

Minutes- Special Interest Group on Innovation

Thursday 26th September 2019 @16:30

IRM HQ Sackville House, Fenchurch Street, London

ITEM	AREA/ISSUE OF DISCUSSION	ACTION OWNER
ACTIONS	<ul style="list-style-type: none"> • All attendees to complete survey https://www.surveymonkey.co.uk/r/IRMresiliencesurvey and to invite their network of risk professionals to complete • IRM to send a reminder to all SIG members to complete the survey and to include in the event link. • Martin Massey and Rodrigo Souza to confirm his attendance in November to the metric-stream event 	<p>All</p> <p>SM/MT</p> <p>Martin Massey / Rodrigo Souza</p>
1 Introduction and Welcome	<p>Attendees:</p> <ul style="list-style-type: none"> • Mark Turner (out-going Chair) • Sheila Milbourne • Sue Falconer • Martina Smyth • Martin Massey • Julien Kirkman-Page • Stephen Cresswell • Michael Porteous • Clive Martin • Rodrigo Souza (in-coming co-Chair) • Katherine Scanlan • Syed Luqman <p>Apologies for absence:</p> <ul style="list-style-type: none"> • Mark Boulton • Clive Thompson • Sonja Folarin • Sarah Gordon (in-coming co-Chair) 	Mark Turner
2 Minutes	Minutes of the previous meeting in July were reviewed and agreed as an accurate account of the event.	Mark Turner

<p>3 Resilience Project update</p>	<p>An update was given that on the day following the SIG the IRM will include details of the survey to be completed in the IRM newsletter (27th September). To date, RS has received only 2 completed surveys and he has interviewed 6 board members.</p> <p>All attendees agreed to complete the survey and to cascade to other risk professionals to progress the project.</p> <p>Martin Massey pointed out that the Financial Services regulator (PRA / Bank of England) is focussed on “resilience”. The discussion paper DP118 pdf version is available from the PRA website: https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/discussion-paper/2018/dp118.pdf</p> <p>The process will be for the PRA to take commentary from the industry and then issue a final paper with rules and guidelines to be adopted within a set number of months for those bound by the regulator.</p> <p>Michael Porteous commented on Cyber risk as the most significant threat, where Cyber risk is an external risk and IT an internal risk, and that organisations are required to limit the frequency and severity of systematic attacks throughout their supply chain. Cyber resilience requires attention.</p> <p>SM has also been advised of the following from the PRA Bank of England, relevant to the above comments related to Cyber Resilience in the financial sector: https://www.bankofengland.co.uk/news/2019/september/boe-sector-resilience-exercise?utm_source=Bank+of+England+updates&utm_campaign=b7ee76c195-EMAIL_CAMPAIGN_2019_09_27_09_43&utm_medium=email&utm_term=0_556dbefcdc-b7ee76c195-111030065</p>	<p>Rodrigo Souza (RS)</p>
<p>4 Judgement and Risk Resilience</p>	<p>Stephen Cresswell delivered a presentation on “Judgement and Risk Resilience” for large project adaptation. A copy of the presentation accompanies the meeting minutes.</p> <p>Calibration is applied to general knowledge quizzes and the individual, team and group judgement of their confidence is explored and improved through the training. By being able to develop an expression of confidence there leads to more accuracy in project forecasting, with links to risk appetite.</p> <p>The use of the survey versus a workshop approach was discussed and each have the merits. One in increasing the individual’s understanding of how the assess within a project, whereas the other can be shaped by dominant individuals.</p> <p>It was recognised that in general terms Finance managers work to precise values, whereas Risk Managers will consider a range of values. By having the incorrect value as a start point and then adding layers of forecasting, it is most unlikely that the true outcome will be forecast within the project parameters of time, cost and quality.</p> <p>By training subject matter experts within the project and the project managers the outcome is expected to be better project forecasting.</p>	<p>Stephen Cresswell (SC)</p>

	As this is being tracked against very large projects which typically are running for a minimum of 7 years the evidence in yet to be fully realised. However, SC was able to indicate that through training most people improved their score in the utilised test.	
5 October RIG/SIG Conference	<p>The project workshop will take place at the 14th October conference: 9am registration, ending around 15:30; hosted by PWC in Birmingham on 14th October. Attendance is free to IRM members. To date 55 attendees have signed-up and there is capacity for 70.</p> <p>The conference brings together three SIGs with the Midlands RIG. This is a milestone achievement by MT.</p> <p>The agenda includes topics presented by: Ben Pithouse of Warwick University; Greg Lawton of nodes and links; Anita Singh of Network Rail Sarah Christman and Darius Mayhew of ERM Banking SIG; as well as MT and RS workshopping on Resilience.</p>	
6 Chair succession plan	<p>MT has been in office since April 2016 and the usual tenure is 3 years after which the chair is expected to 'rotate'. MT has worked with Clive Thompson to find a suitable replacement and are proposing the RS and Sarah Gordon jointly co-chair from the next meeting. No objections were raised.</p> <p>MT spoke of the changes achieved by the Innovation SIG in the last 3 and a half years, how the membership and meeting attendance had grown, how levels of diversity had been achieved not just in gender, but by geographical location with the ability for meetings to be attended virtually. MT also commented on the bonds that have been built with other SIGs and now RIGS which have strengthened the overall offering and spoke of the tangible outputs delivered.</p> <p>MT thanked Varinder Jassal and Sheila Milbourne (SM) for their support as secretaries to the SIG. SM is happy to continue in the role supporting the in-coming co-Chairs. MT will remain an active member of the SIG.</p> <p>Looking ahead the co-chair approach will offer a further dynamic. Julien Kirkman-Page lead the thanks to MT for his work over the years in tenure, which was supported by all attendees. RS, as in-coming co-Chair, thanked MT for his contribution and ongoing support.</p>	
7 Plan for 2019 and 2020	<p>For the next meeting all attendees were invited to suggest topics for the 2020 project.</p> <p>Previous project topics addressed by the SIG include:</p> <ul style="list-style-type: none"> • Artificial Intelligence • Reputational Risk • Horizon Scanning and • Risk Management Tools 	
8 AOB	<ul style="list-style-type: none"> • Sarah Christman the IRM / ERM Banking chair has requested an SIG member who contributed to the published Horizon 	

	<p>Scanning document to deliver at the Metric Stream event on 18-20th November. Martin Massey and RS showed an interest and will consider attending on behalf of the SIG.</p> <ul style="list-style-type: none"> • Clive Martin suggested that the Innovation SIG would be a credible forum and platform for “Best ideas on risk”. 	
<p>9 Date of Next Meetings</p>	<p>Meeting closed at 18:00 Thursday 5th December 2019 16:30 IRM offices, followed by a drink / social event, location tbc.</p>	<p>Sheila Milbourn e</p>