

# Enterprise Risk Management (ERM)

# Technical Knowledge + Skills

<b>Competency Cluster</b>	<b>Legislative Environment</b>			
<b>Competency Title</b>	<b>Legislative regulatory framework</b>			
<b>Competency Definition</b>	<b>This is the ability to understand, interpret and apply relevant legislation, policies, regulations, frameworks, standards and guidelines</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		perform ERM activities in compliance with relevant legislation, policies, regulations, frameworks, standards and guidelines	monitor the performance of ERM activities in compliance with relevant legislation , policies, regulations, frameworks, standards and guidelines	manage the performance of ERM activities in compliance with relevant legislation , policies, regulations, frameworks, standards and guidelines
<b>Competency Cluster</b>	<b>Legislative Environment</b>			
<b>Competency Title</b>	<b>Departmental policies and procedures</b>			
<b>Competency Definition</b>	<b>This is the ability to develop and implement relevant departmental policies and procedures</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Departmental risk management policies and procedures Principles of internal control Delegations of authority		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		perform ERM activities in compliance with departmental policies and procedures	monitor the performance of ERM activities in compliance with departmental policies and procedures	manage the performance of ERM activities in compliance with departmental policies and procedures

	contribute to the development and review of departmental policies and procedures applicable to ERM	develop and review departmental policies and procedures applicable to ERM	manage the development and review of departmental policies and procedures applicable to ERM
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<b>Competency Cluster</b>	<b>Risk Strategy Management</b>			
<b>Competency Title</b>	<b>Development of risk management strategic vision and plan</b>			
<b>Competency Definition</b>	<b>This is the ability to develop the overall enterprise risk management vision, strategy and plan for the institution</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Strategic objectives of the institution Treasury Regulations 3.2.1 Public Sector Risk Management Framework PFMA S38(1)(a)(i)		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		collate information to assist management develop the overall enterprise risk management vision, strategy, policy, and risk appetite and tolerance levels	evaluate information to assist management develop the overall enterprise risk management vision, strategy, policy, and risk appetite and tolerance levels	manage and synthesise information to assist organisational management to develop the overall enterprise risk management vision, strategy, policy, and risk appetite and tolerance levels
		collate information to provide input to fraud and risk planning to be included in the Departmental Strategic Plan	Provide input to fraud and risk planning to be included in the Departmental Strategic Plan	Oversee that fraud and risk planning is included in the Departmental Strategic Plan

<b>Competency Cluster</b>	<b>Risk Strategy Management</b>			
<b>Competency Title</b>	<b>Strategic management</b>			
<b>Competency Definition</b>	<b>This is the ability to develop strategic goals, that contribute to the vision and mission of the institution within its risk appetite and tolerance levels</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Strategic planning framework (Treasury Regulations ch 5)		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		assist with facilitating strategic planning workshops	assist with facilitation to develop strategic objectives and performance measures within the institution's risk appetite and tolerance levels	review and advise on the alignment of the strategy with the risk management philosophy, culture, risk appetite and risk tolerance levels
		Assist with the development of an ERM implementation strategy	Develop an ERM implementation strategy aligned to the Departmental Strategic Plan	Establish and maintain an ERM implementation strategy aligned to the Departmental Strategic Plan

<b>Competency Cluster</b>	<b>Risk Management Support</b>			
<b>Competency Title</b>	<b>Development and implementation of a risk management framework</b>			
<b>Competency Definition</b>	<b>This is the ability to develop and implement a common risk management framework that is aligned with the institution's objectives at strategic, tactical and operational levels</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Public Sector Risk Management Framework		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		assist with the development and implementation of a uniform risk management framework for the institution	develop & monitor the implementation of a uniform risk management framework for the institution	manage the development and implementation of a uniform risk management framework for the institution

<b>Competency Cluster</b>	<b>Risk Management Support</b>			
<b>Competency Title</b>	<b>Establishment of appropriate risk management structures and reporting lines</b>			
<b>Competency Definition</b>	<b>This is the ability to establish appropriate risk management structures and reporting lines</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Risk legislation and good governance codes Committees and Oversight structures Accounting Guidelines-Accounting Officer's Report		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		assist with reporting structures, committees, reporting lines and delegations in accordance with legislation and prescripts	monitor reporting structures, committees, reporting lines and delegations in accordance with legislation and prescripts	manage reporting structures, committees, reporting lines and delegations in accordance with legislation and prescripts
		provide inputs to ERM reports for relevant stakeholders	prepare ERM reports for relevant stakeholders	manage and present ERM reports to relevant stakeholders
		provide inputs to ERM reports for annual reporting	prepare ERM reports for annual reporting	manage the ERM reporting process for annual reporting
			provide support and input into the establishment and maintenance of the Departmental Risk Committee	facilitate the establishment and maintenance of the Departmental Risk Committee

<b>Competency Cluster</b>	<b>Risk Management Support</b>			
<b>Competency Title</b>	<b>Relationship management</b>			
<b>Competency Definition</b>	<b>This is the ability to recognise and interpret the roles of assurance providing functions such as; internal audit, external audit, health and safety, and fraud prevention</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Principles of Enterprise Risk Management (ERM) ERM frameworks & methodologies Principles of governance and accountability Procedures for establishing and maintaining effective, efficient and transparent systems of risk management and internal control		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		maintain relationships with other risk management functions and assurance providers	monitor the effectiveness of relationships with other risk management functions and assurance providers	manage the relationships with other risk management functions and assurance providers

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Internal environment</b>			
<b>Competency Definition</b>	<b>This is the ability to establish a philosophy and culture in the institution on risk management</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Departmental risk management strategy Departmental anti-fraud and corruption strategy Applicable governance codes		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		support the development of the risk management policy that addresses the risk management philosophy, culture, risk appetite and risk tolerance levels	develop the risk management policy that addresses the risk management philosophy, culture, risk appetite and risk tolerance levels	manage the development of the risk management policy that addresses the risk management philosophy, culture, risk appetite and risk tolerance levels

	implement the risk management policy and assess compliance with the same	implement the risk management policy and monitor compliance with the same	manage the implementation of the risk management policy
	support the transfer of risk management skills	transfer risk management skills	manage risk management skills transfer

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Setting Objectives</b>			
<b>Competency Definition</b>	<b>This is the ability to facilitate processes for management to set objectives and align these to the institution's mission, vision and values consistent with its risk appetite and tolerance levels</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Departmental Strategic Plan Public Sector Risk Mangement Framework,pg 16		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		monitor whether the strategic planning and budgeting objectives are consistent with risk appetite and tolerance levels	evaluate whether the strategic planning and budgeting objectives are consistent with risk appetite and tolerance levels	assess and report on whether the strategic planning and budgeting objectives are consistent with risk appetite and tolerance levels

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Risk Identification</b>			
<b>Competency Definition</b>	<b>This is the ability to facilitate risk identification using applicable tools and techniques and to categorise and document these risks</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Departmental Strategic Plan PFMA S18(2) & Chapter 5 S14(7)		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		facilitate the risk identification process	facilitate and monitor the risk identification process	manage the risk identification process
		assist in the compilation of risk registers and record identified and unidentified risks	compile and consolidate risk registers into a centralised document	manage the consolidation of risk registers and assess the completeness and integrity
<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Risk Assessment</b>			
<b>Competency Definition</b>	<b>This is the ability to facilitate the processes of evaluating and assessing identified risk and allocating a risk severity rating</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Risk assessment and rating criteria and techniques Applicable governance codes		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		monitor the effectiveness & adequacy of existing controls	evaluate the effectiveness and adequacy of existing controls	assess the effectiveness and adequacy of existing controls

	produce a report on the magnitude of risk events in terms of likelihood and consequence	measure the magnitude of risk events in terms of likelihood and consequence	assess the magnitude of risk events in terms of likelihood and consequence
	monitor the inherent risk level and the residual risk level using rating criteria	evaluate the inherent risk level and the residual risk level using rating criteria	assess and advise on the inherent risk level and the residual risk level using rating criteria

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Risk Response Strategy</b>			
<b>Competency Definition</b>	<b>The ability to facilitate the adoption of an appropriate risk response strategy and to assign ownership for the risk response</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Public Sector Risk Management Framework International risk standards		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		contribute to the development of a departmental risk response strategy	monitor the development of a departmental risk response strategy	review and advise on the departmental risk response strategy
		oversee and monitor risk responses for identified material risks	evaluate and monitor risk responses for identified material risks	assess risk response plans and communicate accordingly



<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Control Activities</b>			
<b>Competency Definition</b>	<b>This is the ability to evaluate control interventions and assess the results thereof to manage risk exposures within acceptable limits</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Departmental internal governance codes, rules, regulations and control procedures		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		assist in monitoring and evaluating the implementation of risk mitigation measures	support stakeholders in monitoring and evaluate the implementation of risk mitigation measures	manage the monitoring and evaluation of risk mitigation measures
		compile a report on the effectiveness of risk controls	evaluate the effectiveness of risk controls	assess effectiveness and communicate accordingly
		assist in assessing the appropriateness of risk treatment strategies and plans	assess the appropriateness of risk treatment strategies and plans	manage and advise on the appropriateness of risk treatment strategies and plans

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Monitoring and Evaluation of Risk Management Effectiveness</b>			
<b>Competency Definition</b>	<b>This is the ability to monitor and evaluate the effectiveness of risk management policies and processes and to identify potential improvements in risk management practice</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
Public Finance Management Act s 45 Departmental governance codes rules, regulations and control procedures Departmental anti-fraud and corruption strategy Departmental risk profile		Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		monitor the risk philosophy, policy, strategy and reporting lines with the values of the institution	evaluate the risk philosophy, policy, strategy and with the values of the institution	manage the risk philosophy, policy, strategy and reporting lines with the values of the institution
		conduct evaluations on the risk response plan's impact on the achievement of objectives	monitor effectiveness of a risk response plan's impact on the achievement of objectives	manage effectiveness of risk response plan's impact on the achievement of objectives.
		compile reports on risk incidents and effectiveness of risk management system	consolidate reports on risk incidents and effectiveness of risk management system	communicate with stakeholders on effectiveness of risk management system
		provide input into the development of risk appetite and tolerance levels	evaluate institution's risk appetite and tolerance levels are appropriate	assess the appropriateness of the institution's risk appetite and tolerance levels
		monitor risks associated with strategic objectives	evaluate risks associated with the strategic objectives	assess risks associated with the strategic objective of the institution
		monitor risk management activities through ongoing processes	evaluate risk management activities through ongoing processes	manage effectiveness of policies on the achievement of objectives

	monitor risk assessments	evaluate the risk assessment and review adequacy of the risk response plans	manage risk assessment, review adequacy of the risk response plans and recommend the approval of the risk register
	compile report on emerging and existing high risks	consolidate report on emerging and existing high risks	communicate timeously to the relevant authority on emerging and existing high risks
	monitor the overall effectiveness of risk management activities	measure the overall effectiveness of risk management activities and recommend changes to risk strategy and processes to improve risk management	set targets and measure the overall effectiveness of risk management activities to improve risk management
	research risk management best practice, legislation and standards	research risk management best practice, legislation and standards	research risk management best practice, legislation and standards
		evaluate whether a positive correlation exist between improvement in the ERM system and institutional performance	

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Information &amp; Communication (Reporting )</b>			
<b>Competency Definition</b>	<b>This is the ability to monitor, review and report on the risk profile and actions taken to manage the risks</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		implement the information and communication (reporting) process for reporting on enterprise risk management	monitor and review the information and communication (reporting) process for enterprise risk management	manage the information and communication process (reporting )

<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>System Utilisation</b>			
<b>Competency Definition</b>	<b>This is the ability to optimally utilise the system for enterprise risk management</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
		implement the optimal utilisation of the system for enterprise risk management	monitor and review the optimal utilisation of the system for enterprise risk management	manage the optimal utilisation of the system for enterprise risk management
<b>Competency Cluster</b>	<b>Risk Management Process</b>			
<b>Competency Title</b>	<b>Safeguarding of enterprise risk management information</b>			
<b>Competency Definition</b>	<b>This is the ability to adequately safeguard enterprise risk management information</b>			
<b>Specific Knowledge Requirements</b>	<b>Occupational Role 1</b>	<b>Occupational Role 2</b>	<b>Occupational Role 3</b>	<b>Occupational Role 4</b>
<b>Skill Requirements</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>	<b>The incumbent should be able to:</b>
	N/A	implement and support the process for adequate safeguarding of enterprise risk management information	monitor and review the adequate safeguarding of enterprise risk management information	manage the adequate safeguarding of enterprise risk management information