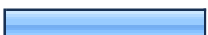
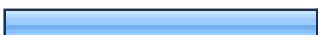



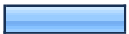






Risk management embedding and risk culture - SurveyMonkey survey






1. Within the context of Solvency II preparations, how is your organisation organised to address the issue of 'Risk Culture'?

		Response Percent	Response Count
There is a specific workstream considering risk culture linked to embedding risk management		32.1%	9
Risk culture and embedding is an element of all Solvency II workstreams, and there is no specific risk culture programme		50.0%	14
There are no plans to have a specific risk culture programme		14.3%	4
Other (please specify)		3.6%	1
		answered question	28
		skipped question	0




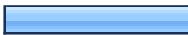
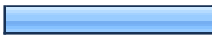
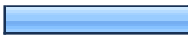

2. Has your organisation analysed its risk culture, and if so, how was this approached? (pick as many as relevant)

		Response Percent	Response Count
A risk culture survey was undertaken		7.7%	2
The risk management function undertook a structured assessment		19.2%	5
Management was asked to self-assess against a structured assessment		15.4%	4
An informal evaluation has been completed by management		53.8%	14
Internal Audit have undertaken a review of risk culture		3.8%	1
An external service provider / consultant has been appointed to undertake a survey / review		0.0%	0
Other (please specify)		23.1%	6
		answered question	26
		skipped question	2











3. Who is sponsoring the work being undertaken on risk culture?

		Response Percent	Response Count
Chief Executive		3.7%	1
Chief Risk Officer		44.4%	12
Solvency II programme manager		14.8%	4
Non-Executive / Chair of a Board Committee		0.0%	0
No sponsor in place		25.9%	7
Other (please specify)		11.1%	3
		answered question	27
		skipped question	1













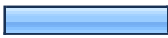


4. What have you found to be the main challenges to establishing a risk culture across your organisation? (pick as many as relevant)

		Response Percent	Response Count
Insufficient resources		40.7%	11
Lack of clear understanding of current culture		25.9%	7
Lack of management / Board direction on desired risk culture		22.2%	6
Lack of access to management time		29.6%	8
Lack of clarity over embedding strategies		33.3%	9
Insufficient tools to establish or drive risk culture change		29.6%	8
Other (please specify)		18.5%	5
		answered question	27
		skipped question	1

5. How is your organisation evaluating whether elements of risk management process and culture are embedded?

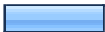



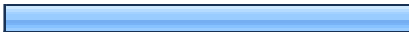
		Response Percent	Response Count
The risk management function undertook an assessment against pre-defined embedding criteria		12.0%	3
Management was asked to self-assess against a pre-defined embedding criteria		4.0%	1
A formal embedding plan was agreed with each area of the business and this was tracked periodically		12.0%	3
An employee survey was used to gauge staff awareness and understanding of risk and risk management		8.0%	2
An informal evaluation has been completed by management		20.0%	5
Committee / Board papers and minutes capturing evidence of discussions and decisions		8.0%	2
Formal evidence files have been created to demonstrate that key element of risk management are embedded		12.0%	3
Internal Audit have evaluated the effectiveness of the risk framework including risk culture		8.0%	2
An external service provider / consultant has been appointed to a review of risk management embedding		4.0%	1
Other (please specify)		12.0%	3
answered question			25
skipped question			3

6. What does your organisation consider to be useful indicators or 'proxies' of whether you have an effective risk culture? (pick as many as relevant)





		Response Percent	Response Count
Quality of Board discussion on risk issues		66.7%	18
Level of executive management sponsorship and ownership of risk management		59.3%	16
Level of challenge provided by non-executive directors		55.6%	15
Effectiveness of risk committee and governance processes		77.8%	21
Evidence of key corporate business decisions taking risk and solvency into consideration		40.7%	11
Use of return on capital measures to drive business planning		33.3%	9
Adoption and use of stress and scenario testing		40.7%	11
Adoption and use of risk appetites and tolerances		66.7%	18
The extent to which the ORSA process is embedded and used		44.4%	12
Value placed on the risk function and the insights it provides		40.7%	11
Link established between risk management and the performance management & reward process		40.7%	11
Level of maturity of the risk management framework (against a maturity model)		18.5%	5
Number of risk events reported		25.9%	7
Level of risk management training delivered to staff		18.5%	5
None defined		3.7%	1

Other (please specify)		3.7%	1
		answered question	27
		skipped question	1


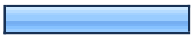
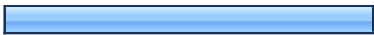

7. If your organisation has a rating from Standard and Poor's what classification was your enterprise risk management (including risk culture) given at the last review?

		Response Percent	Response Count
Excellent		0.0%	0
Strong		15.4%	4
Adequate With Positive Trend		3.8%	1
Adequate With Strong Risk Controls		7.7%	2
Adequate		7.7%	2
Poor		0.0%	0
Not relevant		65.4%	17
		answered question	26
		skipped question	2




8. Risk Leadership

		Response Percent	Response Count
Option 1 - It is not possible to describe a 'Tone at the Top' or leadership expectations on how risks are managed		14.8%	4
Option 2 - Leadership expectations on risk management are defined but inconsistently communicated and understood. Staff are not clear on overall direction.		44.4%	12
Option 3 - Leadership expectations are clearly expressed and consistently communicated. Direction is set and leaders create a 'Tone at the Top' through reinforcement and challenge.		33.3%	9
Option 4 - In addition to 3, executive sponsor is very visible and leaders demonstrate their commitment on a sustained basis, shown personal conviction in how they communicate and ask questions regarding business risks.		7.4%	2
		answered question	27
		skipped question	1



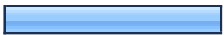

9. Responding to bad news

		Response Percent	Response Count
Option 1 - The organisation does not encourage the communication of information about potential negative events. Managers are concerned about communicating 'Bad News' to leaders. Stories exist of 'the messenger having been shot'.		3.7%	1
Option 2 - The communication of 'Bad News' is sporadic. Attempts are made to encourage early communication of risk information. It is recognised that this is important, but processes are still to be formalised and embedded.		29.6%	8
Option 3 - Leaders encourage the timely communication of material risk information. They challenge managers to divulge 'Bad News' early to ensure it is acted upon in a timely manner.		59.3%	16
Option 4 - In addition to 'green', leaders see their ability to extract learning from good and poor risk management judgements as a key corporate competitive advantage. This is seen as part of the organisation's knowledge management process.		7.4%	2
		answered question	27
		skipped question	1



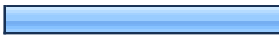

10. Risk Governance

		Response Percent	Response Count
Option 1 - Accountabilities for managing risks are not consistently defined. It is not possible to be sure who is accountable for managing which risk. Risk management is ill-defined and ownership for the process is unclear.		0.0%	0
Option 2 - Accountabilities for managing risk are partly defined. Some key regulatory and compliance aspects are well defined, but the appropriate is silo'ed. The risk management and reporting process is in place but not clearly defined or widely understood.		42.3%	11
Option 3 - Accountabilities for managing risks are clearly defined and widely understood. Accountability for risk management as a process is held by the risk function. Accountabilities are clearly mapped to manager's roles descriptions and targets.		53.8%	14
Option 4 - In addition to 3, leaders act proactively on their accountabilities, seeking out and challenging risk strategies associated with key business risks under their nominal control.		3.8%	1
		answered question	26
		skipped question	2





11. Risk Transparency

		Response Percent	Response Count
Option 1 - Risk information is not transparent and is not readily communicated. Managers do not receive risk information on which to base their judgements. It is not possible to define the level of acceptable risk within the organisation.		7.7%	2
Option 2 - Risk information is effectively communicated on certain specific issues related to regulatory or compliance aspects. Communication of risk information tends to be one-way (bottom-up) within little feedback or leadership direction. It supports a 'tick box' approach.		50.0%	13
Option 3 - Risk information is communicated up and down the organisation. The information provided is meaningful to leaders and appropriate to their needs. Risk information is actively used in decision making and levels of appropriate risk are clearly defined.		34.6%	9
Option 4 - In addition to 3, leaders actively seek to learn from risk events. When appropriate risk decisions are taken, these are celebrated. More importantly when risks crystallise, the organisation seeks to learn from these events. The key learning points are widely communicated.		7.7%	2
		answered question	26
		skipped question	2





12. Risk resources

		Response Percent	Response Count
Option 1. The risk function does not have a clear role or remit. Governance activities are fluid and shared between a range of functions and role holders. Risk professionals are not seen as being strategic advisors. The risk function may be ill equipped to support Governance arrangements.		3.7%	1
Option 2 - The risk function's role is defined but it does not cover all aspects required for an effective governance process to be implemented. The risk function does not have the breadth and depth of skills to support all aspects required to develop an effective risk management culture.		40.7%	11
Option 3 - The risk function has a clear role and remit endorsed by senior management. The function has the support and credibility report to deliver these. The function has the skills and resources required to support an effective risk management culture.		44.4%	12
Option 4 - In addition to 3, leaders recognise the risk function as a valuable facilitator of strategic thinking on business risk. Risk managers are sought out to support the business in evaluating key decisions.		11.1%	3
		answered question	27
		skipped question	1





13. Risk competence

		Response Percent	Response Count
Option 1 - Competency in risk management is not recognised as a key skill. Training and communication programmes are not coordinated and address specific issues within the context of specialisms and 'silos' of risk,		11.1%	3
Option 2 - Training and awareness programmes around risk management exist in parts of the organisation. These are implemented in a partial or silo'ed manner. The process is not fully developed or sustainable as part of a wider ERM framework.		59.3%	16
Option 3 - Risk awareness is recognised as a key competency for managers across the organisation. Skill development is proactively encouraged and programmes are in place to develop and sustain competency.		22.2%	6
Option 4 - In addition to 3', competency in risk awareness and risk management is seen as an entry-level requirement for senior management and this is widely recognised across the organisation.		7.4%	2
		answered question	27
		skipped question	1



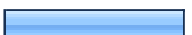


14. Risk Decisions

		Response Percent	Response Count
Option 1 - Business decisions are typically taken in isolation from explicit risk factors. The evaluation of risk and reward is done in an ad-hoc and intuitive manner.		11.5%	3
Option 2 - Leaders seek risk information on an ad hoc basis to support decisions. The boundaries of acceptable risk are only defined with respect to specific issues. It is not clear how risk and reward are balanced although these are considered in decision making.		53.8%	14
Option 3 - Leaders actively seek risk information to inform their judgement on key business decisions. The willingness to take risk is understood and clearly communicated. The scale of risk and reward is balanced in decision making. The process for achieving this is visible and recorded.		26.9%	7
Option 4 - In addition to 3, leaders refuse to take major decisions without an explicit risk / reward study. Risk-adjusted accounting practices are embedding in business planning.		7.7%	2
		answered question	26
		skipped question	2





15. Rewarding appropriate risk taking

		Response Percent	Response Count
Option 1 - Risk awareness and taking behaviours are not recognised as valued and are not explicitly rewarded.		19.2%	5
Option 2 - It is recognised that risk awareness and taking behaviours are valuable to the business. Steps have been taken to encourage these but these are not explicitly connected to Performance Management processes. Inappropriate behaviours go unchallenged typically.		46.2%	12
Option 3 - Leaders are supportive of those seeking to engage with the management of risks. Those that demonstrate a capability for evaluating risks and taking informed judgements are effectively rewarded. The Performance Management process is used to reward appropriate risk taking and to challenge inappropriate risk behaviours.		26.9%	7
Option 4 - In addition to 3, leaders recognise that risk management competency is a key skill and this is used as a criteria in succession planning and leadership selection.		7.7%	2
answered question			26
skipped question			2





16. Organisation headcount

		Response Percent	Response Count
<100		14.3%	4
>100, <500		39.3%	11
>500, <2000		28.6%	8
>2000, <10000		10.7%	3
>10000, <100,000		7.1%	2
100,000+		0.0%	0
answered question			28
skipped question			0

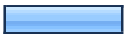




17. Organisation turnover

		Response Percent	Response Count
<£200m		39.3%	11
>£200m, <£1bn		32.1%	9
>£1bn, <£5bn		21.4%	6
>£5bn		7.1%	2
answered question			28
skipped question			0

18. Domicile of organisation's overall Headquarters

		Response Percent	Response Count
UK		50.0%	14
Other EU		17.9%	5
Switzerland		0.0%	0
North America		25.0%	7
Caribbean		7.1%	2
Asia / Middle East/ Africa		0.0%	0
Other		0.0%	0
answered question			28
skipped question			0

19. Primary type of business

		Response Percent	Response Count
Mono-line insurer		18.5%	5
Multi-line General insurer		59.3%	16
Life insurer		11.1%	3
Composite insurer		3.7%	1
Captive		0.0%	0
Consultant or service provider		7.4%	2
answered question			27
skipped question			1