RISK REGISTER IMPLEMENTATION AND MANAGEMENT – PRACTICAL CHALLENGES – A CASE STUDY

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- Risk management – general challenges faced by corporations

- Concept of risk register and implementation challenges

- Implementation case study

- Lessons learned

RISK MANAGEMENT CHALLENGES

- Poor visibility of various initiatives

- Various interpretation of risk – vocabulary varies

- Anomalies in risk acceptance criteria –Joint Venture entities and Geographies

- Personnel competency

- Normalization of deviation – too close to identify risks !

RISK – ONE NAME MANY APPLICATIONS ……….
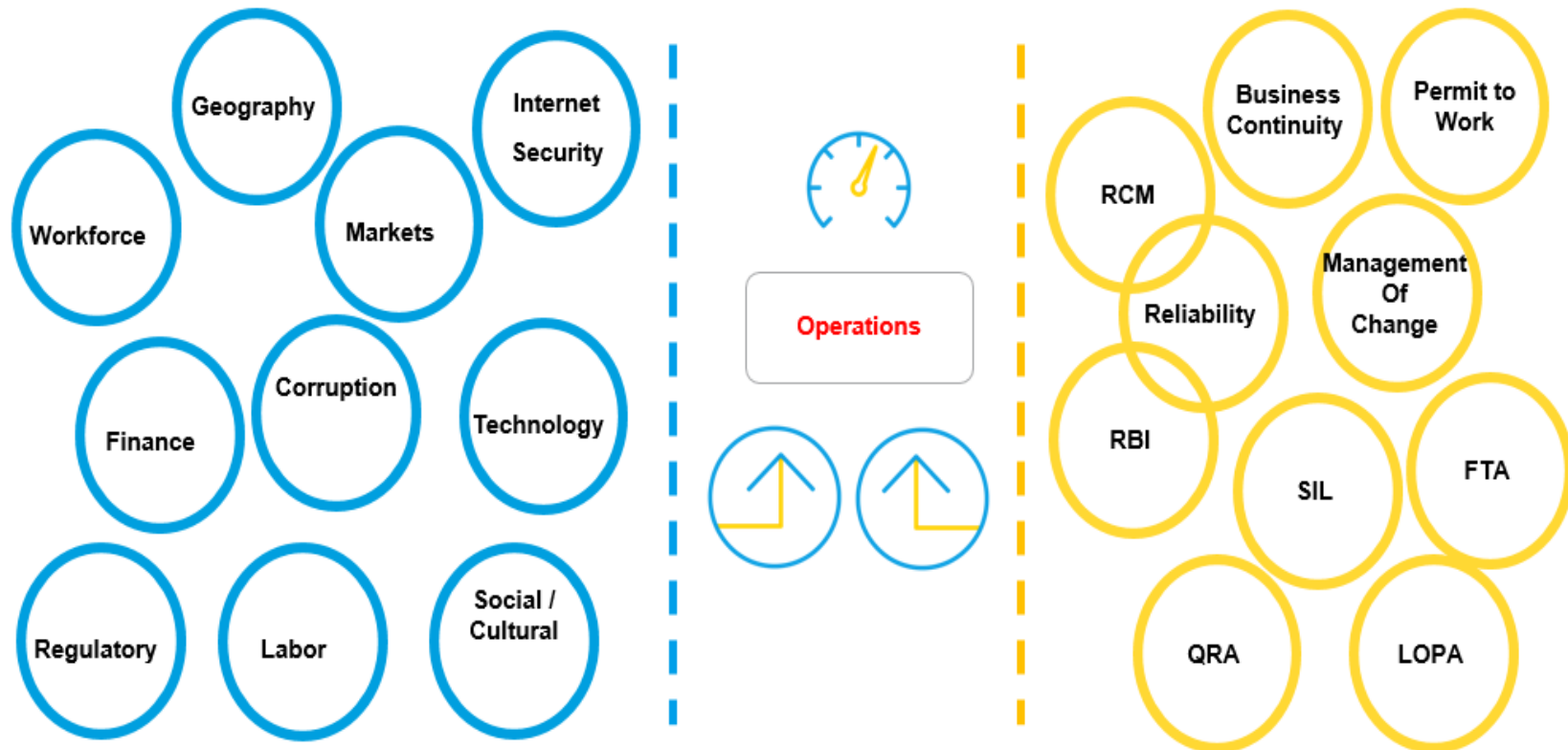
RISK MANAGEMENT FRAMEWORK

ISO 31000:2009 – Risk management- Principles and guidelines

ISO/IEC 31010:2009 – Risk Management – Risk Assessment Techniques

ISO Guide 73:2009 – Risk Management- vocabulary

RISK REGISTER – WHY DO WE NEED IT ?

- Dashboard visibility

- Tolerable risk acceptance

- Project prioritization and capital allocation

- Upkeeping of adequate controls – Business Assurance

- Plant uptime and business continuity

IMPLEMENTATION CHALLENGES

- Leadership awareness

- Process Safety Risk not fully embedded in Enterprise Risk Management
  (Focus and audience on risk is at different levels)

- Fragmented organization structures

- Lack of competent personnel – too close to processes to realize risk

- Inadequate software tools across organization – less visibility

CASE STUDY

- Mid-tier upstream company from Kazakhstan

- Compliance based work culture (Tick box mentality)

- Working in silos and fragmented organization

- Training and competency issues

HOW DID WE DO IT ?

| Executive Commitment | → | Leadership team | → | Governance & Accountability | → | Performance Standards and Indicators | → | Departmental Ownership |

- • Risk policy
- • Risk criteria

- • Resources and time commitment

- • Software tools and workflows

| Management review | ← | Risk Meetings | ← | What-If Analysis Risk Identification | ← | Training and Competency |

LESSONS LEARNED

- Top down approach on risk is very effective

- Central risk review authority helps visualize the risk across organization

- Enterprise risk and operational risk need to be embedded into one entity

- Training, competency and detailed vocabulary helps for unified risk ranking

- Local language translation (Russian) in this case helped

- Software tool like DNV Synergi Risk helped to raise risk visibility