

# Enterprise Risk Management Quantification— An Opportunity

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## **Abstract**

Enterprise risk management (ERM) has been getting an increasing amount of attention in recent years. While various industries, regions of the world and professional organizations may have coined different names for their general framework, the underlying theme is the same. Companies and organizations are recognizing the value in assessing, prioritizing and quantifying the risk that they face with the ultimate goal of choosing the most effective mitigation or exploitation options available to them.

With the exception of the insurance and banking industries, much of the focus has been on the qualitative aspects of framework with quantification only briefly touched on. Quantification of enterprise risks often requires developing models that are outside the classic casualty actuarial frequency and severity model realm. However, actuaries' experience and understanding of risk presents tremendous opportunity to expand upon our skill set and both assist and steer the future course of operational and financial risk modeling.