

Enterprise Risk Management:  
Are We Ignoring the Segment with the Most Critical Need?

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Are We Ignoring the Segment with the Most Critical Need?**

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**Abstract**

Enterprise Risk Management (ERM) is a hot topic in today's financial world. However, the focus of ERM has always been on large corporations. Small businesses, which are the fastest growing business segment in the United States and also the business segment that experiences the highest failure rates, are completely ignored by ERM professionals and in the ERM literature. Our paper will describe the ERM for Small Businesses initiative that has been developed by the Goldenson Center for Actuarial Research at the University of Connecticut (UConn). We will describe some of the ERM principles unique to this business segment and discuss a case study conducted by students at UConn involving a three-store bagel chain in the Connecticut region. The paper concludes with some suggestions on how this micro-risk management initiative can be developed on a larger scale, both in the United States and globally.