



Enterprise Risk Management

Enterprise Risk Management (ERM) represents a fundamental shift in the way many firms, especially insurers, do business. Traditionally various risks of a firm were viewed, assessed and acted upon in isolation without a framework to measure total risk, let alone interactions between various risks.

Increasingly, this approach has become less acceptable to regulators, investors, analysts, and rating agencies. Indeed, Standard & Poor's recently announced an effort on their part to strengthen and refine their focus on risk management and add "a formal evaluation of insurer Enterprise Risk Management capabilities to the rating process".

Gross Consulting has experience in assisting senior management in these areas using simulation-based ERM methods such as Dynamic Financial Analysis (DFA), as well as non-simulation ERM methods. We can customize both of these approaches for a wide variety of organizations regardless of their diverse risk characteristics. Our methods are at the cutting-edge within the industry, and we invite you to contact us for more information.

Gross Consulting can help you analyze and manage your risk by providing the following services:

Risk Measurement

Identification of risks
Estimate financial impacts
Estimate probabilities
Identify causes of correlation
Build customized risk models
Parameterize risk models

Risk Reporting

Illustrate aggregate risk
Multiple perspectives
Illustrate risk drivers
Highlight risk/return tradeoffs
Rating agency presentations

Risk Strategy

Quantify risk thresholds
Target capital levels
Capital allocation
Risk adjusted return measures
Test alternative strategies
Merger & Acquisition impacts

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