

Employee Risk Culture Survey

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Why conduct an Employee Risk Culture Survey?

Few organisations have been able to reliably measure their risk culture, yet the buck stops with boards, CEOs and senior management to ensure an appropriate risk culture is maintained.

Also, few organisations can confidently answer the important question: "Is the organisation's culture, both overall and in each area, sufficiently robust to ensure that all significant risks are identified and appropriately managed?"

Despite the many millions of dollars that have been invested in risk management systems and resources, risk systems continue to fail around the world, with disastrous consequences. These failures have often been a result not of the systems, but of a poor risk culture.

Most people understand the importance and benefits of a regular medical check up to identify any risks to their health and to determine whether their bodies are functioning to their optimal capacity.

In a similar way, Boards Insync recommends organisations regularly use its Employee Risk Culture Survey to determine the "health" of their risk culture, and how their risk culture could be improved.

Conducting an Employee Risk Culture Survey also sends a message to your people about the importance your organisation places on having an appropriate risk culture and appropriate risk behaviours.



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Whilst an Employee Risk Culture Survey is unlikely to prevent the failure of an organisation's risk systems, it can be an important part of a risk assessment process that identifies weaknesses and areas for improvement in an organisation's risk culture and risk management practices.

The Employee Risk Culture Survey was initially designed for large banks, finance and insurance organisations. It has also been tailored for other public and private companies, government and not-for-profit entities.

The Employee Risk Culture Survey can be completed by all employees or a representative sample thereof. Senior employees can do the same survey and have additional survey statements that are only applicable to them.

The comprehensive report that is prepared following the completion of the survey is designed to measure the risk culture of the overall organisation and segments thereof and to highlight improvement initiatives.

Main benefits of our Employee Risk Culture Survey

The purpose of the Employee Risk Culture Survey is to identify actions that can be taken to improve the effectiveness of an organisation's risk culture and risk management practices. Issues of risk clarity and alignment, risk identification and controls, risk resources, embedding risk and communications and accountability are addressed. Employees are taken through a comprehensive range of issues relevant to risk culture in a structured way.

The benefits of using the online Employee Risk Culture Survey include:

- many issues that may not otherwise be included as part of a risk culture review are considered
- employees consider a comprehensive range of issues in a consistent way by responding to the same survey statements in the same order and using the same response scale
- employee views are equally weighted and such views are not biased or impacted by the views or emotions of other employees or consultants
- employees are able to balance their consideration of each issue against the other issues in a well designed survey that takes less than 15 minutes
- an “importance” and “performance” response rating system and a corresponding “gap” analysis enables the prioritisation of issues
- by including appropriate survey demographics the risk culture of different areas of the organisation can be determined
- the survey is independently carried out by Boards Insync, which offers anonymity to respondents and encourages candid responses.

This survey is a very useful, cost effective and unobtrusive way to quickly highlight possible issues of concern and issues that may need further attention. The survey does not replace the need to take appropriate action in relation to issues highlighted, nor does it override the need to take other steps to review and improve risk culture.



Comprehensive survey framework

The Employee Risk Culture Survey is based on a comprehensive survey framework of four areas that impact an organisation’s risk culture.

The survey statements included in the Employee Risk Culture Survey for all employees cover 27 distinct matters. The version for senior employees covers 55 matters. The surveys can be completed in seven and 15 minutes respectively. The survey statements are designed to be penetrating and to encompass good practice in relation to risk culture and risk management. Employee written responses to four questions add context to and improve the usability of the report.

The survey statements have also been designed to integrate with Boards Insync’s separate Board Risk Survey and its board and management Risk Committee Effectiveness Surveys. Significant extra insights are gained by organisations that carry out more than one of Boards Insync’s integrated risk surveys during the same period.

The survey framework and the relevant survey statements can be tailored to meet the requirements and specific circumstances of each client.

The four survey framework areas and the main matters addressed in each framework area are shown below.

<p>1. Risk clarity and alignment</p> <ul style="list-style-type: none"> * Risk appetite * Risk strategy * Organisation structure * Risk management framework Values Policies Incentive schemes Continual improvement * Competitor benchmarking 	<p>2. Risk identification and controls</p> <ul style="list-style-type: none"> Compliance obligations * Understand business Identification of risks New business risks * Risk reviews refreshed * Flow on effect of risks * Risk control framework * Exposure limits Risk mitigation
<p>3. Risk resources and embedding risk</p> <ul style="list-style-type: none"> Risk personnel Risk resources Risk management systems Education and awareness * Latest developments Employee buy-in * Risk, return and capital Embed in business processes * Risk register 	<p>4. Communications and accountability</p> <ul style="list-style-type: none"> Tone at the top Risk policies Common terminology No surprises Whistleblower processes Accountability Authority limits Rapid response Consequence management

* These areas only apply to senior employees.

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About Boards Insync

Boards Insync is the specialist board survey division of Insync Surveys. It has one of the largest suites of integrated board surveys in the world, including Board Effectiveness Surveys, Board Risk Surveys, Audit Committee and Risk Committee Surveys and Director 360 Surveys.

Its world class board surveys are available globally and have been carried out for numerous large public, private, government and not-for-profit organisations.

Visit: www.boardsinsync.com
Contact us: info@boardsinsync.com

About Insync Surveys

Insync Surveys has one of the largest suites of leading edge integrated benchmarked stakeholder surveys in the world. Its surveys are distributed in over 30 countries and in over 15 languages and include surveys for employees, customers, boards, community groups and many other organisation stakeholders.

Insync Surveys has carried out surveys for some of the largest public, private, government and not-for-profit organisations in Asia Pacific. It is based in Australia and has representatives in New Zealand, Asia, UK and North America. Insync Surveys' technology also powers the surveys of Board Benchmarking.

Visit: www.insyncsurveys.com.au
Contact us: info@insyncsurveys.com.au

Melbourne
Level 7
91 William Street
Melbourne
Vic 3000
Australia
Tel. +61 3 9909 9209
Fax. +61 3 9614 4460

Perth
76 Wittenoom Street
East Perth
WA 6004
Australia
Tel. +61 8 6461 6485
Fax. +61 8 6270 4491

Sydney
Level 2
110 Pacific Hwy
North Sydney
NSW 2060
Australia
Tel. +61 2 8081 2000
Fax. +61 2 9955 8929