

The Institute of Risk Management

Scottish Regional Group

Meeting: How to engage management & staff in RM activities

Date: Friday, 25 August 2006

Venue: Glasgow Caledonian University
Britannia Building
Glasgow

Time: 1pm

Attending:

Graham Offord, Offrisk (Chair)	Glen Allan, NHS24
Laura Anne McMahon, MDDUS (Secretary)	Gordon Dakers, Mellon
Colin Neil, Huntswood Consulting	Margaret Blair, GCU
Andrew Sheils, Huntswood Consulting	Chanel Rock, RBS
Michelle Robb, Standard Life	Lisa Conway, HBOS plc
Tracey Hutchinson, Northumbria Police	Douglas Blair, NQiS
Dawn Anderson, GCU	Isabel Stewart, Scottish Water
Mairi Julier, Napier University	Brian McGrath, Scottish Water
David Williamson, William Grant & Sons Ltd	Laura Langan, The State Hospital
Bill Stein, GCU	David Higgins, RBS
Sarah Kilday, Scottish Ambulance	

Apologies:

Gary Drennan, Charo Cervantes, Sandi Cassidy, Madeline Hibberd, Sandra Douglas, Simon Blyth, Wayne Gault, Karen Ray, Iain McCormick, Mike Madden, Paula Speirs, Kate Robertson, Mark Warner, Yvonne Petronzio, Eileen Abbess, Kay Drummond, Mark White, Graham Jukes, Anne Storm, Paul Devine

Minute:

1. Welcome by Graham Offord and thanks to Dawn Anderson and GCU for their hospitality and lovely scones!
2. Introduction from Graham Offord regarding the topic for the meeting and then a brief introduction from everyone as once again there were several new people in attendance.
3. Laura Anne facilitated the meeting the following points were discussed:

What do we call it?

- Enterprise Risk Management, the COSO model and what models had individuals within the group adopted.
- Examples of models adopted by some of the organisations represented at the meeting:
 - Example 1
 - Internal & External factors are initially considered and then 8 further factors are considered. The 8 factors are:
 - People, Processes, Systems, Assets, Regulatory, Business, Environment & Liquidity

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- Example 2
 - 4 factors considered:
 - Strategic, Operational, Compliance & Financial
 - Every board minute had a risk section
 - Back to the floor – what really is at risk!
 - Not all understand consequences at all levels
 - Can we make connection between upstairs and ground
- Example 3
 - Stratified
 - Adoption of RM framework
 - Positioning documentation
 - Embedding framework
- General discussion around the many frameworks which can be adopted such as COSO, NQiS or AIRMIC. The important point is that whatever framework your organisation adopts you must tailor to suit your organisational needs.
- Everyone felt that staff were fairly comfortable with the RM processes adopted and their development within their organisations however, there were pockets of resistance

Is it integrated or bolted on?

- Incorporate RM in performance / project management
- Hold workshops at start of process
- Deal with issues pre-thought before happens
- Top table sets tone
 - Middle management – comply – push / pull
- Examination of root cause analysis
 - Write RM into job descriptions
 - Staff are personal responsibilities for both threats / opportunities
 - Part of induction
- Need to demonstrate buy in for all
 - Capital absorption V Capital for expansion

Is the term Risk Management negative?

- How do we do good management?
- Need to provide examples

Why don't we start with "objectives"?

- Join personal objectives with corporate objectives then examine the issues that get in the way

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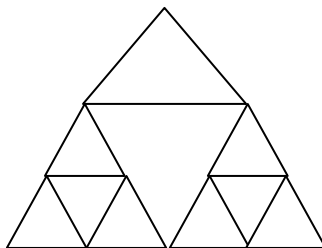
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NHS

- Private V Public Bodies
- Clinical V Non-Clinical
- Use past examples
 - Identify inherent risk and separately assess controls
- ROC or ROI
 - What are the benefits?
 - Not the business prevention unit!
 - Set out clearly the risk appetite
- Local V Global perspective – NHS too risky
 - Tempering
- Definition of Terms - Compare statements
- Management of controls – helps to temper pessimism

Who are stakeholders?

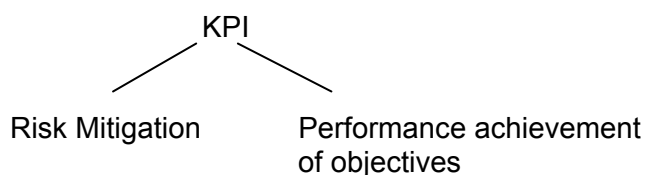
- Thresholds
- Impacts
- Performance
 - Directors KPIs
 - Department KPIs



- Make the work plan 'work'
- Corporate risks in both Director and Functional
- Common adjudication or
- Do we screen to ensure ownership is retained by business

KRI – Key Risk Indicators

- Identify the process chain
 - Where are the risks?
 - James Reason's swiss cheese model
 - Use of flowcharts : processes – root causes
- Manage risk & performance together
 - Balance so as not to point fingers
- Make directorate work plan against corporate plan



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NHS

- Clinical Governance – Adoption of appropriate language
 - Alignment
- Get RM practitioners out and about – make the relationship demonstrate the benefits
- Hierarchy issues
 - Look to be innovative
 - Tayside initiative to assist in the reduction of MRSA
 - “Ask me if I’ve washed my hands”

How do we progress?

- Coaching
- Make the time to do RM programme visits – worthwhile
- Risk & Compliance
 - Can we be a specialist
- Risk workshops for success

Culture

- Staff survey
- Blame culture study
 - Interpretation of a case study
 - What went wrong
 - Answer in B envelope
 - Indication of bias
- Balance scorecard
- Workshops – across departments
- Try to strip out the excuse of human error
 - Controls
 - Systems

Risk Management Software

- Datix
 - Internet based
 - Intuitive
 - Different levels of access
 - 1 hour training
- RiskGen
 - Parent / child Risks
 - Project based
 - Front end KPI links
 - Dashboard

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- Centinal
 - Incident reporting

 - Make your own!!
- 4) Discussed the IRM Forum at Keele University in September and possibility of arranging transport for people to travel together and arranging a Scottish Regional Group table at the awards dinner.
- 5) There was a discussion regarding sharing the group membership list with the whole group each time we send out the meeting agenda. It was agreed that we should group the list by industry to enable group members to easily identify colleagues within their industry.
- 6) Date of next meetings:

Date	Topic	Time	Venue
Friday, 8 Dec 06	What should a Risk Register look like? BYORR – (Bring your own risk register) Some real examples followed by Q&A	1300	Scottish Water HQ, Dunfermline