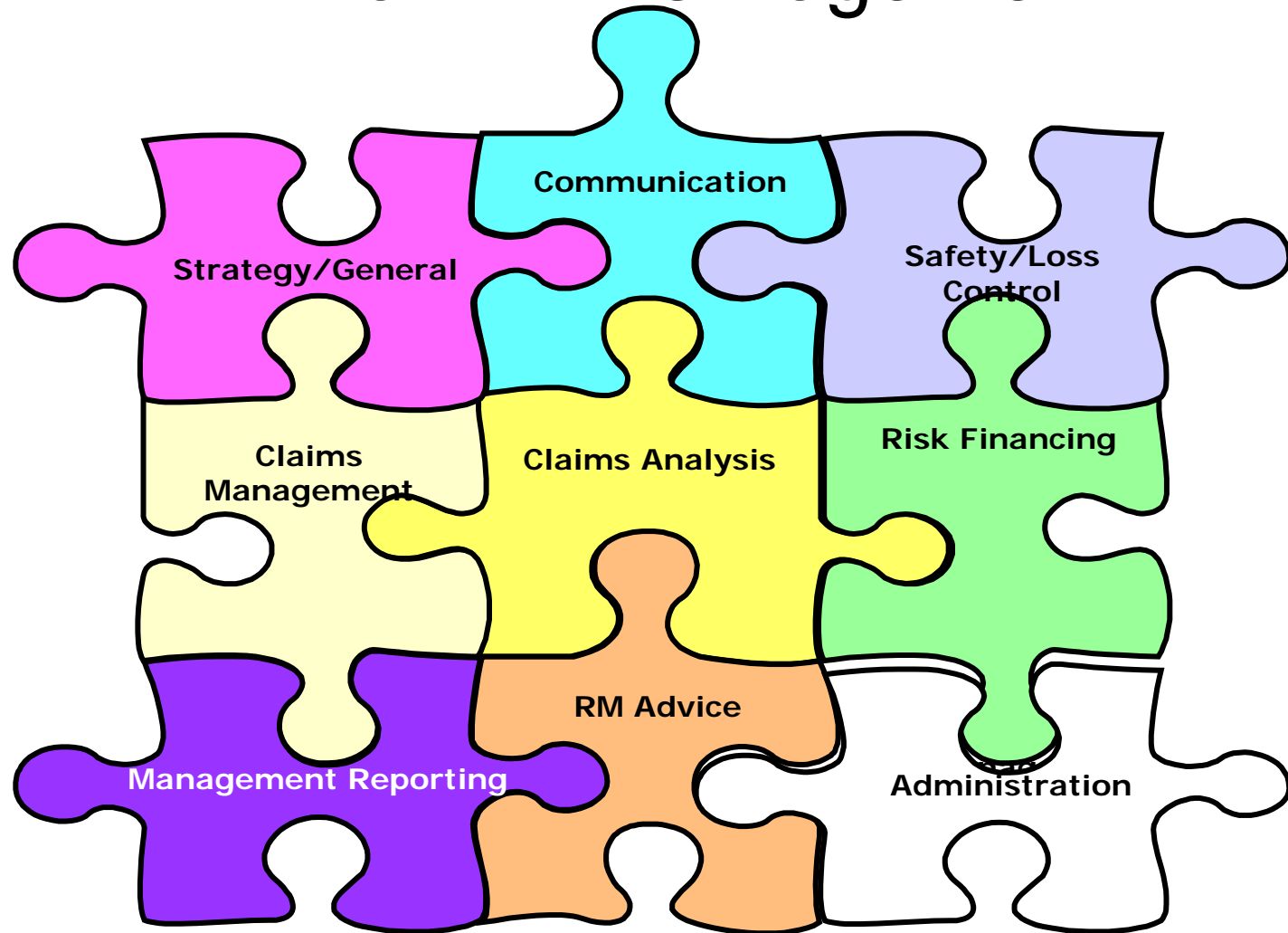
- Convey leading practices to executive management
- Compare your RM Team to leading practices and set action plans, where appropriate
- Meet with executive management to set expectations

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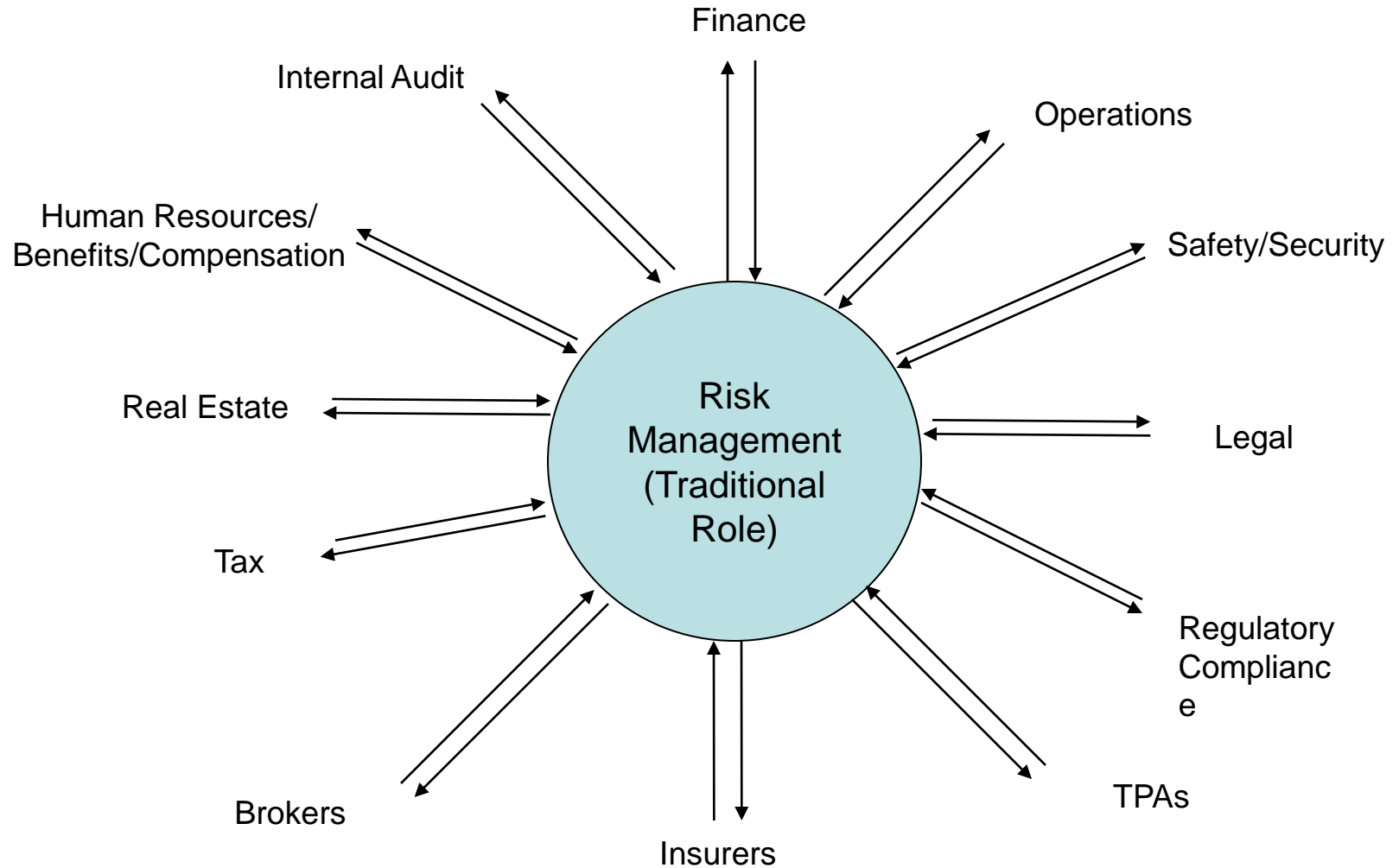
- Show of partnership building to accomplish goals
- Work in the operations to better understand the organization
- Take the lead in moving beyond hazard risk management
- **Align Risk Management Objectives with the Organizations Strategic Goals**

Risk Management Responsibilities:

How it Fits Together



Key Partnership Building



Am I Positioned as a Risk Barometer for the Organization?

- Partner, Partner, Partner
- Maximizing the eyes and ears of others
- Proactive versus Reactive
- Just Don't Say "No" (or at least very rarely)
- Getting out into the Operations
- Searching for the Positive Side of Risk
- Growing the business

It is the evolution of risk management role into a more strategic role from the ERM initiatives, the focus on creating value for the organization. Risk Management is required to contribute!

- Focuses on the organization's strategic direction
- Considers risk across silos
 - Profit drivers throughout the value chain
 - Key risk interdependencies that threaten profit drivers
- Defines risk to include threats and opportunities
- Key goal of both ERM and ERMe – enhance shareholder and stakeholder value

Organizations are demanding a more robust application of the risk management practice. If not today, the future is fast approaching.

Who We Are

OUR MISSION

The most valued productivity solutions in the world

BELIEFS

We deeply believe in:

Non-negotiable Product and Workplace Safety
Uncompromising Quality
Passionate Customer Care
Fearless Innovation
Rapid Continuous Improvement

VALUES

Our behaviors define our success:

We demonstrate Integrity.
We tell the Truth.
We respect the Individual.
We promote Teamwork.
We Listen.

VISION

To be acknowledged as the:

Brands of Choice
Employer of Choice
Franchisor of Choice
Business Partner of Choice
Investment of Choice

Risk Strategy

- To develop effective risk programs that support Snap-on and its' strategic partners in their business objectives, and provide profitable growth by pursuing opportunities from a customer driven perspective.



Our Mission

*to Partner,
Protect, and
Prosper*

***In the end, risk management must
deliver a clear and measurable
impact on the company's
operating performance***

**The degree of success that you achieve
in business will ultimately come down
to the degree of depth of your
conversations"**

Robin Sharma

“ Wonderful things happen when people talk face to face. Deals are made Decisions are made. Obstacles are cast aside Whatever the job, the job gets done face to face.” G. Toogood (The Articulate Executive)



“To delight our customers - tool and equipment users worldwide - by creating innovative, productivity-enhancing products, services and solutions.”