



# **“12 Missions: One ERM”**

## **U.S. Department of Commerce**

**Dr. Karen Hardy and Douglas Clift**

Presentation to the AFERM SUMMIT  
September 2014

# Mission

The U.S. Department of Commerce promotes job creation, economic growth, sustainable development and improved standards of living for all Americans by working in partnership with businesses, universities, communities and our nation's workers.

The department touches the daily lives of the American people in many ways, with a wide range of responsibilities in the areas of trade, economic development, technology, entrepreneurship and business development, environmental stewardship, and statistical research and analysis.

# 12 Missions

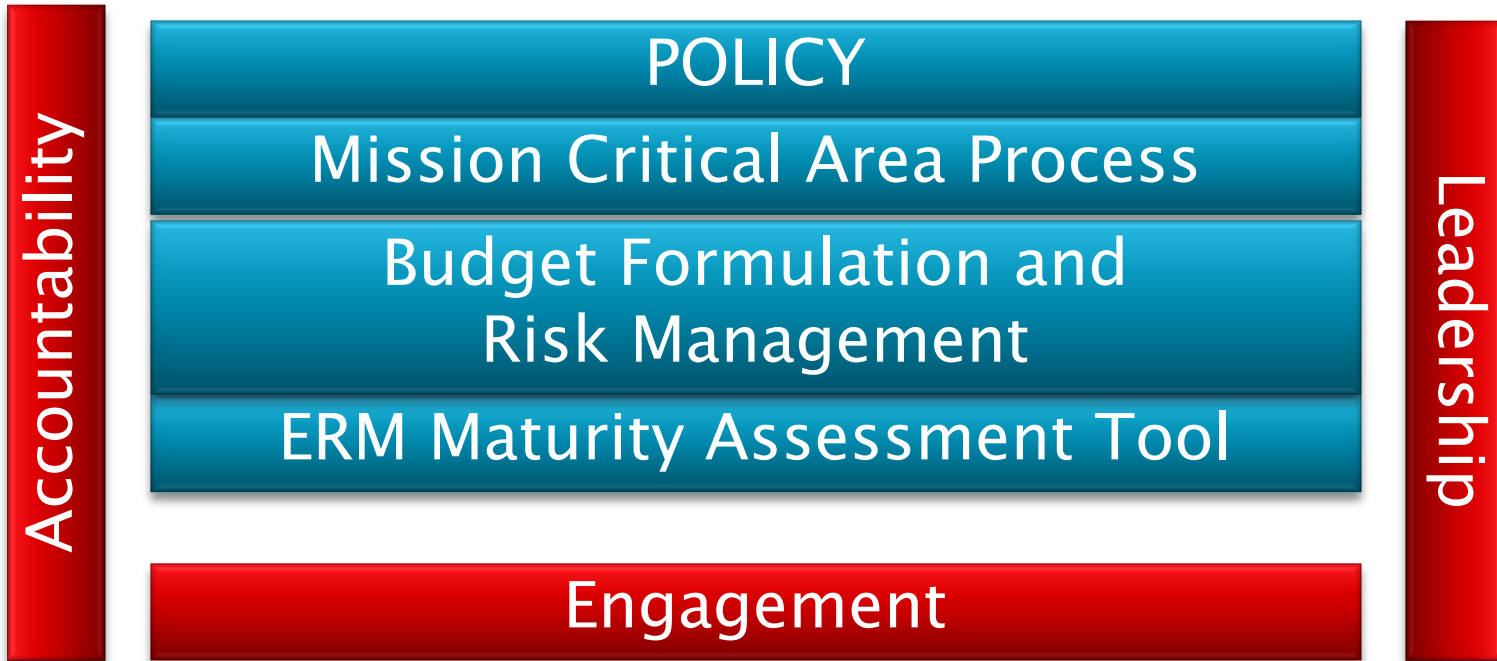
- ▶ Bureau of Economic Analysis (BEA)
- ▶ Bureau of Industry and Security (BIS)
- ▶ U.S. Census Bureau
- ▶ Economic Development Administration (EDA)
- ▶ Economics and Statistics Administration (ESA)
- ▶ International Trade Administration (ITA)
- ▶ Minority Business Development Agency (MBDA)
- ▶ National Oceanic and Atmospheric Administration (NOAA)
- ▶ National Telecommunications and Information Administration (NTIA)
- ▶ National Institute of Standards and Technology (NIST)
- ▶ National Technical Information Service (NTIS)
- ▶ U.S. Patent and Trademark Office (USPTO)

# “ONE” ERM Philosophy: Guiding Principles

- ▶ A common enterprise risk management process is applied across the entire Department
- ▶ Risk management practices at all levels are integrated into informed decision making and priority setting
- ▶ Emerging risks to Department and Bureau objectives are dynamically identified and managed
- ▶ Consistent and disciplined consideration and treatment of risk is part of our day to day processes

**Principles set the “tone at the top” for filtration throughout the Department**

# Department Level ERM Best Practices



# US Census Bureau Enterprise Risk Management Program

Doug Clift, Chief

Office of Risk Management & Program Evaluation

# Census ERM Program Objective

- To create a risk management framework that enables identification and management of risks within the enterprise, thereby increasing the likelihood of achieving Census Bureau goals and objectives.

# Census ERM Framework

The Census ERM framework includes:

- Executive sponsorship
- ERM plan, policy & training
- Governing bodies
- Enterprise risk management tool



# Strategic & Operations Risks

Census manages two types of risks:

- **Strategic Risks** – Major program, project and strategic initiative risks.
- **Operations Risks** – Risks associated with areas that provide mission essential support including Business Risks & IT Risks.

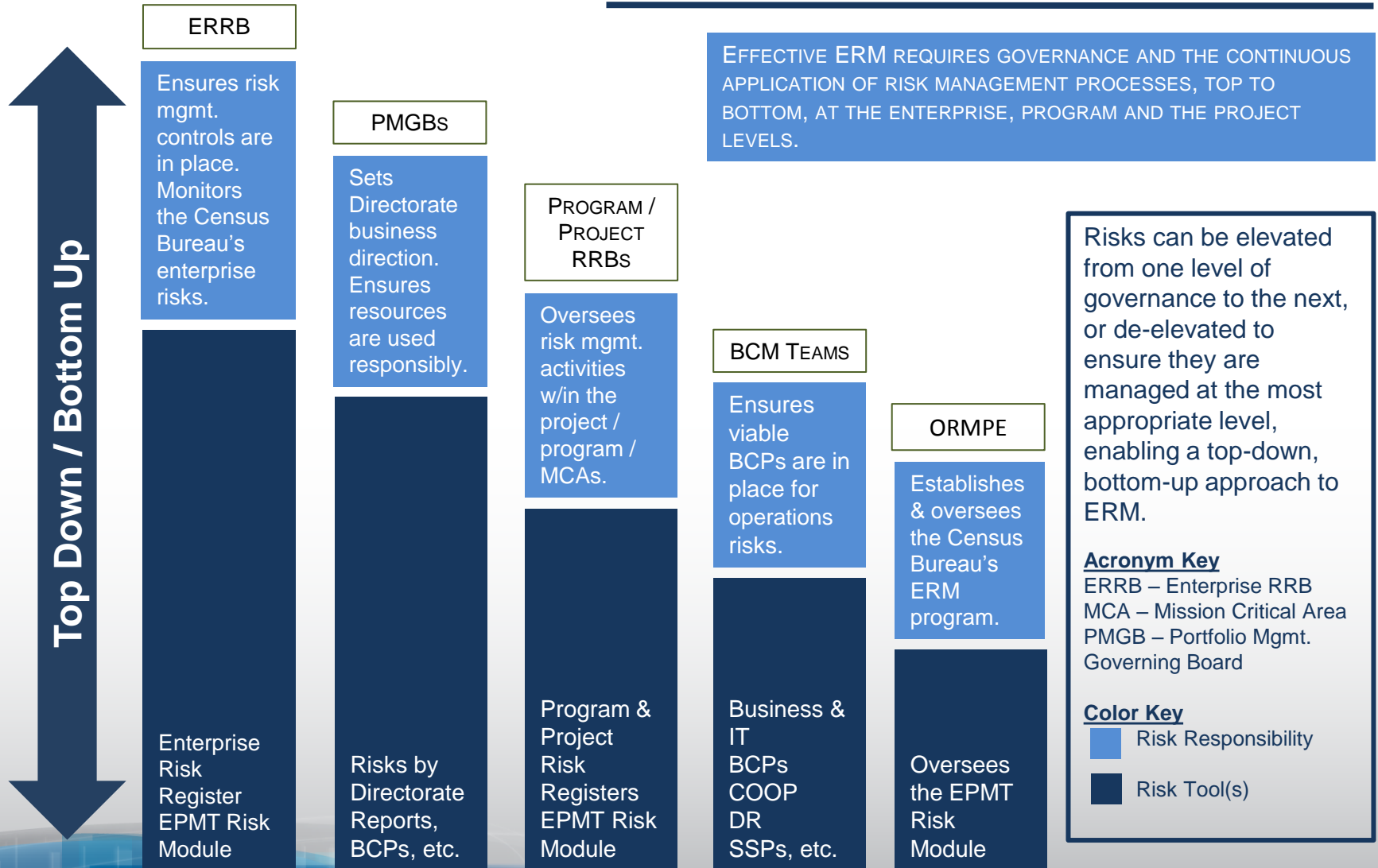
Each approach is documented in the Census ERM Plan.

U.S. Census Bureau  
Enterprise Risk Management  
Plan



Office of Risk Management and Program Evaluation  
April 2013

# Census ERM Governance



# Prior State of Census Risk Mgmt.

- Siloed risk reporting & reviews
- Lack of risk management standards
- Lack of a risk management system
- Lack of transparency
- No formal enterprise risk register

# Progress We've Made

- Developed an ERM plan, policy & training
- Assembled an Enterprise RRB
- Customized an enterprise risk management tool
- Implemented risk working group sessions
- Assessed & matured the Census ERM process
- Conducted ERM awareness campaign activities

# How Are We Doing?

- Using the DOC tool to assess our ERM process maturity, Census achieved:
  - Intermediate in FY13
  - Advanced in FY14

# Portfolio View of Risks

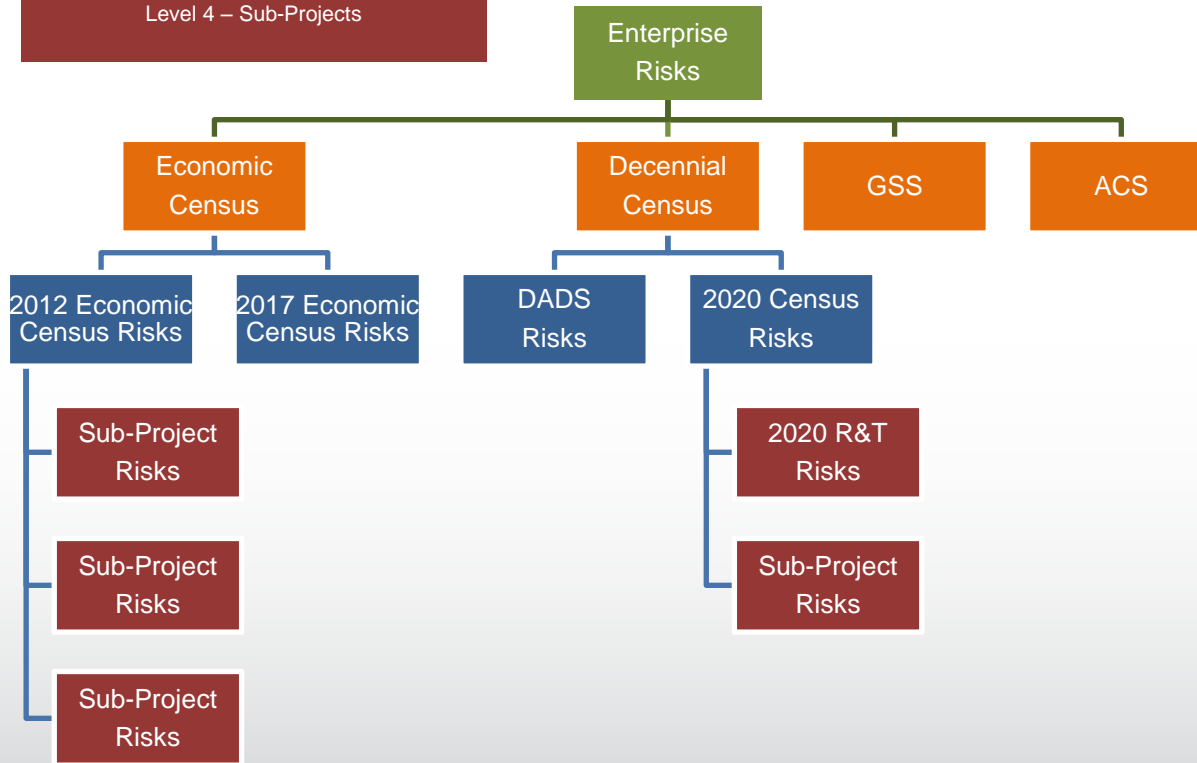
- The enterprise risk tool enables a portfolio view of risks.
- Below the Major Program level, are as many levels of projects and sub-projects as necessary to effectively manage risks related to level 2 programs.
- Level 1 risks are managed by the ERRB.
- Level 2 risks are the Census Bureau's Major Programs.
- Level 3 are risks related to level 2.
- Projects can create as many level 4 sub-project risk registers as needed.



Key



# Portfolio View of Risks\*



ERM Risk Categories are used to enable visibility of common risks across the Census Bureau:


- Strategic
- Operational
- Safety & Security
- Compliance / Regulatory
- Financial
- Reputation
- Political
- Fraud
- COOP & Disaster Recovery
- Technology

The EPMT Risk Module enables a portfolio view of risks w/drill down capability.

\*Notional

# EPMT Risk Elevation Criteria Worksheet

- Automates movement of risks from sub-project to master project; master project to program & program to enterprise risk registers
- Ensures audit trail capability for initiation, movement and closure of risks



**Project to Program Risk  
Elevation Criteria  
Worksheet**

Instructions: [Project Risk Management Guide](#)

Date Submitted  
1/23/2013

Program Name:  
Decennial Census

Project Name:  
|

Project Site URL:  
<https://epm.ecm.dev.census.gov/PWA/Test 011>

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Please select a risk to evaluate for elevation:

Cannot be blank

Enterprise Risk Category:

Risk Category:

Description:

**Part A**

Probability

Impact

Rating

Exposure

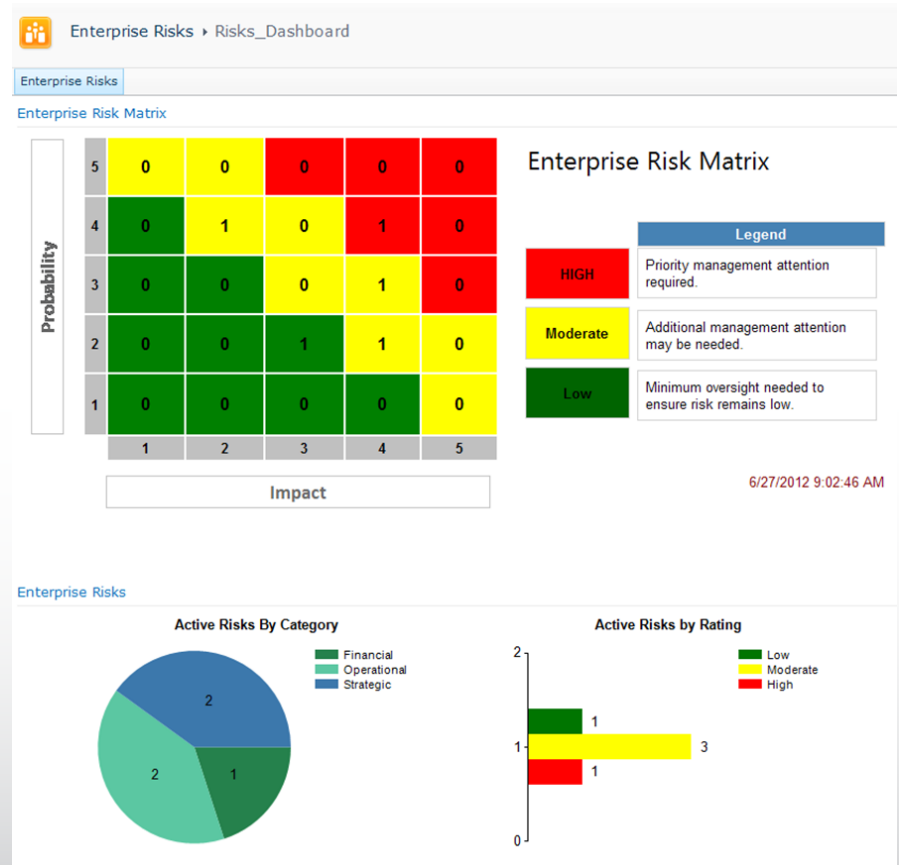
Impact Criteria - Please check all that apply					Mitigation Criteria - Check if applicable	
Key to Program and/or Enterprise Mission Goals & Objectives	Limited/No control over managing the risk	Additional resources needed	Involves multiple internal entities	Under External Review (i.e. Congress, OMB, GAO, OIG)	Internal Controls in Place	Expertise Available
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reputation at Risk	Key schedule deadlines will not be met	External entities involved	Unavailable Skills, Resources	Challenges Found in Similar Project/Program Area	Variables surrounding the risk are not complex	Routine Area
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Score</b>			<b>Elevate this Risk? (Yes or No)</b>			
0.00			Yes			
<b>Elevation Justification Request</b>						



# EPMT Risk Module

The Enterprise Risk Module includes:

- Standardized risk registers
- Standardized drill down reports, including:
  - Risk Matrix
  - Risk by Category
  - Active Risks by Rating
  - Top Risks Report
- Summary reports for transparency of subordinate programs/projects



# Operations Risk Management

# Operations Risks

- The Census ERM Plan utilizes BCM methodology to manage its operations risks.
- BCM ensures plans are in place for critical business processes, surveys, and products to reduce the likelihood of a disruption, in the event of an incident.
- Census is working to better integrate operations risk management areas.

# Continuity Plans & Relationships

PLAN	PURPOSE	SCOPE	RELATIONSHIP
<b>Business Continuity Plan (BCP)</b>	Provide procedures for sustaining mission essential business operations while recovering from a significant disruption.	Mission/business functions at a lower or expanded level from COOP mission-essential functions.	Mission/business process focused plan. May activate in coordination w/a COOP plan to sustain non-mission essential functions.
<b>Continuity of Operations (COOP) Plan</b>	Procedures and guidance to sustain an organization's mission essential functions at an alternate site for up to 30 days; mandated by federal directives.	Mission-essential functions at a facility; information systems are addressed based only on their support of the mission-essential functions.	Mission essential functions focused plan that may also activate several business unit-level BCPs, ISSPs, or DR plans, as appropriate.
<b>Disaster Recovery Plan (DRP)</b>	Procedures for relocating information systems operations to an alternate location.	Activated after major system disruptions with long-term effects.	Information system focused plan that activates one or more ISSP for recovery of individual systems.
<b>Information System Security Plan (ISSP)</b>	Procedures and capabilities for recovering an information system.	Single information system recovery at the current or, if appropriate, alternate location.	Information system focused plan that may be activated independent from other plans or as part of a larger recovery effort coordinated w/a DR plan, COOP, and/or BCP.

# Keys to Census ERM Implementation Success

- Tone at the Top
- ERM Plan & Policy
- ERM Tool
- Trained & Experienced Risk Staff
- Integration of the Risk Tool & Processes

# Questions?

## Points of Contact

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