

TAKING CONTROL OF ORGANIZATIONS RISK CULTURE

INTRODUCTION

Risk culture is a term describing the values, beliefs, knowledge, attitudes and understanding about risk shared by a group of people with a common purpose. This means that culture is group oriented.

More precisely, what attitudes and behaviors do you want employees to display TOWARDS RISK or unfavorable events threatening organization objective.

Risk culture building is the training of mind, of heart and of personal character to respond effectively to any situation of risk and take the right decision to mitigate, control or optimize risk to the advantage of the organization.

Another definition of risk culture is:

"A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid, and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to these problems."

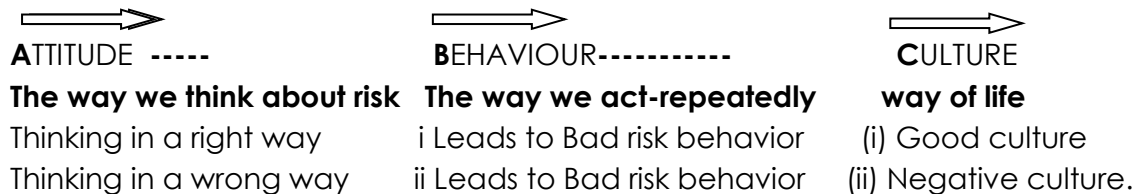
it is about how an individual responds to a given situation of risk

1. HOW RISK CULTURE IS FORMED (ABC of RISK CULTURE)

Attitude: The chosen position adopted by an individual or group in relation to a given situation.

Behavior: External Observable actions including decision, processes and communication

Culture: Values, beliefs, knowledge, attitudes and understanding about risk shared by a group of people with a common purpose.



2.BENEFIT OF A GOOD RISK CULTURE

-Overall objectives of the company will be a reality.

-Guarantees smooth running of operations within department and across the organization.

-The continuity of the organization solely depends on it.

-The social and economic wellbeing of every staff depends on it.

-Effective risk Management: A risk-aware culture encourages open communication, knowledge sharing, and continuous process improvement. It enables better risk management.

-Organizations resilience: A robust risk culture helps the organization to navigate times of crisis and helps builds a cross- cutting defense in the face of adversity.

...to be continued!

Internal Control, Compliance and Risk Department.