

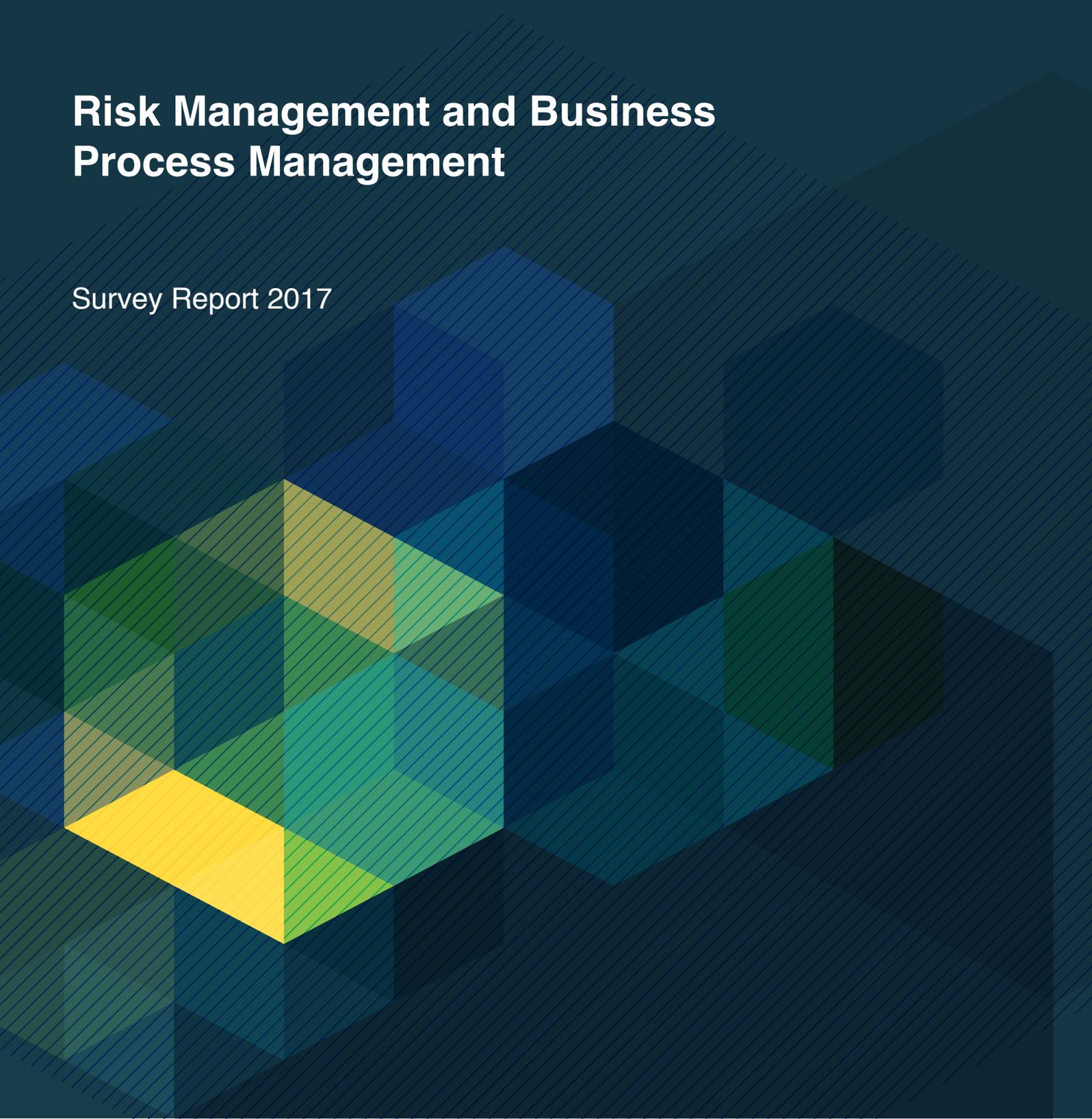
Survey Partners

iGrafx®

exec survey

Risk Management and Business Process Management

Survey Report 2017



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Acknowledgements

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The Survey

The ability to manage business risk is crucial for UK businesses today, particularly in light of the various challenges faced, from reducing costs and boosting efficiency through to meeting data compliance duties and customer expectations. The upcoming introduction of GDPR presents its own unique challenges and there are universal concerns as to what percentage of organisations will actually be fully prepared for its roll out in May 2018. It is crucial that risk management is considered by organisations as part of the core plan to prepare for GDPR from the individual's aspect but is this really the case?

With this in mind, our latest study in partnership with iGrafx considered how organisations are currently managing risk and the plans they have in place to meet the aforementioned challenges going forward.

Our survey considered the following:-

- The level of importance placed on risk related to current business processes and systems
- The significant challenges to effective management of risk
- How organisations currently monitor risk and how this aligns to their business strategy

Following extensive review, we have now collated the resulting outcomes and the following report contains a summary of our key findings.

About iGrafx

iGrafx business process management and analysis solutions empower organisations to achieve maximum performance. iGrafx captures and communicates the alignment of strategy, people, processes and technology, and unites the entire organisation around delivering business value. iGrafx delivers strategic and operational decision support to enable our customers to become and remain world class competitors.

For over 20 years, iGrafx products and services have been helping companies of all sizes across the globe manage their processes and optimise their business.

Survey Methodology and Respondents Profile

This survey was conducted by Exec Survey in collaboration with iGrafx. The project ran from Tuesday 20th June 2017 to Wednesday 12th July 2017.

Survey respondents represented a broad cross-section of roles across the private sector. This included: Chief Executive, Chief Operating Officer, Head of Corporate Risk, Project Director, Financial Controller, Project Manager, Risk Manager, Health and Safety Manager, Service Manager, Quality Manager, Contracts Manager, CRM Manager and Quality Assurance Manager.

99 individuals from 98 unique organisations participated in the survey, each of whom will have received a complimentary copy of the findings report. There was no inducement to take part in the survey, and iGrafx was not introduced as the survey partner.

The results displayed throughout this report are based on those who fully completed the questionnaire and are displayed as a percentage of this group, unless explicitly stated otherwise.

Key Findings

50% of organisations stated their processes and systems vary between departments and therefore find it difficult to have complete visibility of any potential risks

Just two-fifths of organisations believe they have complete visibility despite over 90% considering risk management to have high or mid-level importance within their organisation. 6% of participants stated their current business process management approach does not pay any notable attention to risk, which can leave them open to problems.

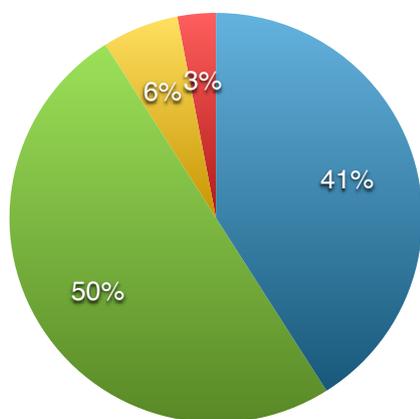


FIGURE 1: Which of the following best describes how your organisation manages business risk?

- We have complete visibility over all our business processes and systems so can identify potential risks as and when they arise
- Our processes and systems vary from department to department, so we find it difficult to have complete visibility of any potential risks
- Our business process management approach does not pay any notable attention to risk, when can leave us open to problems
- Other - please specify

A quarter of organisations do not currently have a risk monitoring system in place

3% of organisations could not confirm either way and of the 72% who answered Yes, 30% have no organisation-wide integrated system. However, it is encouraging to see that a further 15% of organisations have plans to do so.

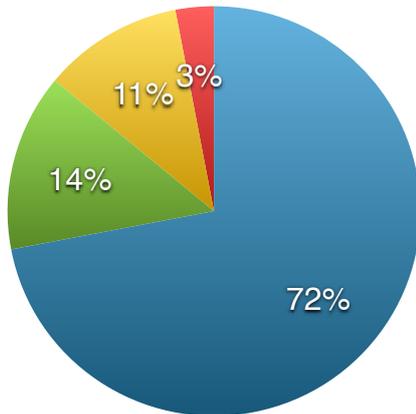


FIGURE 2: Does your organisation currently have a risk monitoring system associated with the business processes you have in place?

- Yes
- No
- No, but we have plans to do so
- Don't know

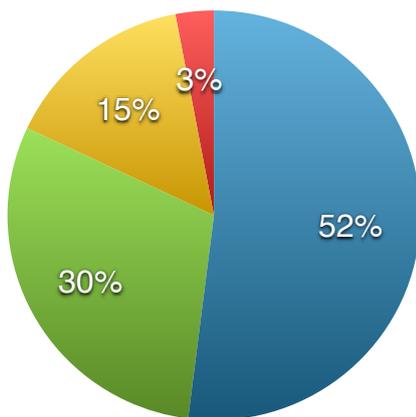


FIGURE 3: If so, is this system integrated organisation-wide?

- Yes
- No
- No, but we have plans to do so
- Don't know

62% of organisations don't believe their organisation currently understands the full ramifications of GDPR and what it means for managing risk

Of this group, two-fifths are currently looking into this so the picture depicted may not be so bleak were we to survey the same audience in six months' time. More worrying is the fact that of those who understand the ramifications, a third of participants could not confirm they would be ready to meet the new compliances by May 2018.

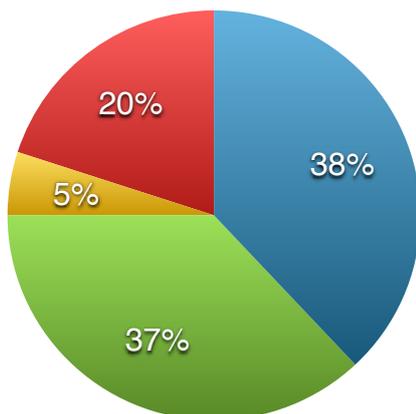


FIGURE 4: Do you think that your organisation understands the full ramification of GDPR and what it will mean for the management of risks?

- Yes
- No
- No, we are looking into this area
- Don't know

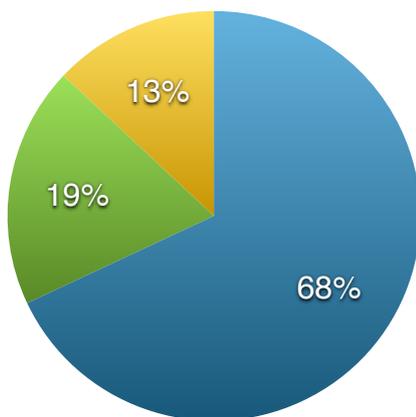


FIGURE 5: If so, do you feel ready to meet the next compliances by May 2018?

- Yes
- No
- Don't know

This is interesting given more than seven out of ten organisations have a dedicated team who oversee compliance issues within their organisation. However, a fifth of organisations stated that with the rise in legislation, they find it challenging to keep on top of it and remain compliant.

Moreover, a fifth of organisations also say they struggle to get buy-in, which inhibits success. Of the 20% who answered No to being prepared for GDPR, examples of plans they have in place to rectify this include seeking help from a third party organisation, internal reviews and roll-outs of GDPR-specific programmes of work, and senior management discussions.

76% of organisations surveyed have plans to review their current risk management approach in the next twelve months.

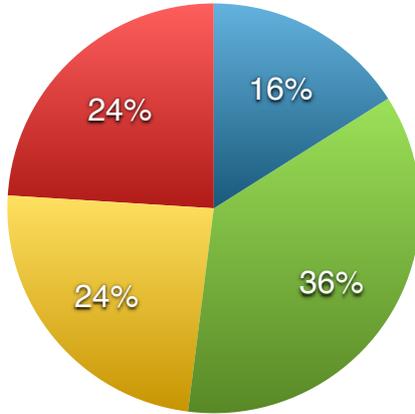


FIGURE 6: Does your organisation have plans to review your current risk management strategy/approach?

- Yes, immediately
- Yes, in six months
- Yes, in twelve months
- No

Conclusion

by Stefan Hessenbruch, Director of Customer Success at iGrafx

The results of this survey and the challenges it highlights for organisations today working hard to manage risk, align very closely to the feedback iGrafx has received from customers in recent years. It was not surprising therefore to see that more than half of organisations surveyed find it difficult to gain complete visibility over risks, and that over 60% of organisations don't have full confidence in their ability to meet their obligations under the upcoming GDPR and the need to mitigate risks.

So why is it so difficult for organisations to overcome these challenges? And once overcome, how do organisations equip themselves to deal with new challenges, such as constantly changing regulations, as and when they arise in a timely manner?

There are five areas we see as the key challenges companies face around regulation and risk and these are: Governance, People, Process, Data & Safety.

- **Governance:** Consider what measurements should be in place, how to apply them in activities, standards and values and constantly improve.
- **People:** You and your staff must understand the risks and effects if data were used inappropriately. Recognise the importance and requirements of upcoming regulations.
- **Process:** What's the impact from the regulations and how can you make the necessary changes? Could you foresee the complex effect it brings?
- **Data:** Understand how you are interacting with customers, third parties and secure the data exchange with them. Create the transparency and trust required.
- **Safety:** The foundation of data protection rights. From protection of security and confidentiality of personal data to appropriate use and access.

To face these challenges, we would recommend emphasis is placed by organisations on making processes transparent and subsequently linking these with requirements and controls. Equally important is the need to standardise operational processes. Through this, organisations can identify ownerships and responsibilities while linking their processes to risks and controls. This subsequently allows you to get an overview of relationships, and can better report back on risks and gap analysis.

The ability to address all current and future challenges as well as risk control has never been more important.

With the web-based iGrafx BPM solution, we can provide organisations with the ability to centrally control data rather than host data in non-connected systems. Our solutions also allows organisations to identify and mitigate process risk, ensure they are compliant and crucially, are prepared for upcoming audits. The benefits of minimising risks, increased

transparency and timely reporting are what make your organisation competitive and ahead of the changing regulations.

For more information and advice on how to be one step ahead when it comes to managing regulation changes, [visit our website](#) for more information.

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Appendix 1: Full Survey Questions

Question: Which of the following best describes how your organisation manages business risk?

Answer	Percent
We have complete visibility over all of our business processes and systems so can identify potential risks as and when they arise	41%
Our processes and systems vary from department to department so we find it difficult to have complete visibility of any potential risks	50%
Our business process management approach does not pay any notable attention to risk, which can leave us open to problems	6%
Other - please specify	3%
Don't know	0%

Question: In your opinion, what level of importance is placed by your organisation on managing risks related to business processes and systems?

Answer	Percent
High level	51%
Mid-level	39%
Low level	9%
Not important	1%

Grid Question: In your opinion, which of the following do you view as significant challenges to effective management of risk in your organisation? Please rate each from 1 to 5, where 1 is a significant barrier and 5 is not a barrier.

Limited visibility and control over applications/platforms

Answer	Percent
1	3%
2	21%
3	34%
4	30%
5	12%

Device-based security concerns

Answer	Percent
1	3%
2	16%
3	26%
4	39%
5	16%

Lack of system integration organisation-wide

Answer	Percent
1	10%
2	26%
3	30%
4	28%
5	6%

Lack of collaboration and team-working

Answer	Percent
1	6%
2	24%
3	33%
4	22%
5	15%

Inability to streamline processes

Answer	Percent
1	7%
2	23%
3	32%
4	30%
5	8%

Limited skills and expertise of staff

Answer	Percent
1	7%
2	22%
3	20%
4	27%
5	14%

Impact on user satisfaction

Answer	Percent
1	5%
2	18%
3	36%
4	26%
5	15%

Cost implications

Answer	Percent
1	9%
2	29%
3	30%
4	21%
5	11%

Efficiency savings

Answer	Percent
1	3%
2	17%
3	37%
4	27%
5	16%

Lack of management buy-in

Answer	Percent
1	9%
2	22%
3	22%
4	30%
5	17%

Question: Does your organisation currently have a risk monitoring system associated with the business processes you have in place?

Answer	Percent
Yes	72%
No	14%
No - we have plans to do so	11%
Don't know	3%

Question: If you said Yes, is this system integrated organisation-wide?

Answer	Percent
Yes	52%
No	30%
No - we have plans to do so	15%
Don't know	3%

Question: Which of the following best describes your current risk and control model?

Answer	Percent
Very good	12%
Good	37%
Adequate	33%
Not very good	12%
We don't have one	5%
Don't know	1%

Question: Do you think that your organisation understands the full ramifications of GDPR and what it will mean for management of risk?

Answer	Percent
Yes	38%
No - we are looking into this area	37%
No	5%
Don't know	20%

Question: If you said Yes, do you feel ready to meet the new compliances by May 2018?

Answer	Percent
Yes	68%
No	19%
Don't know	13%

Question: How often does your organisation conduct risk management compliance audits?

Answer	Percent
Weekly	5%
Monthly	28%
Annually	26%
Adhoc, as and when identified	26%
Don't know	9%
Other - please specify	6%

Question: Do you have a team dedicated to overseeing compliance issues within your organisation and also monitoring industry changes?

Answer	Percent
Yes	73%
No	19%
No, we have plans to do so	6%
Don't know	2%

Question: How aligned is this function with your organisation's business strategy?

Answer	Percent
Compliance officers/teams play an integral role	54%
We have not got a dedicated compliance function so there are often information gaps or inaccurate reporting	15%
We have a dedicated resource but we do experience a lack of buy-in, which inhibits success	18%
Don't know	8%
Other - please specify	5%

Question: Which of the following best describes how you currently manage risk associated with business processes and systems, and remain compliant? Please tick all that apply.

Answer	Percent
Risk and compliance reports are considered at Board Level and form a core part of our ongoing development of processes and systems	64%
With the rise in legislation, we find it challenging to keep on top of it and remain compliant	21%
The lack of integration of our systems makes it difficult to deliver accurate audit reporting	17%
The lack of dedicated compliance function leaves us relying on individual departments to monitor risk, which can lead to a disjointed approach	19%
Other - please specify	5%
Don't know	4%

Question: Does your organisation have plans to review your current risk management strategy/approach?

Answer	Percent
Yes, immediately	16%
Yes, in six months	36%
Yes, in twelve months	24%
No	24%

Appendix 2: Participating Organisations

A.S. Watson	Mclaughlin & Harvey
ABP	Micro Focus
Alliance Trust	Millbrook Proving Ground
Arbuthnot Latham	Molson Coors Brewing
Atlas Copco	Motor Insurers Bureau
Axiom Manufacturing Services	Movianto
Balfour Beatty	Moy Park
BAM Nuttall	MWH Treatment
Barchester	N. M. Rothschild
Beck & Pollitzer	Neopost
Bellrock Property & Facilities Management	Norgine
Birmingham Airport	Northern Ireland Water
Bodycote	NRS Healthcare
BooHoo.com	Oscar Mayer
Bovis Homes	Paypal
Bridgnorth Aluminium	Pollard Boxes
BT	Port Of Dover
Caffyns	Prezzo
Cala	Principal Hayley
Center Parcs	Produce World
City Refrigeration	Rank Group
CooperVision Manufacturing	Reed Elsevier
Daisy Group	Rico
Deborah Services	Ricoh
Dialog Semiconductor	Ringway
Duresta	RS Components
Electricity North West	RSA Insurance
Farrer & Co	Saffron Building Society
FES Ltd	Scott Bader Company
Finally Beverages	Sellafield
Freeths	Serco
Granada Learning	Servest
Grontmij Group	Shawbrook Bank
Harpenden Building Society	SIBCAS
Heathcoat Fabrics	Skanska
Hmg Paints	Spar
Homeserve	Stroma Group
International Personal Finance	Tenmat
Ipsos Mori	TES Global
Isleburn	The Edrington Group
James Walker	The Russell Group
Johnsons Apparelmaster	Trend Control Systems
Kelvin Hughes	UK Power Networks
Landis & Gyr	Unicom
Ledwood Mechanical Engineering	Vertu
Lend Lease Construction	Vestey Foods
Lexia Solutions Group	Vita Cellular Foams
Lucite International	WDFC
Mabey Hire	Wrights