



## Increased risk resilience

The nature of organizational risk has changed significantly over the last two decades and continues to evolve. Today's interconnected and uncertain world forces corporate teams to manage almost constant change. Risks that once seemed improbable and even remote have become common. Resilience is now an important organizational quality in an increasingly transient business landscape.

When a new corporate strategy is defined, it's impossible to envisage every potential obstacle that will arise before it is realized. Aside from unforeseen challenges relating to the project itself, there are countless external factors which can affect even the best-laid plans.

A further factor to negotiate is the constant and enduring change which characterizes today's operating environment. Corporate teams must navigate economic, social and technical risks in forms which didn't exist even a decade ago. Problem-solving ability is important to maintain project progress in spite of inevitable risks and setbacks. Organizations can optimize problem solving capability by implementing standards-based systems to support corporate teams.

By using standards across the business, it is possible to significantly mitigate risk in critical areas and improve response to unexpected events – whether the challenges are internal or external in origin. Many companies are also using standards-based scenario planning to get a

better understanding of global risks, inform new processes and foster a risk-aware culture. ISO 31000 is the international standard for risk management, designed to help organizations with all related analysis and assessment. It covers most business activities including planning, operations, safety and communication. Organizations benefit from improved efficiency, governance and stakeholder confidence, as well as better decision making and more proactive management.

These advantages combine to embed greater risk resilience at the heart of an organization, enabling corporate teams to improve problem-solving agility. Companies can also use standards to increase focus in specific areas. We've picked out some key issues for consideration.

### Cybersecurity risk

Organizations face a constantly evolving threat from cybercriminals looking to exploit security weaknesses. Human error is also a frequent cause of data breaches. Any kind of



cybersecurity incident can impact short, and long-term corporate performance.

Corporate teams can use ISO 27001 to build systems which bolster information security, reduce the likelihood of an incident, optimize response if one occurs and mitigate any resulting impact.

### **Safety and wellbeing risks**

Aside from the ethical responsibility every organization has to its employees, poor staff wellbeing presents a series of risks to corporate performance – affecting everything from talent retention to productivity and even overall reputation. Companies can use ISO 45001 to build an optimal working environment from a health and safety perspective. ISO 45003, which is under development, will focus on psychological health in the workplace.

### **Quality risks**

The quality of an organization's governance and output is a fundamental area for risk management attention. ISO 9001 is the world's most recognized quality management standard. As a wide-ranging and powerful business optimization tool, it helps organizations increase resilience and reduce risk by emphasizing continuous improvement, cost reduction and

sustainable management strategies.

### **Supply chain risk**

There are numerous risks in every supply chain. Unexpected events can lead to delays and extra costs as well as damaged relationships and reputations. Standards help build an awareness of supply chain risk, and provide a framework to improve strategic resilience, helping businesses anticipate and adapt to events. Internationally recognized standards, such as ISO 28000, help businesses build an understanding and awareness of their supply chain risks. These are just a few of the ways that standards can help increase organizational resilience and improve corporate problem solving. They are often the unsung means by which senior management teams implement their strategic vision – providing the practical tools and systems for change to occur. Standards give organizations the systemic agility to respond to setbacks and solve problems as they occur.

### **Summary**

- Today's corporate teams must manage almost constant change. Resilience is critical to maintain progress in spite of setbacks. Optimize problem solving capability by implementing standards-based systems which provide the agility to solve problems as they occur.



- Standards mitigate risk in critical areas and improve response to unexpected events. ISO 31000 is the international standard for risk management.
- Corporate teams can also use ISO 27001 to build systems which bolster information security, reduce the likelihood of a cybersecurity incident, optimize response, and minimize impact.
- Poor staff wellbeing risks everything from talent retention to productivity and overall

reputation. Use ISO 45001 to build an optimal working environment from a health and safety perspective. ISO 45003 will ensure employee mental health is optimized.

- The quality of an organization's governance and output is a fundamental area for risk management. ISO 9001 helps companies increase resilience and reduce risk by emphasizing continuous improvement, cost reduction and sustainable management.

For more information on our business improvement standards, visit:

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