

Managing Culture Change and Enterprise Risk Management

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What do you think of...



Or rather....

What do you ***FEEL*** about risk?

And what might ***MAKE*** you feel that way about risk?

Is Risk All About Communication?!!



The Arthur Andersen partner was on his cell phone when he said,

"Ship the Enron documents to the feds,"

but his Secretary heard,

"Rip the Enron documents to shreds."

It turns out that it was all just a case of bad cellular.



Sprint PCS The clear alternative to cellularSM

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What is an organisation's culture?

Is it...

- 'The way things get done around here'
- Tone at the top – what the Chief Executive is known for?
- What your manager talks to you about...
- A set of war stories...
- A series of clearly defined values and beliefs
- A Mission Statement

What defines a risk management culture?

Is it...

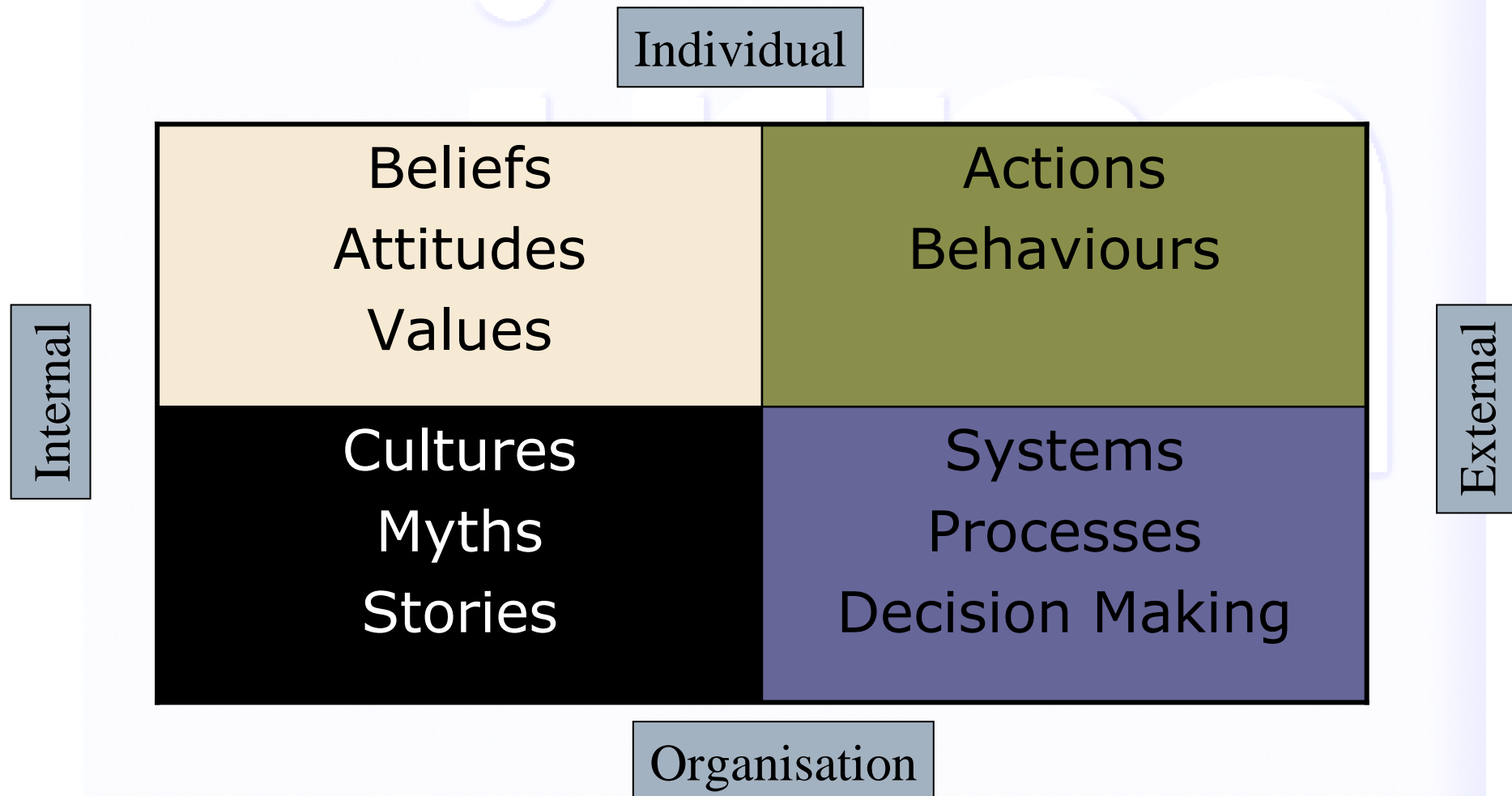
- A set of rules?
- A common language?
- A business process?
- Effective tools?
- A set of shared values?
- A common perspective ?
- Consistent behaviours?

A possible answer - signs of culture?

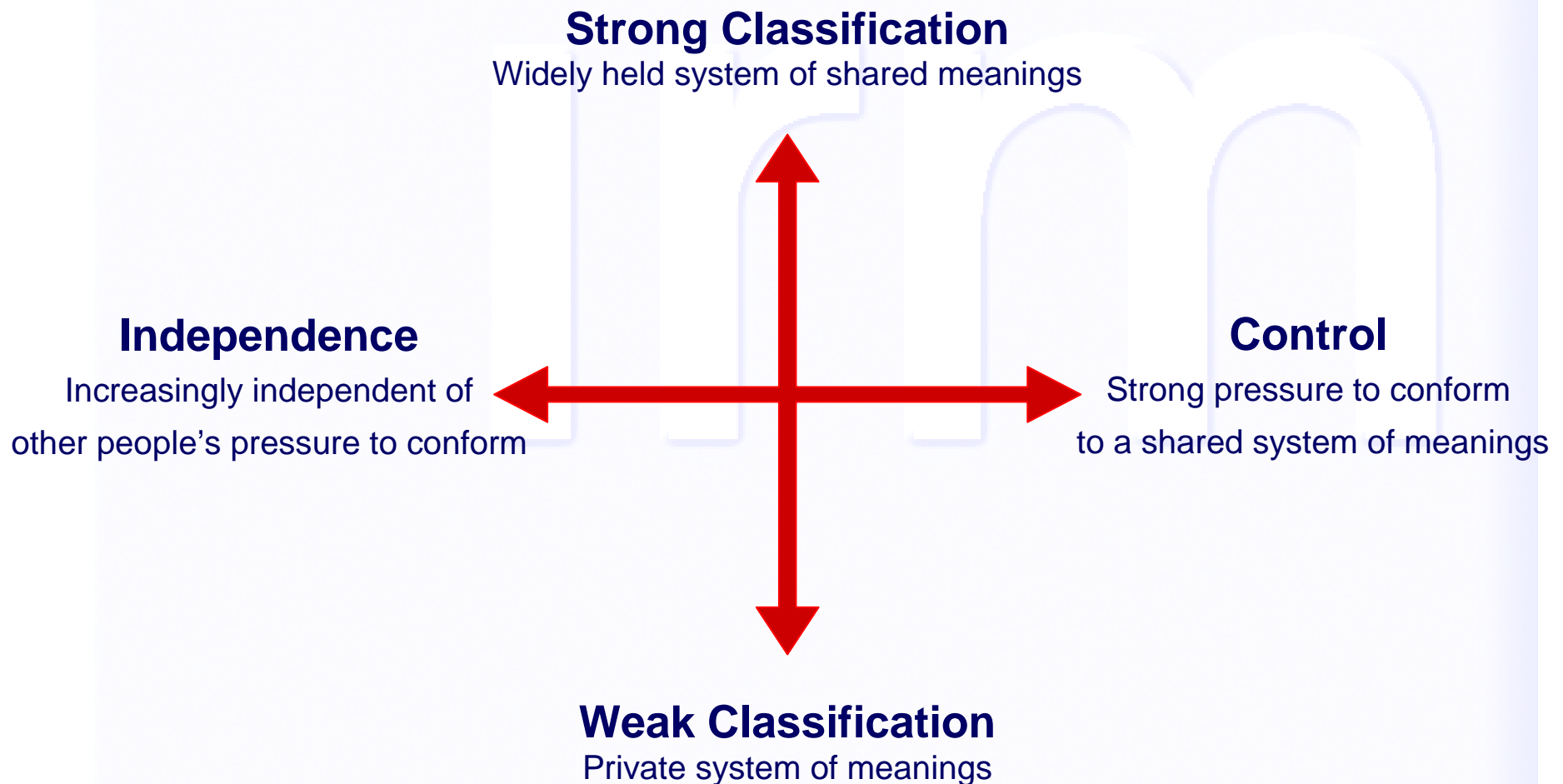
- ❑ **Paradigm** – what the organisation is about, Mission
- ❑ **Control Systems** – rules and processes
- ❑ **Organisational Structures** – hierarchies and roles
- ❑ **Power Structures** – decision making
- ❑ **Symbols** – logos and visual references
- ❑ **Rituals and routines** – meetings and behavioural norms
- ❑ **Stories and myths** – forming events

- ❑ Ref G.Johnson (1988)

How do we identify culture?



Is Culture about shared meaning...?



Why would you measure change?

- Change in business performance?
- Change in 'risk management performance'?
- Change in decisions made?
- Change in processes?
- Change in behaviour?
- Change in attitudes?

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