

Bumper Special Keele Forum Number

Firstly, I was sorry to hear that Sara Furegard, who was our initial link with the **irm** office, has left the Institute's service, my thanks go to Sara for all the work that she has done for the SIG. Also, I am grateful to the members who offered to help with the distribution - this issue comes to you courtesy of Nicolle Croft in the North of England, albeit still further delayed due to a damaged *floppy!*

Now that the holidays are behind us, it is time to get down to business with our packed Winter programme. The annual IRM Risk Forum report provides an apt starting point as my workshop theme recommended the first step for improving the *People Risk* situation within an organisation should be monitoring the reporting of information upwards by employees -

Before we go further, I would just remind members of our main theme over the early months of the Group - **Organisational culture and motivation, Communicating and Training (staff), Education (managers) and incentives.** This will evolve during the Winter as the information bank expands.

Keele Forum - last day 20th September 2006 - two Lectures and two "People Risk and Communications" Workshops

There were four main areas of interest to our Group that emerged:

- 1 Reporting
- 2 Incentives and discipline / training
- 3 Retention of the best staff (*NEW to our Arena*)
- 4 Culture of Ethnic & Overseas Groups (*NEW to our Arena*)

1 of 4 - Reporting

There was a general feeling that matters reported were in a general mindset of the "what the bosses wanted to hear" type; there were real problems with getting people to talk about dishonesty by others and many reports on other employees were "petty" e.g. *theft* of Company time for smoking breaks. **Anyone out there wish to make any comments here, please?**

The anonymous nature of reporting was a popular subject. Also, there were several references to the US standard – Sarbanes-Oxley on whistle blowing. It was felt that there should be structured reporting with standard YES/NO answers on a printed form, which could also avoid ambiguity. Further, as management were still felt to be remote from the “shop floor”, the assistance of Risk Champions in this respect was felt to be helpful.

The “no blame” culture was the one most in use, although there was also reference to a “just blame” culture. Also, basic HR functions were mentioned with regard to cultural core values, employees wondering “why are we here?” One delegate, actually said that they were in favour of texting instructions to workers by mobile phone to avoid having to engage them in conversation. In fact, I found some of the comment quite depressing, there was no mention of alternative tools such as “Group Suggestion Schemes”.

2 of 4 – Incentives and Discipline / training

Disciplinary action for not reporting had to be treated with some caution – different people had different views on what constituted a “near miss”. The conclusion would seem to be that the nature of an incident requiring reporting should be clearly specified in advance by management.

Both morning and afternoon sessions had people with experience of firms who offered incentive bonus schemes and could not in the end afford to pay them - with disastrous results. One delegate mentioned that an award of a Company Golf Umbrella had the desired effect. The answer here would seem to be “use incentive bonus schemes with caution, and the actual quantum should not be high.”

There was overwhelming support for training in small groups, with large “classes” being split up. One delegate extended this view into the decision making processing, indeed the afternoon lecturer said that there should not be “Risk Committees”, so small group interaction would appear to be popular as a way towards integrated RM thinking within an organisation in more than one context.

To conclude, it was felt that a good way to unite strongly divided factions, was if a “new enemy” came onto the scene. Clearly this is something that management would have to consider with great care if there was a the temptation for the new factor was to be artificially introduced!

3 of 4 – Retention of the Best Staff

One delegate was in a restructuring situation – these are of course quite common due to a range of needs such as downsizing and creating synergies. How do you retain the best people?

The view was that voluntary redundancies tended to encourage people with skills in demand by competitors to apply for attractive packages with the double effect of loss of service combined with short term cost to the employer who is then left with the less desirable workers. Compulsory redundancies of the latter had the correct outcome, especially when combined with “Golden Handcuffs” for the right people, but that route was both costly and a minefield - often there had been an over tolerant regime towards pointing out wrongs and poor performance in the past, making selection of those for the axe very difficult. The moral of the story would appear to be that there must be a fair, but firm, staff policy and you cannot expect it to always reap reward until it has ran for some time – so lets get Human Resource RM up and running now!

Two further questions were brought up under this heading: *“How do you recruit the best people”* and *“The best method of talent spotting for promotion”*. These are important and complex matters which I already had in mind for a later *NEWSLETTER* after many other issues had been covered by our Group, some of which will provide part of the answers as we go along.

4 of 4 – Culture of Ethnic and Overseas Groups

This one had to come into our orbit at some point. Indeed, I have recently seen an academic scenario where “socio-religious interpretations of risk” was included as part of RM education. I did put forward a view to the Workshops, but will restrict my reporting here to the delegate points only – **I would very much appreciate members’ input on this, so send your comments in, please.**

In outsourcing, it was felt that Asian call centres offered good value due to operatives all being graduates, but they only performed strictly to the rules set down by the outsourcer – it was further expressed that there could be language problems with dialects in Scotland and other places within the UK.

Caution was expressed with outsourcing to African countries, in view of local difficulties and working practices e.g. Ghana was cited as only having electricity for 8 hours per day, but greater detail of other difficulties was not forthcoming from the Workshop involved, mainly due to time running out.

A problem was reported by an insurance company delegate of a UK Asian underwriter who had to be investigated following information that indicated he

delegated everything to others. It transpired that he considered himself of to be of too high a caste to actually do the work himself.

German engineers were reported as naturally having excellent RM skills in the applications of their work.

Thought of the Month

One of the morning session delegates, who worked for an Inner London Health Trust, said that there were 117 languages spoken every day within the Capital. I put the case to you that whatever number he was given, that was only the official figure!

Two Additional Comments

A Disclosure (to insurers) of design was a theme of one of the speakers. This brought to my mind an old 1970s problem of motor fleet insurers declining claims from haulage contractors who had not disclosed that they were employing "Agency Drivers", who were a new concept in those days.

Should we be disclosing, to our insurers, certain types of employees who may present a threat today? **Are there any insurer/commercial broker members out there who could write in on this one, please?**

B Operational risk - crisis management. Another speaker comment, related to the role of Michael Bishop as chief executive of "British Midland", when he went on site at the crash they had on the M1 not long after the airline had been formed and answered questions for 27 hours - his act of integrity probable saved the fledging airline.

On the question of disasters, I mentioned the old "Herald" Ferry case, which I felt was well known to all, to see if there was any additional contribution from delegates - from a *People* point of view. The morning group gave me considerable grief, saying that this was purely operation risk management and not within the *People Risk* orbit. **How do members feel - where does *People Risk* end?** I put the case that it should go beyond pure HR risk, but where should the boundaries end? Especially in a crisis situation where *People* in control have to make instant decisions, that involve more *People*.

One of the morning group also brought up a contentious point - he introduced himself as an *ergonomist*-, he challenged one of my set premises that a person's misgivings influenced behaviour and errors. **Again, any comments out there, on workplace design (ergonomics) against preconceived misgivings as a cause of behaviour or error? Or do you think that it is a combination of both, if so, which**

is the most important? I would further say that is the ergonomic layout of an office a *Project* RM factor or a *People* one? You see the problem.

- AND TO CONCLUDE

The attendance of 5 delegates at each of the morning and afternoon workshops would appear disappointing – but I had said that I would be fully reporting the Forum in this *NEWSLETTER* and we were in direct competition with a number of other *People Risk* related Workshops, indeed I was pleased to see that two of our own members, Bernadette Walsh and Shaun Delaney were also involved as leaders.

For further information please refer to the **irm** website at www.theirm.org and look out for the Forum Workshop headers that are of interest to you.

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Should also be out during October and we will catch up on Members' replies and views held over.

ANY FURTHER COMMENTS IN THE MEANTIME, I will try and add them as soon as possible.

You know where I am:

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