Quantifying Risks and Controls: Methods that Work and Methods that Don't

Aidan M. Collins
CEO, ControlMetric, Inc.

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Session Abstract

There is increasing pressure on IT auditors and managers to justify their assessment of the size of IT risks in order to compete effectively for the resources they need to mitigate these risks. But there is a widely-held belief that the value of many IT risks cannot be rigorously quantified. Additionally, there are no methods in widespread use to quantify the risk-mitigation benefits of controls.   As a result, auditors and risk managers can't be sure of the level of effectiveness of those controls or of how much they should be willing to spend on them, and they are often challenged to justify these investments to the rest of the organization. Adding in a quantitative view of risk and control can help make the case for appropriate IT spending in this area.

This presentation will introduce approaches that can be used to identify and calculate the size of IT risks, and the cost and risk mitigation benefits of any set of controls. These approaches can yield an optimal control solution and give organizations a greater level of confidence in the degree to which they are managing their IT risks, as well as reducing the overall cost of IT controls.

Target Audience

Auditors, Managers, Department Heads, CIOs, IT Risk/Compliance Managers.

COBIT Objectives

COBIT 4 - PO 6, 8, 9, 10. AI 1. M 2

Speaker Bio

Aidan Collins is the CEO and Founder of ControlMetric, focused on bringing rigorous, analytical, data-driven approaches to operational risk management.   Aidan has over 25 years experience in internal controls, internal and external audit, operational risk management, and management consulting. Most recently, Aidan was a Partner with the global consulting firm, Bain & Co., focusing on strategy, operations and technology. Prior to that, he was a Partner with both Deloitte and PwC in their IT Assurance and Advisory practices. Aidan received an MBA in Finance from the Wharton School of the University of Pennsylvania, an MHA from University of North Carolina at Chapel Hill, and a BEng in Mechanical Engineering from the University of Limerick in Ireland.