COSO Releases New Thought Leader Paper Demonstrating How Frameworks Improve Organizational Performance and Governance


The paper was co-authored by Protiviti Managing Director James DeLoach and IMA (Institute of Management Accountants) President and CEO Jeffrey C. Thomson, CMA, CAE.

“Our purpose in writing this paper is to relate the COSO frameworks to an overall business model and describe how the key elements of each framework contribute to an organization’s long-term success,” DeLoach said.

Since its inception in 1985, COSO has provided thought leadership and guidance on internal control, ERM, and fraud deterrence. Its landmark frameworks, *Internal Control – Integrated Framework* (2013) and *Enterprise Risk Management – Integrated Framework* (2004), offer a blueprint for helping organizations ensure effective controls and proficient risk management. The new thought paper provides a holistic approach to relating these frameworks to governance, strategy setting, and management processes.

“COSO’s fundamental premise is that effective risk management and internal controls are crucial to sustaining an organization,” COSO Chairman Robert Hirth said.

Throughout the paper, the authors demonstrate how the COSO frameworks can contribute value to governance, strategy setting, business planning, execution, monitoring, and adapting processes of any organization. “This is because these two important frameworks are designed to provide reasonable assurance that objectives will be met and risk reduced to an acceptable level,” Thomson said. “And that is essential to good business, effective governance, and long-term sustainability.”
The authors point out that COSO frameworks use a common language for risk-focused communications, enabling directors, executive management, and internal and external stakeholders to communicate more effectively.

“The enhanced dialogue from implementing the frameworks,” DeLoach said, “can lead to strengthening organizations in significant ways as they serve their mission, stakeholders, and society.”

*Improving Organizational Performance and Governance: How the COSO Frameworks Can Help* can be downloaded for free from COSO’s website, [www.coso.org](http://www.coso.org), as well as from the websites of COSO’s five sponsoring organizations.

**About COSO**
Formed in 1985, COSO is a joint initiative of five private sector organizations and is dedicated to providing thought leadership through the development of frameworks and guidance on ERM, internal control and fraud deterrence. COSO’s sponsoring organizations are the American Accounting Association (AAA), the American Institute of Certified Public Accountants (AICPA), Financial Executives International (FEI), IMA (Institute of Management Accountants), and The Institute of Internal Auditors (IIA). [www.coso.org](http://www.coso.org).

**About the Authors**
**James DeLoach**, a Managing Director with global consulting firm Protiviti, has more than 35 years of experience in governance, risk and compliance matters. He has advised hundreds of global companies about governance and risk management and served for eight years on the COSO Advisory Council. DeLoach has authored more than 250 thought leadership pieces on various aspects of governance and risk. In 2011, he was named to *Consulting* magazine’s Top 25 Consultants list. In 2012 and 2013, he was named to the NACD Directorship 100 list.

**Jeffrey C. Thomson**, CMA, CAE, is President and CEO of IMA (Institute of Management Accountants). Thomson served on the COSO Board for more than five years, is a recognized thought leader in strategy and performance management, and was CFO of a multibillion-dollar, multinational telecommunications organization. Thomson was honored by *Accounting Today* as one of the “Top 100 Most Influential People List” in 2010, 2012, and 2013. He was also named by *Trust Across America* as one of the “Top 100 Thought Leaders in Trustworthy Business Behavior” in 2012, 2013, and 2014.

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