

NEWS RELEASE

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INSUFFICIENT PROGRESS REGARDING RISK MANAGEMENT

VICTORIA – Auditor General John Doyle has released his latest report, *The Status of Enterprise Risk Management in the Government Ministries of British Columbia*, which contains the findings and recommendations from three reports. Each project examines a different aspect of risk management within British Columbia ministries.

Risk management is a process in which risks are identified and their likelihood and impact evaluated to allow for appropriate planning.

"Since enterprise risk management was introduced to ministries almost a decade ago, insufficient progress has been made in integrating it into practice," said Doyle. "This leaves ministries vulnerable to potential risks such as economic loss or loss of life for which they could be preparing. It also leaves ministries potentially unaware of opportunities such as investment or employment."

The first project speaks to the importance of managing risk, a key governance component in large organizations, and provides six recommendations, many around the need to hold the ministries accountable for their risk management practices.

The second project focuses on the barriers to integrating enterprise risk management into ministries and includes three recommendations directed to ministries.

The final project includes an examination of three government programs that found that all three programs met government's requirements for program-level risk management. However, the report concludes that further improvements can be made by ensuring there is a formally documented and fully functioning process to roll up risks from the program level to the ministry level.

"As always, my reports may look at a specific part of government, but the findings are relevant across the public sector and in other similar organizations," said Doyle. "I wish to thank the many public servants involved for their co-operation and assistance, and look forward to receiving updates on government's plans for implementing the report's recommendations."

The Auditor General is a non-partisan, independent Officer of the Legislature who reports directly to the Legislative Assembly. The *Auditor General Act* empowers the Auditor General and staff (known as the Office of the Auditor General or OAG) to conduct audits, report findings and make recommendations.



2011/12 Report 3 – *The Status of Enterprise Risk Management in the Government Ministries of British Columbia*

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