

ISO 37000 GOVERNANCE OF ORGANIZATIONS

Elements Focus: Oversight & Risk Governance

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THE INTERNATIONAL STANDARD ON
GOVERNANCE OF ORGANIZATIONS





INTRODUCTION

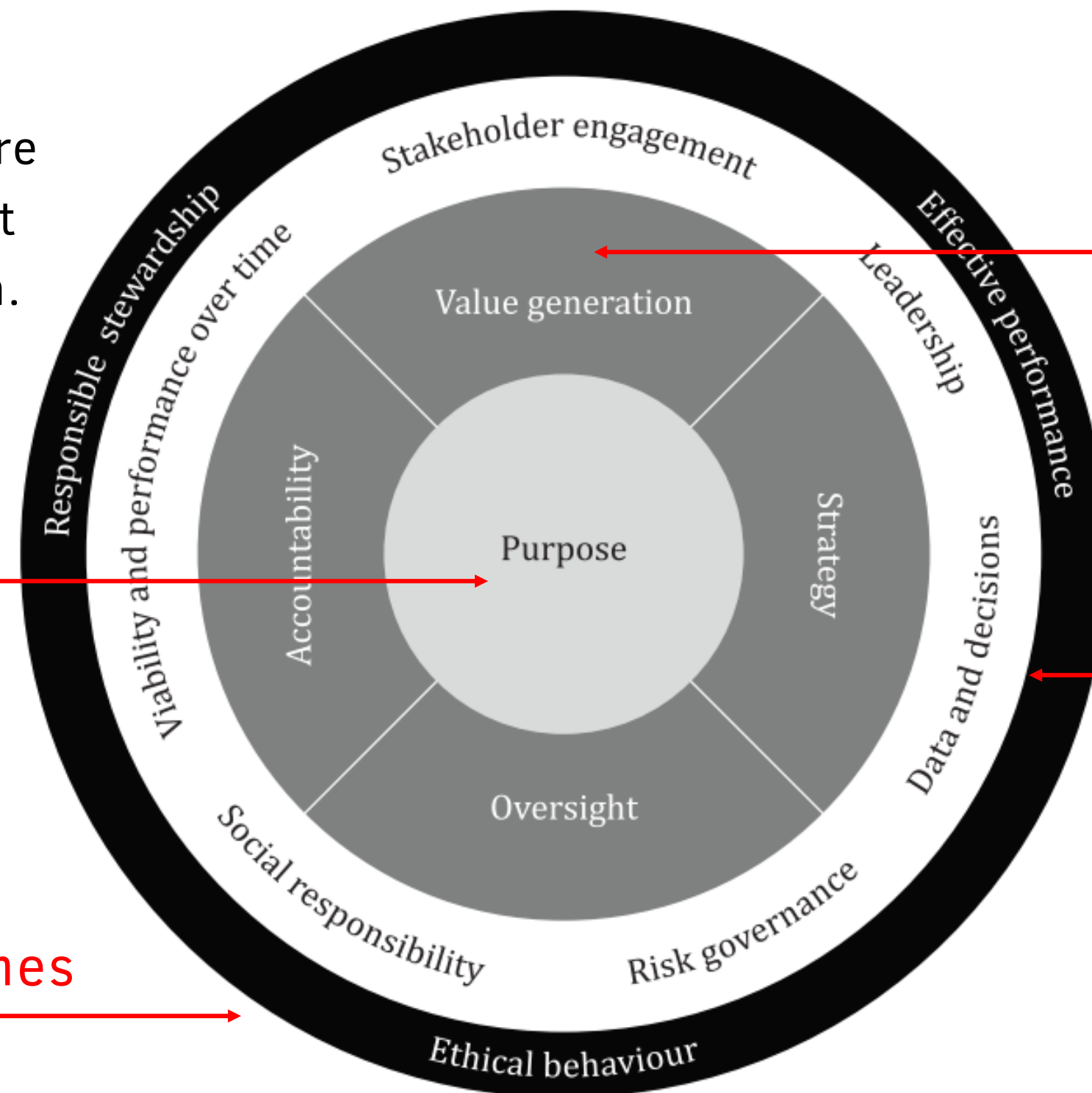
1. ISO 37000 governance principles
2. The Oversight Principle
3. Oversight and Risk Governance Elements
4. Key take-aways

1. Governance of organizations **Overview**

The ISO 37000 standard distills governance into 11 core principles that are at the heart of any successful organization.

1 Primary governance principle

Key **governance outcomes**



4 Foundational governance principles

6 Enabling governance principles

2. Oversight

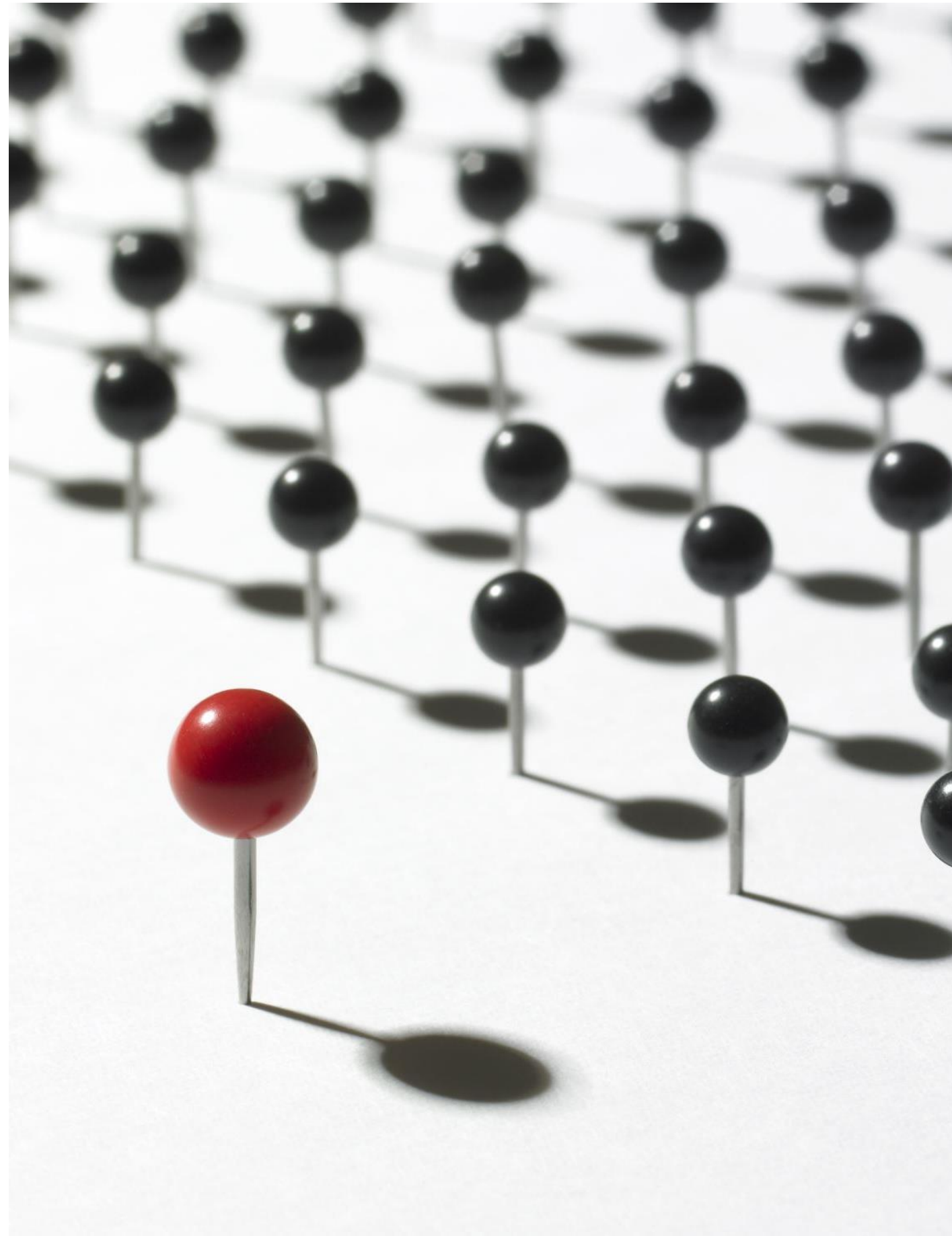
ISO 37000 outlines the governing body's role and responsibility to effectively oversee the organization.

For the first-time ever, clarity is given at a global level on **the nature, elements of and integration into organizations of the internal control system and the assurance processes.**

A Foundational Principle



Oversight by the governing body includes ensuring that an internal control system is implemented and assuring itself that the governance system is appropriately designed and operating as intended.



3. Oversight and Risk Governance

- The Governing Body's Role
- Oversight – The system of internal controls
- Assurance processes
- The Oversight System – Checks and Balances

The Governing Body's Role

Organizational Governance is the System by which Organizations are directed and controlled. The Governing Body is responsible for the Internal Control System, the Assurance Processes and Risk Governance.

The governing body oversees the organization's performance to ensure that it meets its intentions for, and expectations of, the organization, its ethical behaviour and its compliance obligations.

The governing body ensures that an internal control system is implemented, including a risk management system, a compliance management system and a system of financial controls.

The governing body assures itself of the accuracy of reports and evidence it receives, and the effectiveness of the internal control system.

Oversight – The system of internal controls

Effective supervision and control are based on three elements:

Timely and accurate
management reporting



Effective **controls and**
assurance processes



Implementation of **corrective**
action



Assurance Processes

Assurance consists of the following processes:

Audits

- **Direct verifications** by the Governing Body;
- **External audits** (financial statements/regulatory audits, etc.)

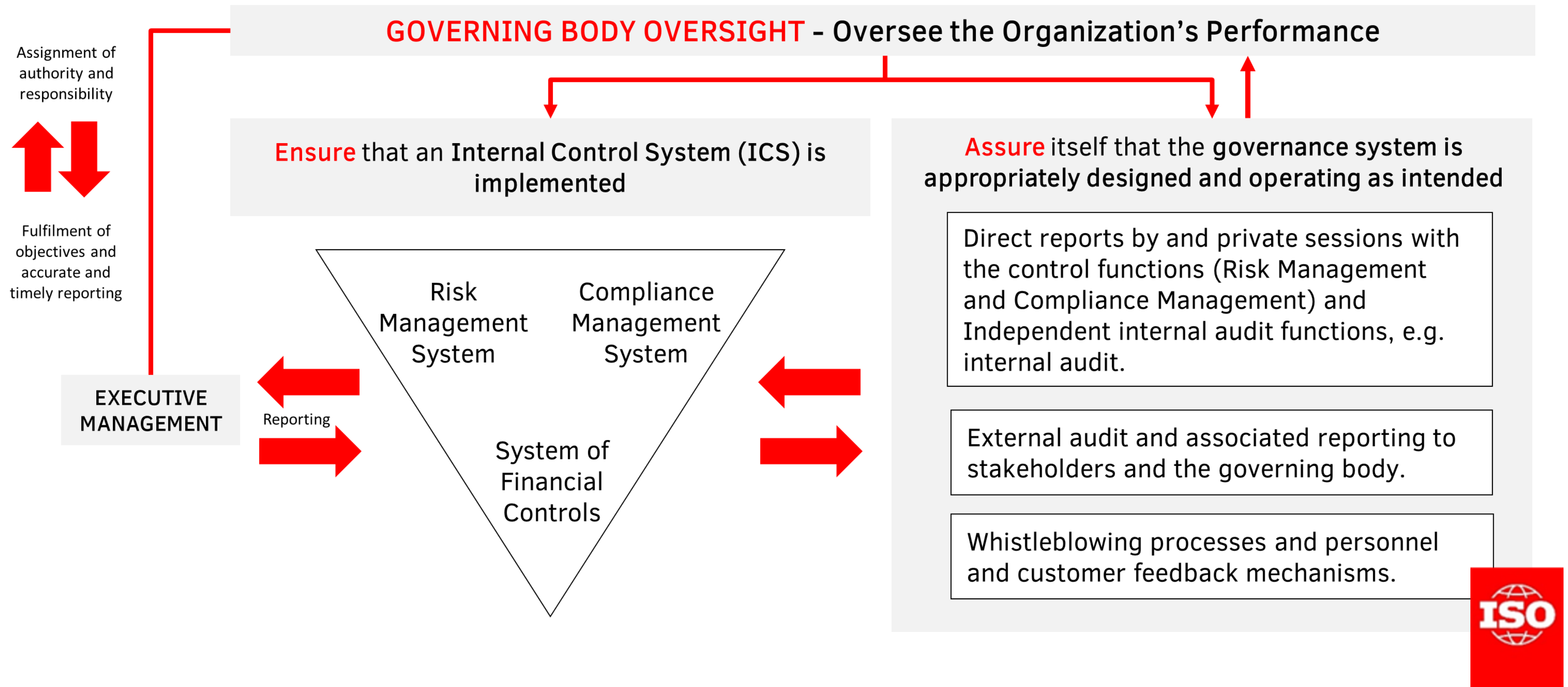
Reporting

- **Direct reporting** to and private sessions with the Governing Body by **risk management, compliance management** and **internal audit**.

Hotlines and Feedback

- **Whistleblower processes** and processes for feedback from employees and customers.

The Oversight System – Checks and Balances



Key take-aways



Key take-aways

ISO 37000 is the global benchmark for good organizational Governance:

Provides a clear **compass** in key areas of good governance such as purpose, stakeholder engagement, resource stewardship, accountability and oversight.

is *the* tool to align all organizations world-wide to fulfill their meaningful purpose through engagement with their stakeholders and contribute to a sustainable world which respects the needs of future generations.

is the **global benchmark** for good governance by all organizations. It creates transparency, reduces complexity and builds trust in and across organizations & society. It is the route to **value generation** for all organizations.



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[ISO 37000:2021 Governance of organizations - Guidance](#)

[Quicklinks: ISO - ISO/TC 309 - Governance of organizations](#)

[Committee Website: ISO - ISO/TC 309 - Governance of organizations](#)

