# Enterprise Risk Assessment, Measurement, & Management for Information Professionals

## Case Analysis Worksheet: Chase Manhattan Case (in Barton, Shenkir & Walker 2002)

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| **STUDENT NAME:** | **CASE NAME: Chase Manhattan** |

This worksheet follows the ERM Process model used in IST 425 and IST 625. The cases we study, however, present information throughout the chapter. If you try to answer questions as you read the case the first time, you will miss many of the important facts presented later in the case and may have problems presenting your information in an insightful manner. In responding to questions, do not just quote or copy, but synthesize. Reference specific facts, including page numbers.

Remember, read the case three times. The first time you read the case, focus on the story and make not of the types of information provided. The second time you read the case, work to fill in the worksheet (keep track of page numbers for particularly relevant information). The third time you check over the case, look for other information to elaborate or support your responses.

1. **This case addresses a very large organization in the banking sector. What are some of the unique terminology or organizational aspects that were new to you?**
2. **After reading the case, what do you feel are the *most important facts about* the company’s industry, business, markets, founding or other history that influenced the firm’s RISK culture? Which of these do you feel is the most important in sharing their risk culture?**
3. **Why did Chase Manhattan feel they needed to make a change to an Enterprise Risk Management view of risk? Who championed the change initiative to ERM? Do you feel that they would have been more or less successful if they had done it differently?**
4. **How did they structure their ERM? (Describe the structure as centralized, decentralized or hybrid.) Why do you think Chase structured their ERM the way they did? For example, why not have a single Risk Management Department and a Chief Risk Office (CRO)? As part of moving to an enterprise approach to risk management, did they radically change their approach or build on their past approaches? Is there anything that you feel is particularly effective about their structure, given their type or size of organization?**
5. **What were two of the company’s biggest challenges in making the transition from their old approach to dealing with risk to the new focus on Enterprise-wide Risk Management? Why were these challenges for their firm? Do you think every company would face these same challenges? Why or Why not?**
6. **Using the Risk/Measurement/Management table below, identify five risks and align with one or two risk measurement metrics and with the at least one management approaches (e.g. consider different techniques they used to mitigate, transfer, or share a risk. Be specific.).**

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| Risk (definition and example) | Measurement Strategies | Management Strategies |
| e.g. Credit Risk – consumer level | Default rates calculated on consumer loan portfolios  Trending of average and frequency of applicant Fico scores on different loan portfolios by geographic locations | Mitigate – Fico score limits  Loan authorization limits on approving personnel |
| e.g. Market risk – currency fluctuations |  |  |
| e.g. Operational risk – transaction errors |  |  |
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1. **How does Chase explain their contingency planning or disaster recovery strategies as part of their overall ERM approach?**
2. **What does the company feel are the main benefits of ERM for their firm? Do you agree?**
3. **What surprised you most about this case about ERM at a large, international organization? Why? Be SPECIFIC.**
4. **What do you think is the *most important lesson*(s) to be learned from this firm’s experiences with Enterprise Risk Management?**