

Institute of Risk Management Switzerland Regional Group

Tuesday, 18 September 2018 **“Annual Risk Culture”** event
@ Haus zum Rüden, Limmatquai 42, 8001 Zurich.

Synopses

Presentation 01

“Harnessing the Risk Agenda for strategic success.”

By **Alison Bewick**
Head of Risk Management
Nestlé.

Presentation 02

“How to build a sustainable competitive advantage through Risk Culture?”

By **John Pottage**
Managing Director & Head of Business Risk Competence Centres,
UBS Global Wealth Management.

Synopsis.

Since the global financial crisis, regulators and firms have focused more and more on "culture". Many questions arise, for example: what is risk culture, what is a good risk culture, how do you know what your culture is and more importantly, how do you change it? Is this just another "risk" initiative or does it create value for the firm and for the customers?

An effective risk culture occurs when risk considerations are appropriately and proportionately embedded in each decision: firms neither obsess about risk nor treat it as a separate topic.

Why is this so difficult to achieve? There are many answers: cognitive biases, incentive systems, conflicts of interest, human fallibility / human nature.

So what can be done? Any cultural change starts with "tone from the top" but needs much more – accountability, effective supervision, right incentives, an environment of asking questions, challenging and speaking up. These are key topics you have to get right.

Finally, why does this create a competitive advantage and how is it sustainable?

Presentation 03

“The power of data and technology in Financial Crime prevention.”

By **Nicola Passariello**

Market Specialists Manager Continental Europe, Governance, Risk & Compliance at **Thomson Reuters**.

Companies have a wealth of information at their fingertips; they know their customers and keep records on their transactions. Companies are embracing new technologies and artificial Intelligence to better leverage data in a predictive way and to build effective internal controls in order to counter new risks.

Understanding data and using cutting-edge technology provide the ground for humans to invest time and intelligence in designing proper safeguards in a risk dynamic environment. Risks are continuously changing (fraudsters tend to learn and outsmart the system) whilst controls are often outdated.

Data is the fuel that feeds the information systems of every organisation and its accuracy, reliability, objectivity and relevance are critical to help employees make informed and timely decisions. Everyone in the organisation is accountable for preventing and detecting fraud and bribery risks and an effective information workflow is the backbone that can provide a competitive advantage over peers.