

Session 3B

Developing a positive risk culture: The key to successful risk management

Presented by

Deborah McDonald
Manager Integrated Risk
Singleton Council



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DEVELOPING A RISK CULTURE

INTRODUCTION

- UNDERSTANDING PERCEPTIONS
- ESTABLISHING EXPECTATIONS
- MEASURING RISK CULTURE
- IMPROVING RISK CULTURE
- RISK CULTURE AND RESILIENCE

UNDERSTANDING PERCEPTIONS

INDIVIDUAL

- Differing perceptions of and predispositions to risk
- Perception informed by individual's knowledge, experience and beliefs
- Attitude is an individual's chosen position on risk
- Influenced by individual's understanding of issue and engagement in addressing it
- Increased understanding of issue promotes attitude
- Behaviour is the visible demonstration of attitude

ORGANISATIONAL

- Perceptions of risk vary greatly across functional areas, business units
- Attitudes formed by past interactions and experiences
- Based on shared values, beliefs, knowledge and understanding of risk
- Need to develop an environment which embraces an awareness and understanding of risk
- One of the 'flavours' of the broader organisational culture

CULTURAL EXPECTATIONS

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AS/NZS ISO 31000:2018 *RISK MANAGEMENT – GUIDELINES*

- Principle (g) “Human behaviour and culture significantly influence all aspects of risk management at each level and stage.”

OUR *ESP*: ENGAGED, SAFE, PERFORMING

- Expectation set for all staff
- Systems view
- Key metrics

RISK MANAGEMENT POLICY & FRAMEWORK

- Risk Culture Model
- Risk Appetite Statement
- IRM Plan and IRM Communication Plan

INTEGRATED RISK MANAGEMENT TEAM

- Independent business unit
- Represented on senior Leadership Team



MEASURING RISK CULTURE

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RISK AND AUDIT MATURITY ASSESSMENT

- External audit undertaken by JLT
- Fully funded by Statewide Mutual
- Better understanding of risk and audit performance against industry standards

RISK MANAGEMENT MATURITY SELF ASSESSMENT

- Annual self audit against AS/NZS ISO 31000:2018
- Undertaken by Leadership Team

SAFETY @ SINGLETON COUNCIL SURVEY

- 63% response rate
- Biggest obstacle to working safely identified as culture and attitude toward safety
- Communication of results and resulting actions

IMPROVING RISK CULTURE

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RISK MANAGEMENT DOCUMENTS

- Integrated Risk Management Framework
- Integrated Risk Management Plan 2018 – 2021
- Integrated Risk Management Communication Plan
- Strategic Risk Register
- Operational Risk Registers
- Service Delivery Reviews

INDUCTIONS

- Dedicated risk management presentation in inductions for all new staff
- Detailed presentation in People Leader induction
- Induction process for contractors

PERFORMANCE DEVELOPMENT REVIEWS

- Risk Management Responsibilities Guidelines

IMPROVING RISK CULTURE (CONTINUED)

PRESENCE, VISIBILITY, APPROACHABILITY, PROFESSIONALISM

- Build relationships with care and empathy
- Regular attendance at business unit and team meetings and toolbox talks
- Quarterly 'point of difference' promotions with outdoor workforce
- IRM Team agreement
- Customer focus, 'one stop shop'
- Cross germination of technical skills, focus on managing risk

METRICS

- Organisational Key Result Measures
- KPIs reported on monthly
- Integrated Risk Management monthly report

IMPROVING RISK CULTURE (CONTINUED)

ENCOURAGE AND REWARD BEHAVIOURS:

RISK HERO AWARDS

- Hero v Champion
- No nomination process, no criteria for award
- Rare, personal acknowledgement, team or individual

ESPECIALIST AWARDS

- **SAFE** category
- Nominations open to everyone
- Criteria requires nominee to have reduced risk
- Presented at bi monthly GM's morning tea

MOST VALUABLE PLAYER (MVP) AWARDS

- Open to all staff
- Points for hazard reporting and remediation
- Monthly Player of the Match award
- Most Valuable Player Award for season

RISK CULTURE and RESILIENCE

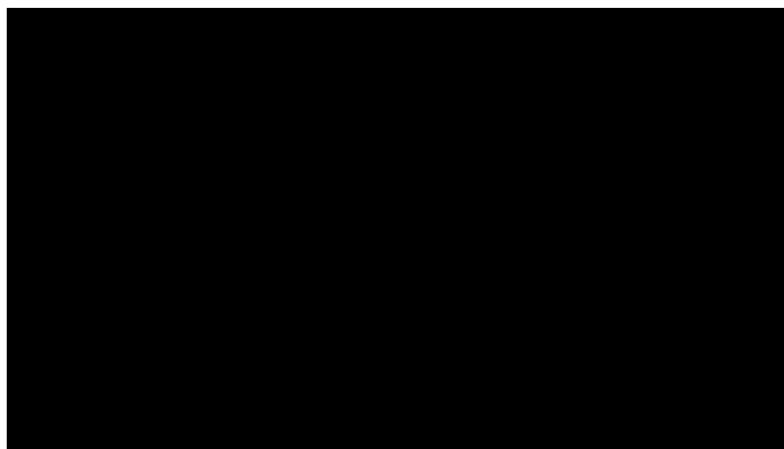
RISK CULTURE AND RESILIENCE

STRATEGY v CULTURE

- “Culture eats strategy for breakfast.”
- Culture underpins organisational resilience
- People are most important asset
- Sense of community
- Discretionary effort

BENEFITS

- More prepared to deal with risk
- “Business as usual”
- Understanding and application of risk appetite
- Assessing risk in volatile or changing environment
- Familiarity with risk-based approach to decision making





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