GOODWILL MESSAGE

MANAGING RISKS FROM THE BOARDROOM TO THE FRONTLINE - A STRATEGIC APPROACH:

ACCOUNTANTS' PERSPECTIVES

PRESENTED BY

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Protocols

01	President & Chairman of Council, CILRM
02	Members of the Governing Council
03	Distinguished Fellows & Members
04	The Chairman of the Occasion
05	Special Guests of Honour
06	Regulatory & Professional Bodies
07	Chairmen & Members of Boards
08	Chief Executives & Senior Management
09	Risk Management Professionals
10	Professional Colleagues, Ladies & Gentlemen

Honour, Appreciation & Congratulations

16th Annual Conference & Networking Gala Night 2026

Chartered Institute of Loan & Risk Management of Nigeria (CILRM)

A platform where these voices converge on one critical issue: the effective management of risk

- Professionals
- Policymakers
- Regulators
- Business Leaders
- Thought Leaders

CILRM's emphasis on:

- Professionalism
- Integrity
- Accountability
- Transparency
- Best practices

Theme: Boardroom to Frontline

"Managing Risks from the Boardroom to the Frontline: A Strategic Approach", spoken from the Accountants' Perspectives

Boardroom

determines strategic direction

Management

translates strategy into action

Frontline

executes those strategies

But at every stage, risks emerge.

The quality of an organisation's response determines whether it succeeds, survives, or fails.

The New Reality

Organisations are operating in an age of uncertainty

Risk is no longer simply the possibility of financial loss. Uncertainty is the new normal.

Eight Interconnected Risks

01
Economic & Financial

02
Cybersecurity & Technology

03
Artificial Intelligence

04
Climate & Sustainability

05
Regulatory & Compliance

06
Fraud & Integrity

07
Geopolitical & Supply Chain

08
Reputation & Stakeholder Trust

Risk is no longer simply the possibility of financial loss. Uncertainty is the new normal.

Risk Has No Borders

Global decisions

A decision in one part of the world can have consequences thousands of kilometres away.

Cyber contagion

A breach affecting one organisation can disrupt an entire ecosystem.

Governance failure

A failure in one institution can damage confidence across an entire sector.

Ethical failure

A failure of ethical leadership can destroy decades of reputation and stakeholder trust.

This reality demands a fundamental shift in how risks are perceived and managed

Three Fundamental Shifts

FROM	TO
Reactive	Proactive
Compliance-driven	Strategy-driven
Responsibility of a few specialists	Embedded in organisational culture

We cannot manage today’s risks with yesterday’s approaches.

Risk Management as Strategic Advantage

Not merely avoiding failure, but creating sustainable competitive advantage. A mature system enables organisations to:

- Make better strategic decisions
- Allocate resources more effectively
- Identify emerging opportunities
- Strengthen stakeholder confidence
- Improve operational resilience
- Protect long-term value creation

> The greatest danger in times of turbulence is not the turbulence itself but acting with yesterday's logic.
>
> Peter Drucker

Why Accountants Must Be at the Centre



Accountants understand:

- Financial information
- Internal controls
- Assurance
- Governance
- Ethics & professional judgement

In every seat, accountants ensure decisions rest on reliable information and sound judgement:

- CFOs
- Chief Risk Officers
- Internal Auditors
- External Auditors
- Board Members
- Audit Committee
- Advisers

The Evolving Role of Accountant

YESTERDAY

A preparer of financial statements, custodian of historical information

THE MODERN DAY ACCOUNTANT IS…

- **A strategic adviser**
- **A governance partner**
- **A risk evaluator**
- **A value creator**
- **A guardian of public trust**

The Accountant as Strategic Risk Partner

We speak the language of business

- Financial performance
- Internal controls
- Governance systems
- Regulatory obligations
- Assurance requirements
- Sustainability reporting
- Operational efficiency

…so we can advise on six key questions

1. Is this investment financially sustainable?
2. What are the hidden risks?
3. Are internal controls adequate?
4. Are assumptions realistic?
5. Are reported results reliable?
6. Are stakeholders receiving transparent information?

Not simply to record what happened, but to help organisations prepare for what may happen

Professional Scepticism & Courage

PROFESSIONAL SCEPTICISM

A questioning mind that critically evaluates information before accepting conclusions

The accountant must be willing to say:

- *"These numbers require further examination."*
- *"This control weakness requires urgent attention."*
- *"This decision exposes the organisation to unacceptable risk."*
- *"This information does not provide a complete picture."*

Courage

Independence

Integrity

Corporate failures: warning signs existed, questions were not asked, concerns were ignored. Courage protects organisations, investors, employees and society.

Lessons from Corporate Failures

Enron

WHAT WENT WRONG

- Weak governance
- Aggressive accounting practices
- Failures of professional judgement

Wirecard

WHAT WENT WRONG

- Inadequate verification
- Ineffective oversight
- Misplaced confidence in reported information

Silicon Valley Bank

WHAT WENT WRONG

- Risk concentrations
- Liquidity exposures
- Governance weaknesses

What These Failures Teach Us

Growth	without governance	is dangerous
Innovation	without controls	creates vulnerability
Profitability	without integrity	is unsustainable

Strong governance is not an obstacle to success; it is the foundation of sustainable success.

A New Partnership

Accountants bring

- ✓ Financial stewardship
- ✓ Assurance
- ✓ Reporting
- ✓ Controls
- ✓ Ethics

Guardians of organisational resilience

Risk professionals bring

- ✓ Risk identification
- ✓ Risk modelling
- ✓ Resilience
- ✓ Risk mitigation
- ✓ Decision frameworks

The future requires multidisciplinary collaboration: no single profession can address today's challenges alone.

Strategic Recommendations for Accountants

From financial reporter → to strategic adviser

A

Develop a risk management mindset

Accounting knowledge alone is no longer sufficient

B

Strengthen professional scepticism

Ask difficult questions to avoid preventable failures

C

Embrace technology

Technology will not replace accountants

D

Remain guardians of ethics

Ethics must remain our compass

Recommendations

A. Develop a Risk Management Mindset

Every accountant should understand:

- Enterprise risk management
- Governance principles
- Internal controls
- Business strategy
- Operational risks

B. Strengthen Professional Scepticism

Keep asking difficult questions

Not about being negative: about decisions based on reliable evidence

A courageous accountant protects organisations from avoidable failures

Accounting knowledge alone is no longer sufficient.

C: Embrace Technology

The accountant of tomorrow must understand:

01 **Artificial intelligence**

02 **Data analytics**

03 **Cybersecurity**

04 **Digital reporting platforms**

05 **Emerging technologies**

> **Technology will not replace accountants. However, accountants who fail to embrace technology may be replaced by those who do.**

D: Guardians of Ethics

The greatest asset of the profession is public confidence. Our reputation rests on:

1. **Integrity**
2. **Independence**
3. **Objectivity**
4. **Competence**
5. **Professional behaviour**

Ethics must remain our compass

Public confidence is the profession's greatest asset

Conclusion: A Shared Responsibility

The Boardroom

provides direction

Management

provides execution

The Frontline

provides reality

Together, they provide

Insight

Discipline

Assurance

connecting all three are

Every leader. Every professional. Every employee. Every institution.

Our Collective Commitment

Not only successful

but also sustainable

Not only profitable

but also responsible

Not only efficient

but also ethical

A future where…

- **Risk is understood**
- **Governance is strengthened**
- **Integrity is protected**
- **Lasting value is created**

…for shareholders, stakeholders, and society

THANK YOU

May God bless you all, and may God bless the Federal Republic of Nigeria.

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