

Risk Management Guidelines: from theory to practice

**Presentation to Workshop on Risk Management Practices in
Statistical Organizations**

UNECE-Workshop on Risk Management Practices in Statistical
Organisations

Geneva, 25-26/04/2016

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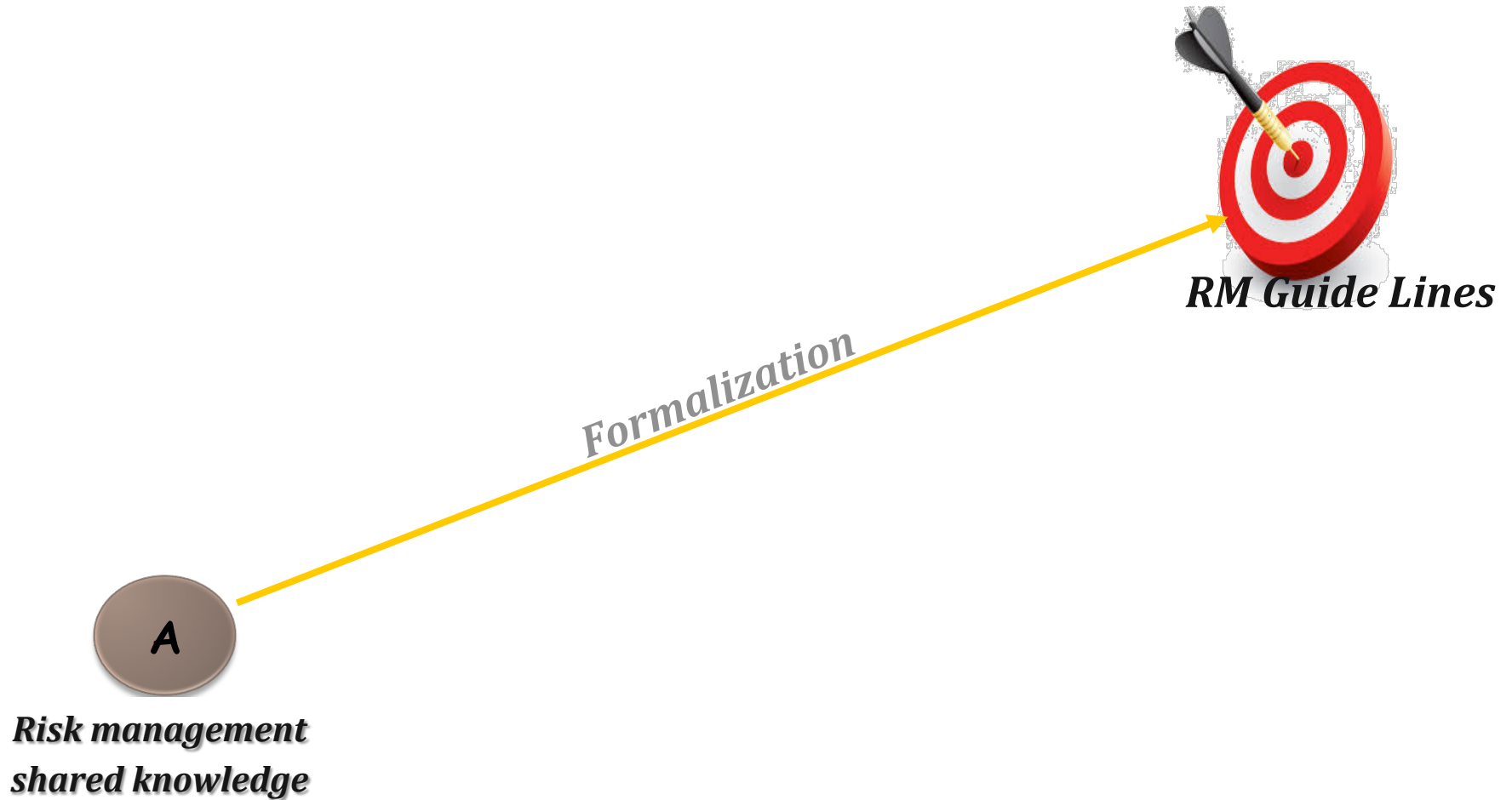
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Agenda

- ❑ Toward Guidelines:
 - ❑ R. Motivation
 - ❑ R. Design
 - ❑ R. Activities
- ❑ Literature review framework
- ❑ Field research framework
 - ❑ Risk management uses
 - ❑ Risk management systems
 - ❑ Risk management processes
 - ❑ Risk management context

Toward Guidelines: Research Design



Toward Guidelines: Research Motivation

- According to several scholars risk management is much more than a technical analytical practice: it could be seen as a “model of organization” (Gephart et al., 2009; Power, 2004, 2007; Scapens & Bromwich, 2009), and its adoption can produce very different **effects**

The Risk of risk management

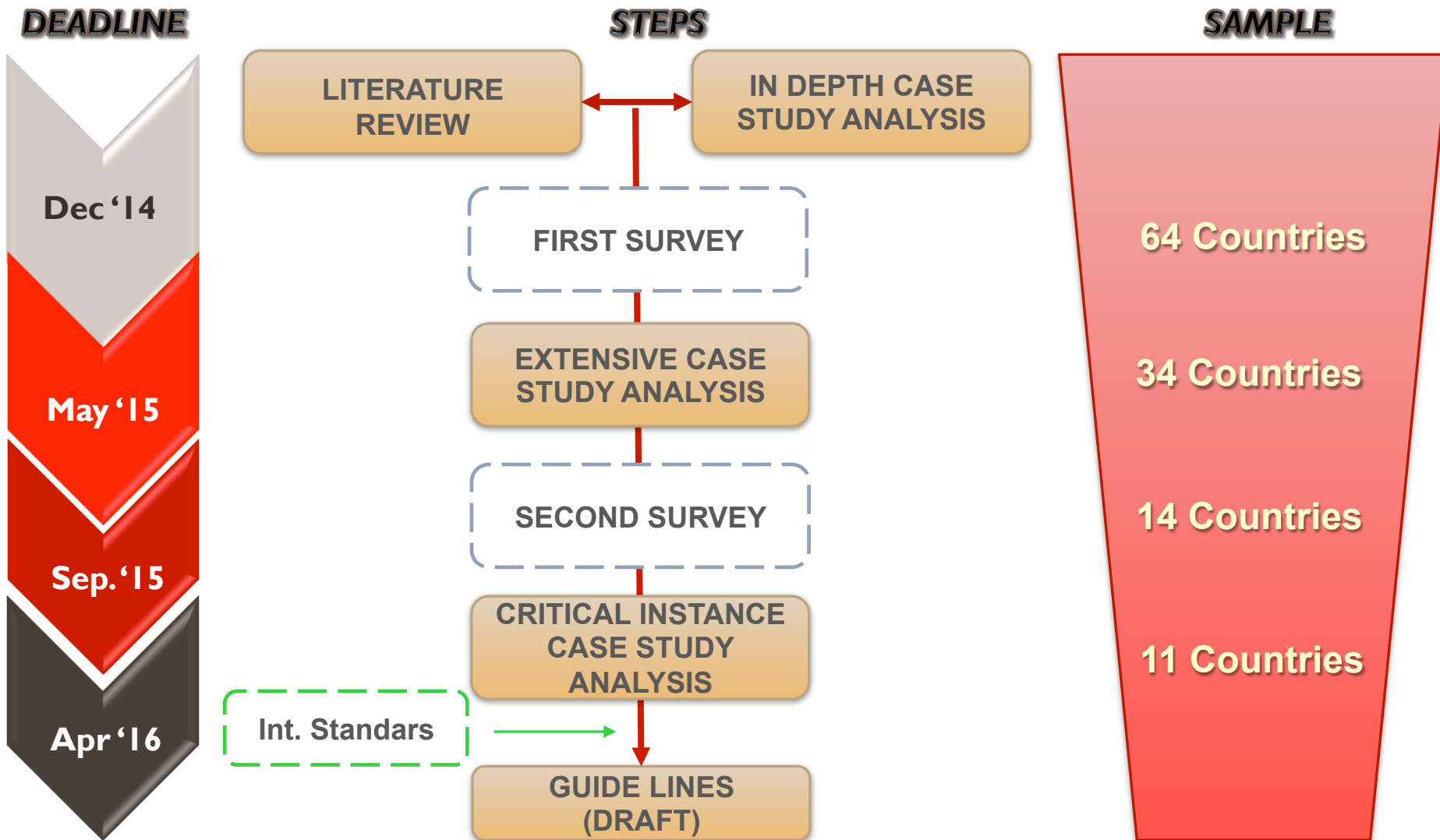
- On the one hand, the adoption of RM systems cannot avoid the collision with the **dysfunctions of the bureaucratic model** (Gouldner 1954; Merton, 1949; Seleznick, 1948, 1949)
- RM can be considered a “new” system of organisational rules allowing defensive compliance strategies

- On the other hand, RM could be **embedded** in managers' decision-making processes, **becoming a managerial tool** to :
 - favor organizational learning
 - improve PA performance
 - facilitate the achievement of organizational/ strategic objectives
 - implement innovative practices and policies



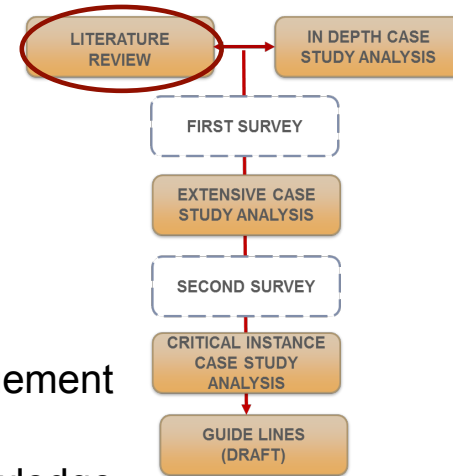
- The “only” introduction of risk management (RM) systems is not sufficient (Power, 2004).
- Guidelines ask for an in depth study the **hybridisation process of RM practices** on forms of control and accountability in the organizations and their impact on organizational life and performance

Toward Guidelines: Research activities



Literature review framework

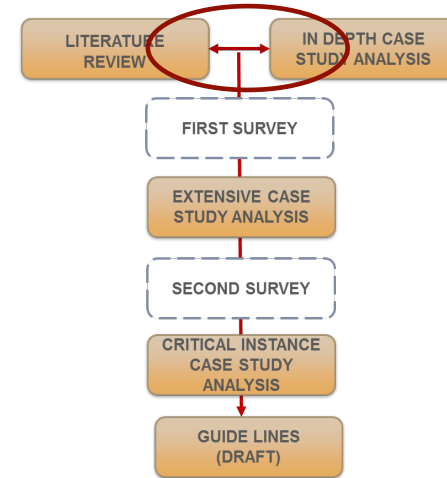
What do we know about risk management?



- ❑ **Object of analysis:** practice creation in managerial systems (risk management (RM) system)
- ❑ **Level of analysis:** organization, work practices, processes and knowledge (multi-level analysis)
- ❑ **Key elements of analysis** (Miller and Miller, 1992; Miller et al., 2008) Arena et al., 2010):
 - a. **Risk rationalities:** the main purpose grounding the way in which RM system is framed in the organization
 - b. **Uncertainty Experts:** the actors, roles, units or structures to which the organization assign the responsibility for RM system
 - c. **Technologies:** the practices, procedures and tools adopted by organization to implement and use the RM system

Field research framework

What influences use of risk management?



Features of risk management **systems**

Context
features



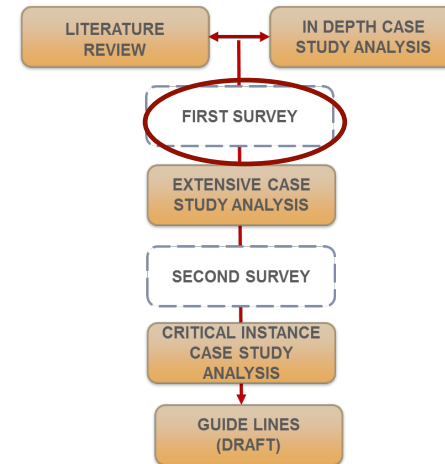
Impact of use of performance information

Features of risk management implementation **processes**

First survey: range of responses



<i>Involved Institutes and Organizations</i>	64
<i>Respondents</i>	34
<i>Overall Redemption</i>	53,1%
<i>Anonymous</i>	5
<i>Double responses</i>	2
<i>Total of valid responses</i>	29
<i>Redemption of valid responses</i>	45,3%
<i>Countries recognizable</i>	27
<i>Redemption of countries recognizable</i>	42,2%



Range of responses	Sect. 1	Sect. 2	Sect. 3	Sect. 4	TOTAL
100%	14,7%	0,0%	0,0%	8,8%	0,0%
75% - 99,9%	52,9%	20,6%	2,9%	38,2%	29,4%
50% - 74,9%	0,0%	35,3%	35,3%	20,6%	38,2%
25% - 49,9%	0,0%	11,8%	29,4%	0,0%	0,0%
0,1% - 24,9%	32,4%	0,0%	2,9%	0,0%	32,4%
0% - 0,09%	0,0%	32,4%	29,4%	32,4%	0,0%
TOTAL	100,0%	100,0%	100,0%	100,0%	100,0%

Risk management uses

Features of risk management **systems**)

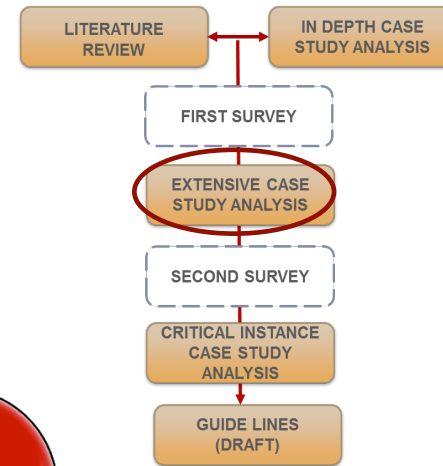
Feedback effect

Context
features

Features of risk management implementation **processes**

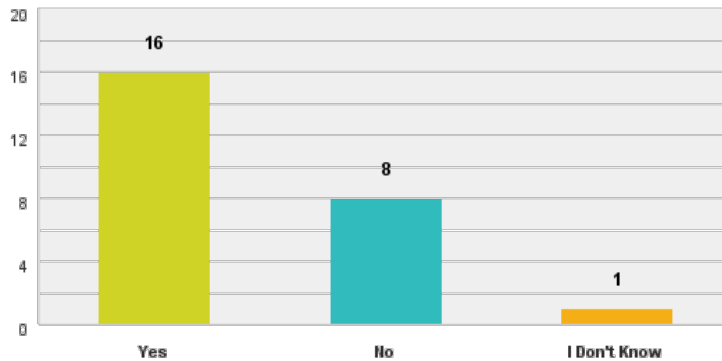


Impact of use of performance information



Q5 Has your organization's strategy resulted in a risk management system that is fully implemented and integrated into the current running of activities?

Answered: 25 Skipped: 9



Risk management uses

Features of risk management **systems**)

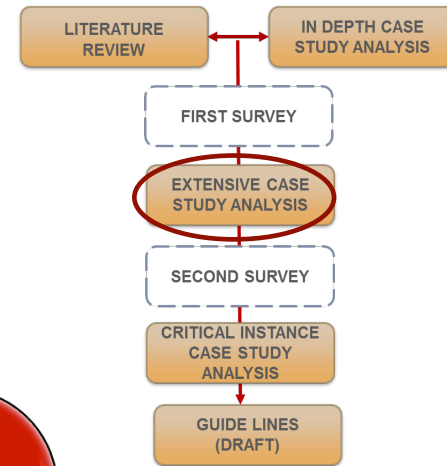
Feedback effect

Context features

Features of risk management implementation **processes**

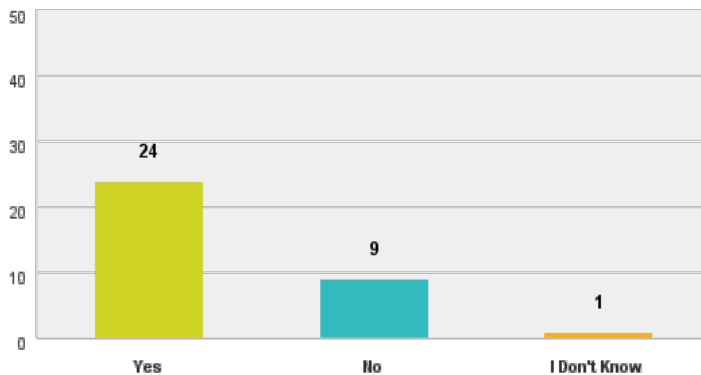


Impact of use of performance information

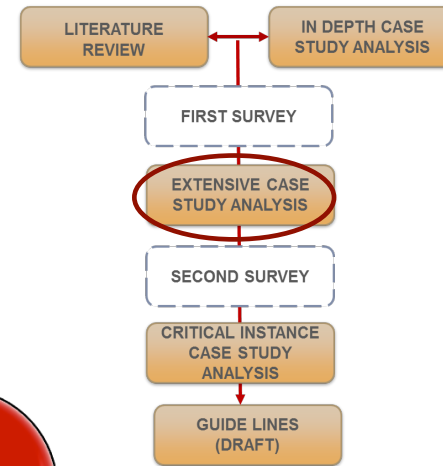


Q4 Is there a strategy to effectively manage uncertainties and related threats and opportunities in your organization?

Answered: 34 Skipped: 0



Risk management uses



Features of risk management **systems**)

Feedback effect

Context
features

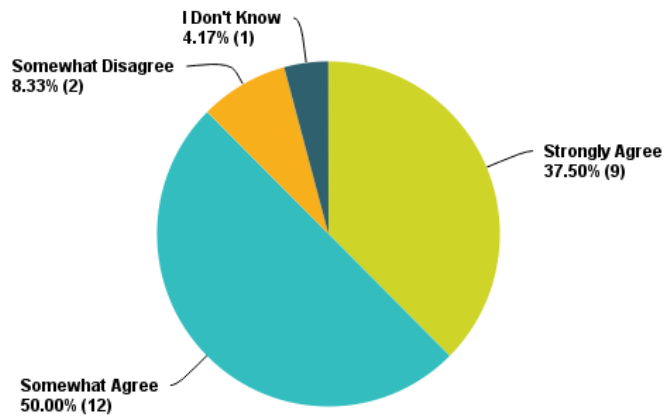


Impact of use of performance information

Features of risk management implementation

Q7 In your organization, risk management information is regularly used in the decision making process.

Answered: 24 Skipped: 10



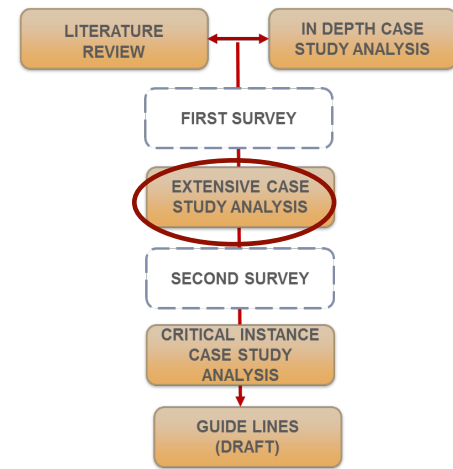
Risk management systems

Features of risk management **systems**)

Feedback effect

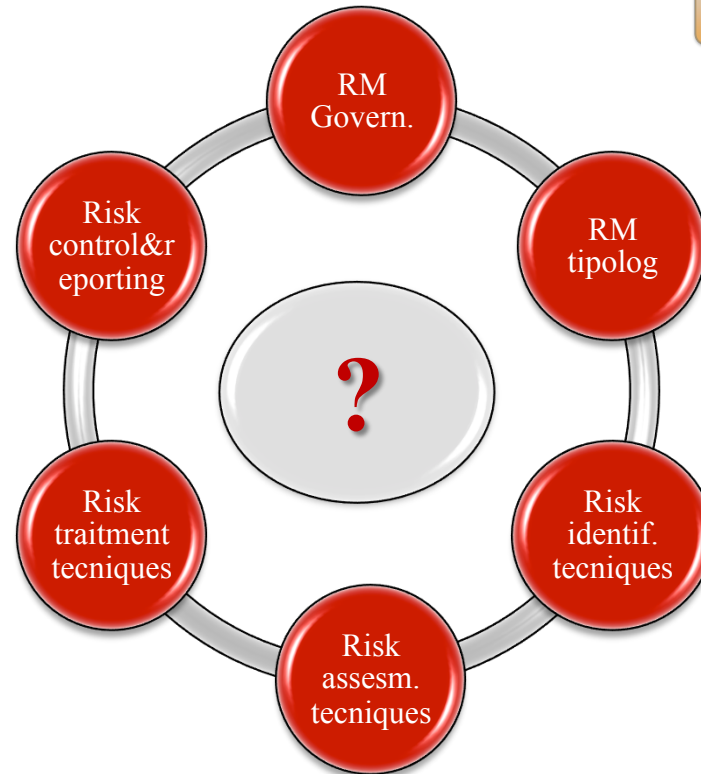
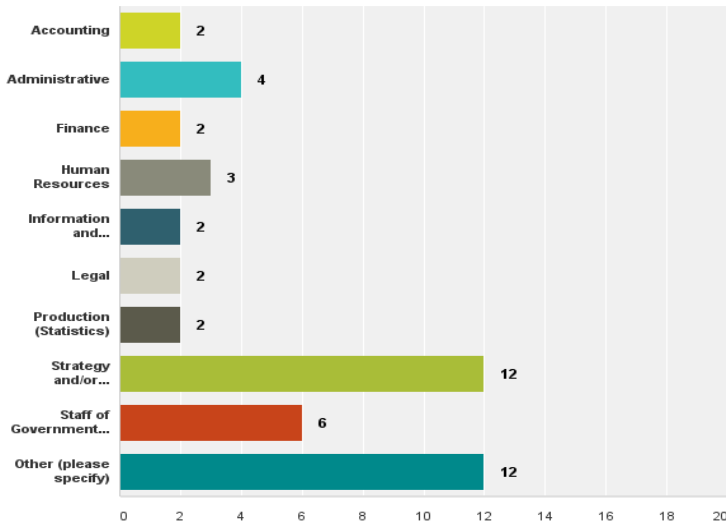
Context features

Features of risk management implementation **processes**



Q2 Department in your organization:

Answered: 34 Skipped: 0



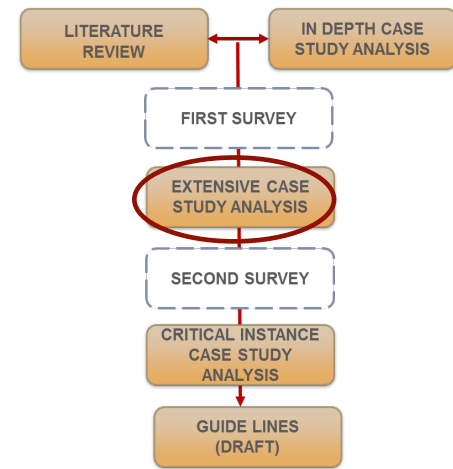
Risk management systems

Features of risk management **systems**)

Feedback effect

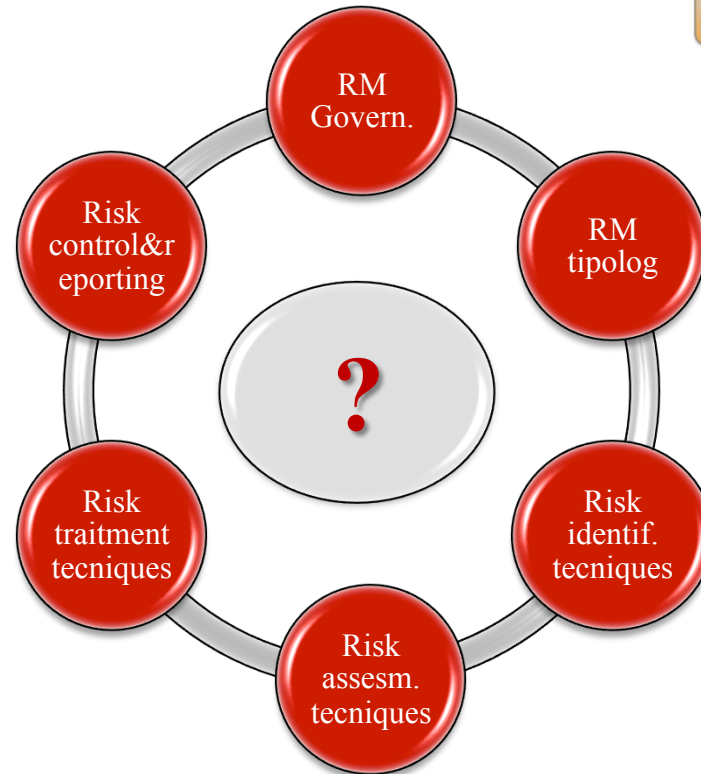
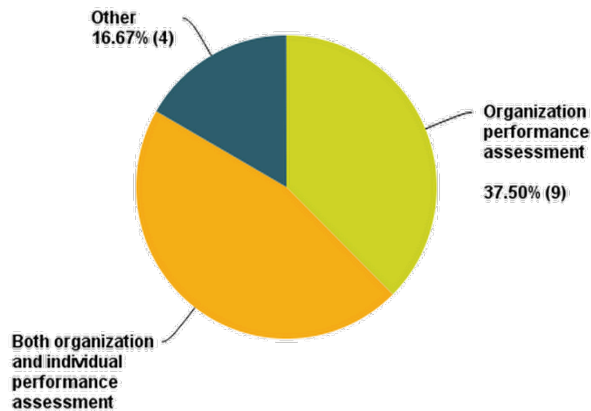
Context features

Features of risk management implementation **processes**

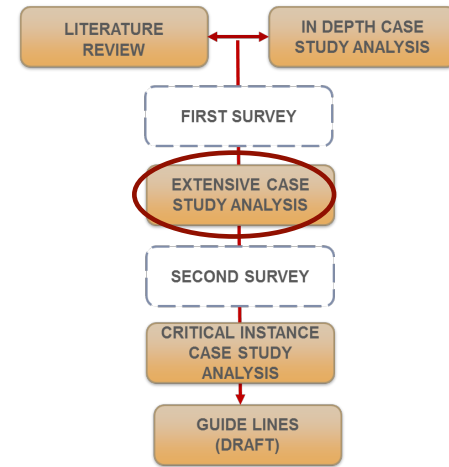


Q8 In your organization, the risk management process is connected to:

Answered: 24 Skipped: 10



Risk management implementation process



Features of risk management **systems**)

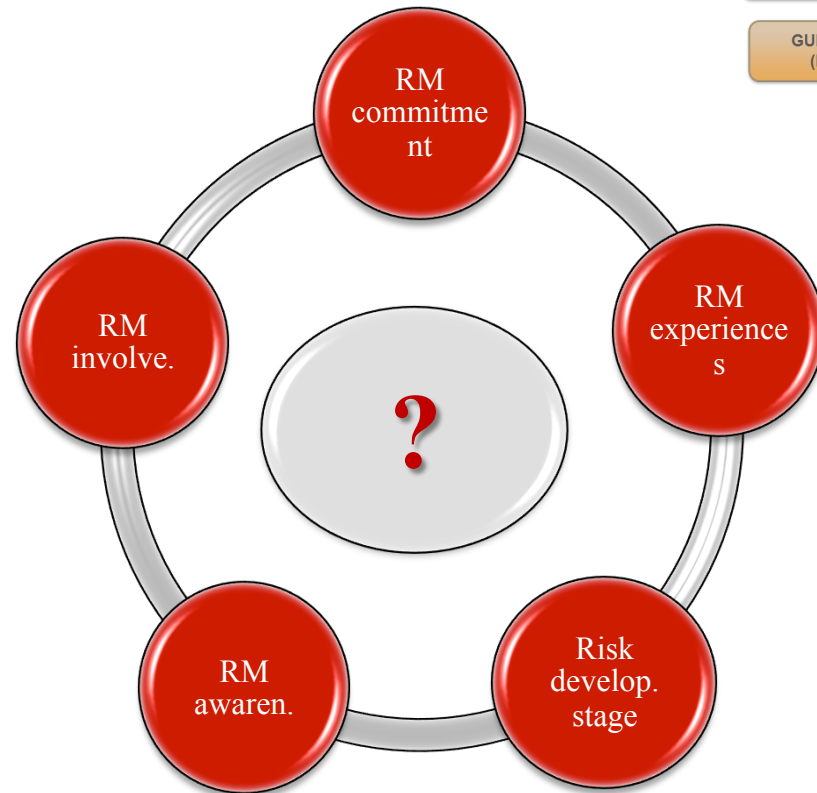
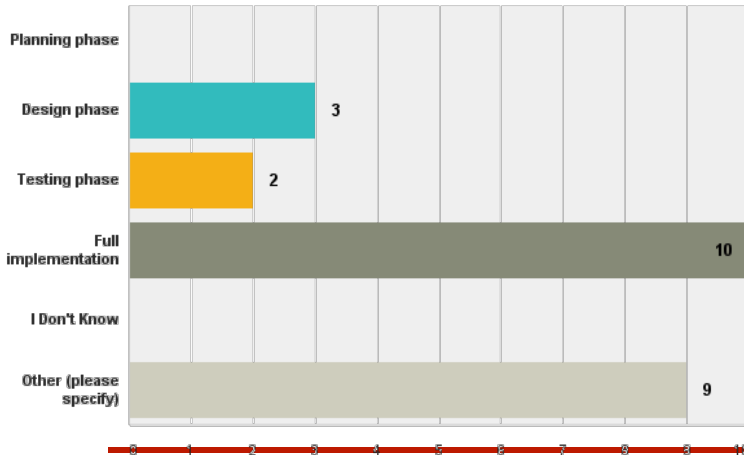
Feedback effect

Context features

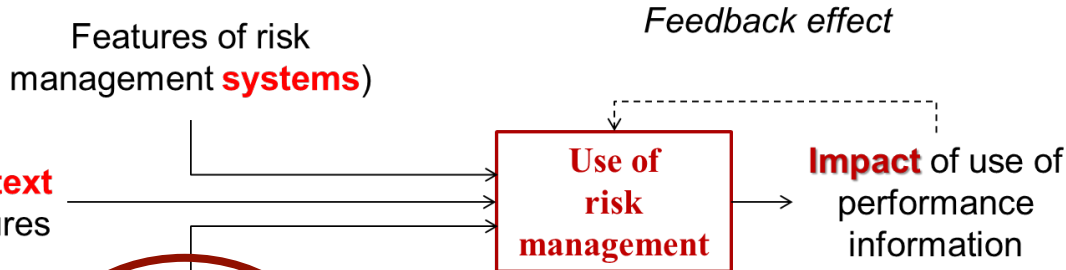
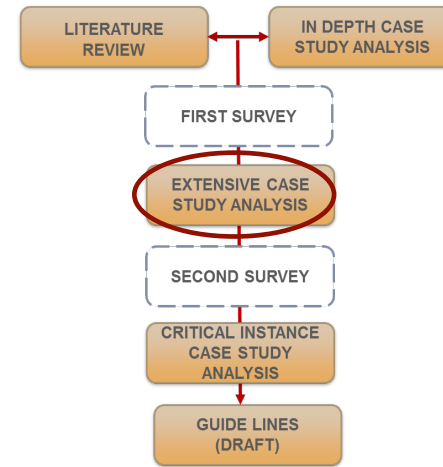


Q34 In your organization, which development phase is the risk management process currently in?

Answered: 24 Skipped: 18

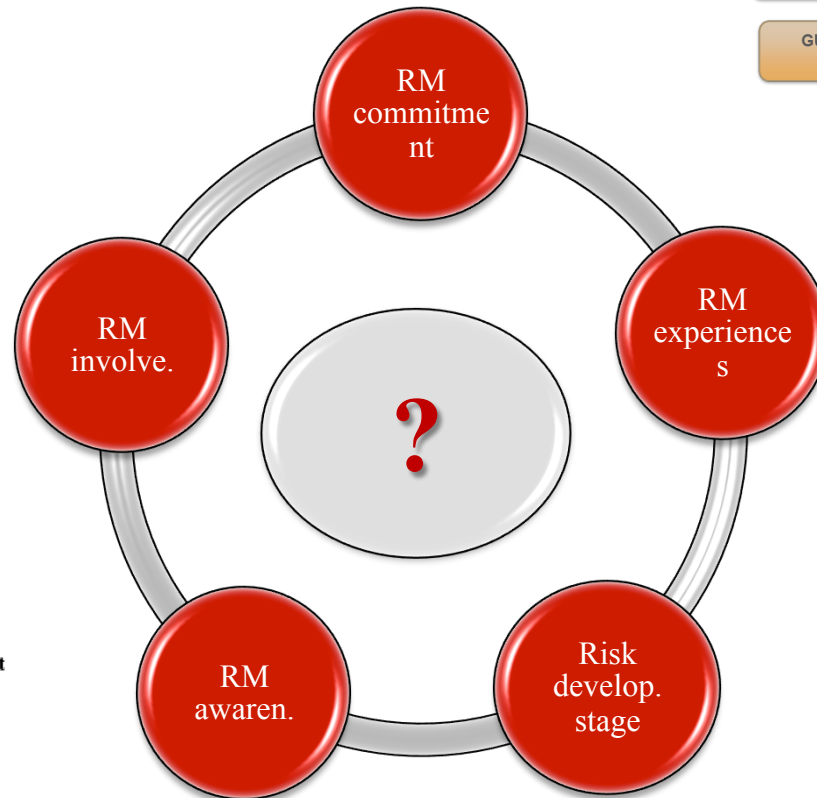
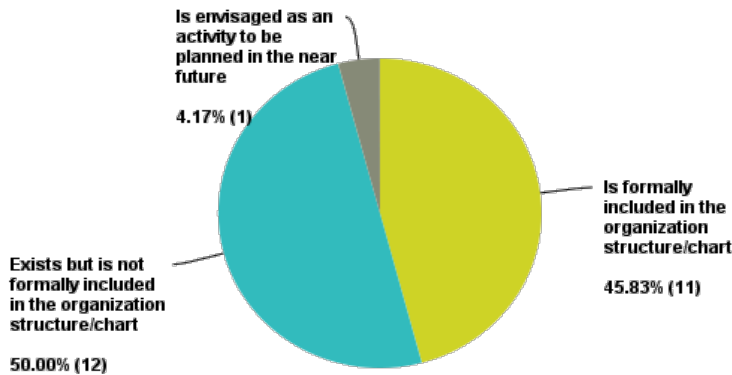


Risk management implementation process

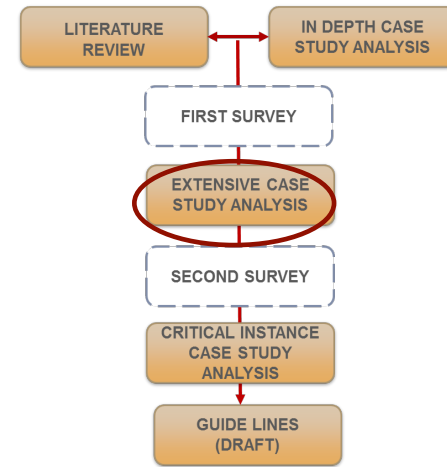


Q30 To date, risk management in your organization:

Answered: 24 Skipped: 10



Risk management implementation process



Features of risk management **systems**)

Feedback effect

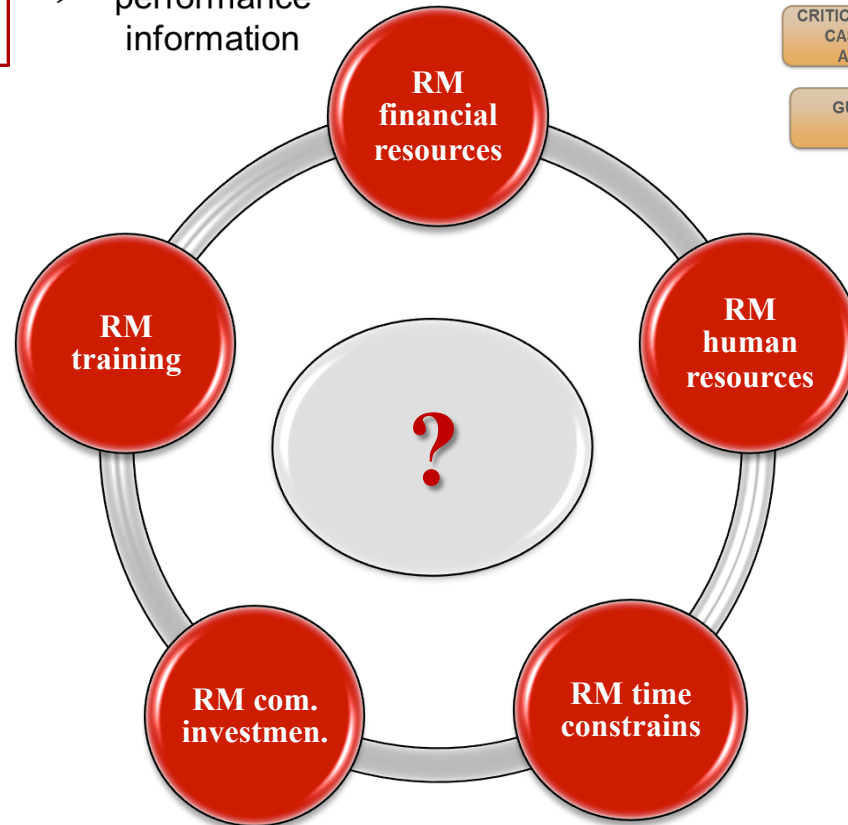


Context features

Features of risk management implementation **processes**

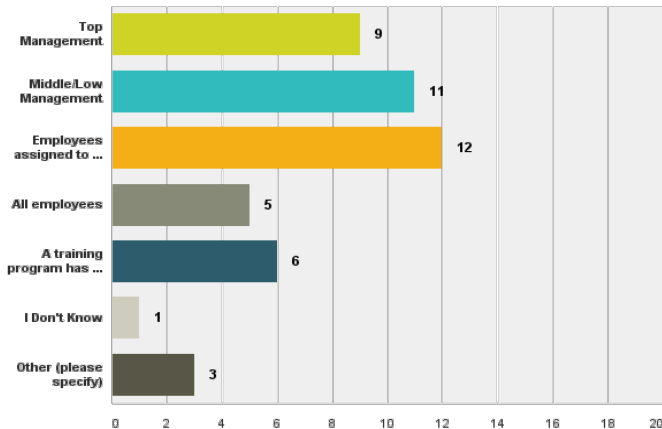


Impact of use of performance information

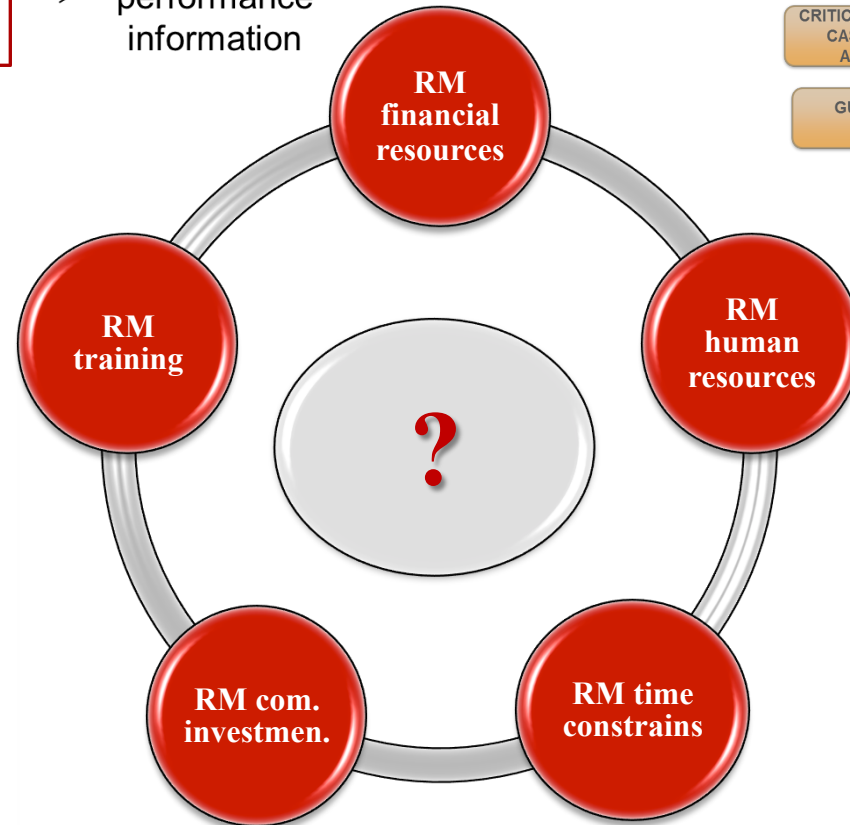
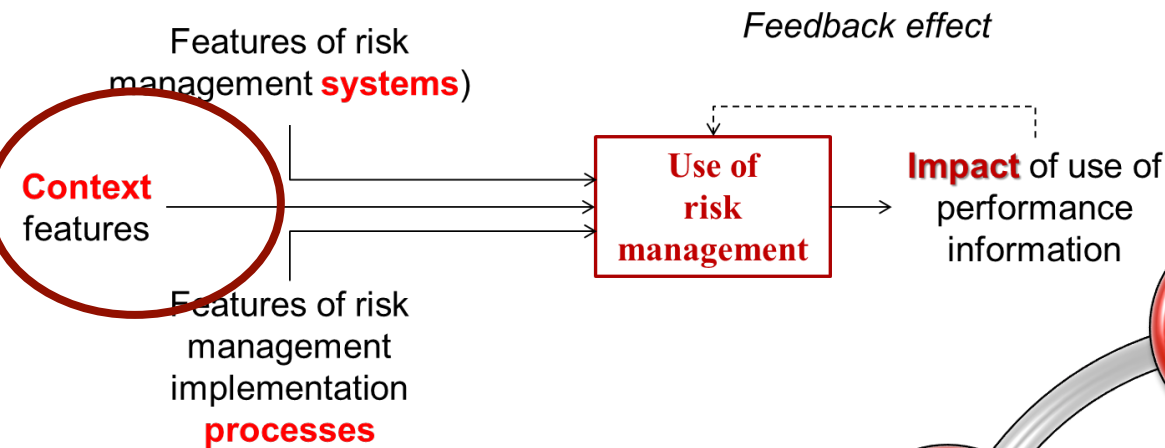
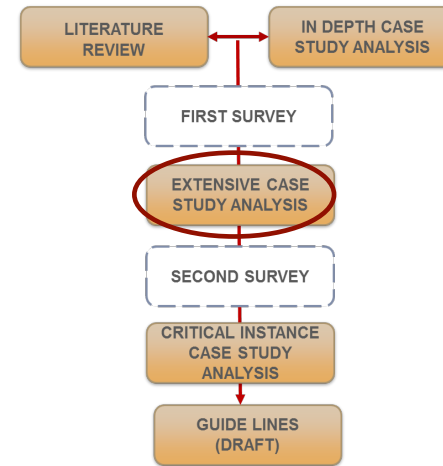


Q42 In your organization, a specific training program on risk management issues has been envisaged and addressed to: (Select all that apply.)

Answered: 24 Skipped: 10

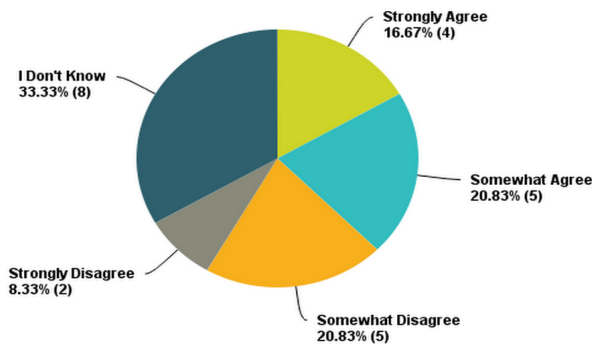


Risk management implementation process



Q46 In your organization, the amount of financial resources spent to run the risk management system is suitable.

Answered: 24 Skipped: 10



Toward Guidelines: Research Design and consolidation

