

Dynamic Risk Management Workshops

The Need

Compliance and corporate governance requirements have forced organisations to take Risk Management into the board room, and to identify, manage and report on their major risks - tangible and intangible, fortuitous and commercial. In many cases, compliance has been achieved and boxes ticked, but without buy-in, with no value added and with processes that are not embedded into the business. Risk Management appears on many a boardroom agenda, only to be quickly passed over or omitted. The result is inefficiency, lost opportunities and a false sense of security.

Our research and experience shows that successful buy-in and embedding depends on three things:

- 1 The processes and tone of the approach should harmonise with the organisation's own culture and procedures
- 2 The organisation's key people should participate in transparent processes to identify and select the key risks and identify the KPI's that will underpin the ongoing management and reporting.
- 3 The reporting process must unobtrusively highlight the areas that need executive attention without losing the key information in a morass of detail

The DBRC Solution

Our dynamic risk management workshop processes are based on three key things:

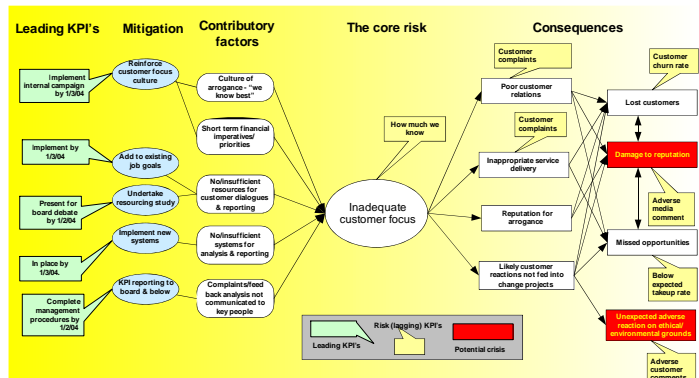
- 1 A gap analysis - where are you and where do you want to be? What needs to be done to bridge the gap?
- 2 A study of your culture, processes and "the way things get done round here"
- 3 A process tailored for you, and drawn and adapted from our toolkit of risk management processes, all of which have been successfully developed and used extensively in the public and private sectors in Europe and North America in organisations ranging from SME's to multi-national companies.

The Dynamic Toolkit

The majority of our processes consist of a combination of desk research, interviews and workshops. Workshops are crucial to the process as they add transparency and achieve collective views and buy-in, the ingredient that is so vital & yet so often lacking.

Modules in our toolkit include:

- **Risk Identification** - to collectively identify the key risks to the business. It draws on the DBRC loss database (<500 records), holistic risk model (<200 high level threats) and reputation risk model (<60 scenarios)
- **Risk measurement and prioritisation** - to obtain consensus on the risks that should be prioritised for attention at each level within the business
- **Risk modelling** - to identify the full dynamics of each major threat - potential causes and consequences and the optimum mitigation strategy (see example below)



- **KPI identification** - identification of the leading and lagging KPI's, and the tolerance thresholds that should surround them
- **Holistic risk modelling** - A process for achieving joined-up Risk Management by graphically modeling the relationship between the organisations key goals, drivers, processes and threats.
- **Board reporting processes** - a graphical executive dashboard that provides an instant overview of those areas that need high level attention.

Adapts to a wide range of risks

The DBRC processes can be used holistically, or for particular sub-sets of risk. For example: reputation, brand, global trading, offshoring, business risks, strategic, operational, product, corporate governance.