

CRISIS RISK RADAR

What is the problem we are solving?

Following a crisis, most organisations notice signals they could have detected, which might have warned them of an impact. Some risk management systems have an inherent weakness, however: they do not adequately deal with high-impact, low-probability risks (those risks that have the potential to derail your business). Traditional approaches may be helpful for quantifying low-impact, high frequency events; but this traditional approach can distort the real risk picture, especially when risks are given combined scores and aggregated into meaningless generic risk categories.

What makes the difference?

Organisations need to systematically scan their risk information for indicators of potential crises. We use an innovative method that complements your existing systems. We do not propose throwing out valuable risk data, but we do enable a more complete picture of your risk portfolio. Characteristics that make the difference include:

- Moving from consideration of causes to consideration of impact types
- Evaluating not just the initiating event, but direct and indirect impacts over time
- Considering not only preventative measures, but also responsive measures

How does our solution achieve this?

We approach this from a different angle: instead of analyzing multiple causes, we look at the impacts.

We develop a portfolio of plausible and relevant impacts that represent all seven *families* of risk. We describe realistic scenarios that will be presented in a workshop context. We then facilitate discussion that elicits both the direct, immediate impacts, and the longer-term, indirect impacts.

This enables you to agree what overarching strategic direction the organisation wishes to take in each scenario. From there, we identify opportunities for both preventative and responsive measures, and options for change.

Contact us on opportunities@eddistone.com to discuss how we can help you.



What does a Crisis Risk Radar session look like?

Before the session, we discuss the scope of work and review any existing risk information you may have in place, identifying gaps to ensure our output complements it. We then take some preparation time to develop credible, realistic scenarios. We usually conduct sessions over multiples of half days. In our experience, a half day allows for consideration of around three impact scenarios.

We use a process for information management and decision-making that drives delegates to thorough consideration of the impacts and the strategy they will make. Following each scenario, you will understand the potential impacts, the strategies and the risk management measures you will use.

What are the benefits?

LEADING EDGE

Using this approach dramatically enhances your organisation's resilience maturity. Your risk owners will have a balanced understanding of risks in the portfolio – both high and low probability risks – and will have credible outputs they can articulate to decision-makers.

AUTHORITATIVE

Our process is aligned with standards for Risk Management (ISO 31000), Crisis Management (BS11200 and PD CEN/TS 17091) and Business Continuity (ISO22301). Our method shows you how to implement the loosely defined requirements of these standards.

ALIGNED

Instead of presenting another parallel process, we align outputs with your existing risk management system. We enable you to present high-impact risks alongside HSSE and operational risks. We use your business language and we avoid creating another cottage industry around crisis management.

ACTION-ORIENTATED

The outputs of these sessions enable change to be implemented. Having stepped through scenarios and felt the impacts, executives are more likely to understand the risk management measures you need in place. This means risk management is more likely to be prioritised and budget allocated.