MARIM CONFERENCE 2017
Risk & Resilience in a VUCA World

26 - 27 July 2017   Le Meridien Putrajaya

Panel Session 1: Riding The VUCA Wave

Suchitra Narayanan (Moderator)

Head of Risk and Insurance, Bumi-Armada Berhad

Panelists

Suhailah Mohamed Abdulla

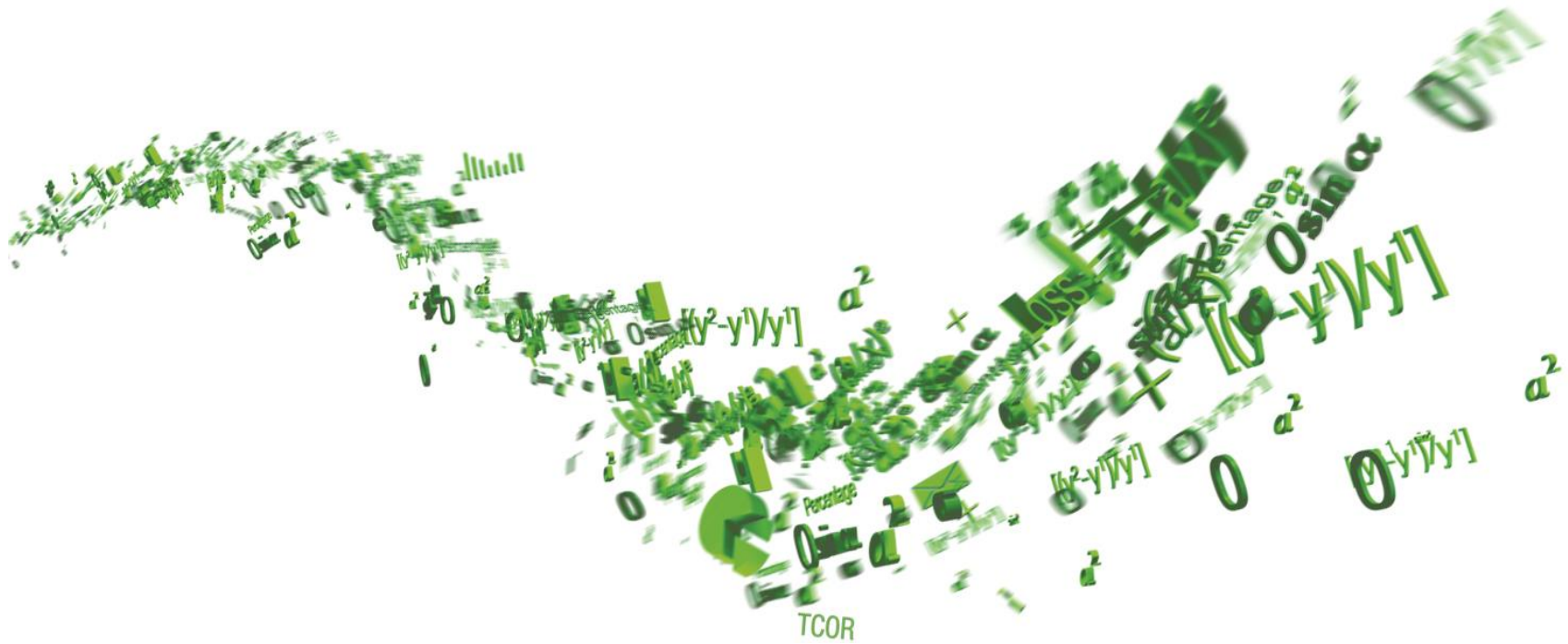General Manager Group Risk Management, Themes Attractions Resorts & Hotels

Nor Adila Ismail

Chief Risk Officer, PETRONAS
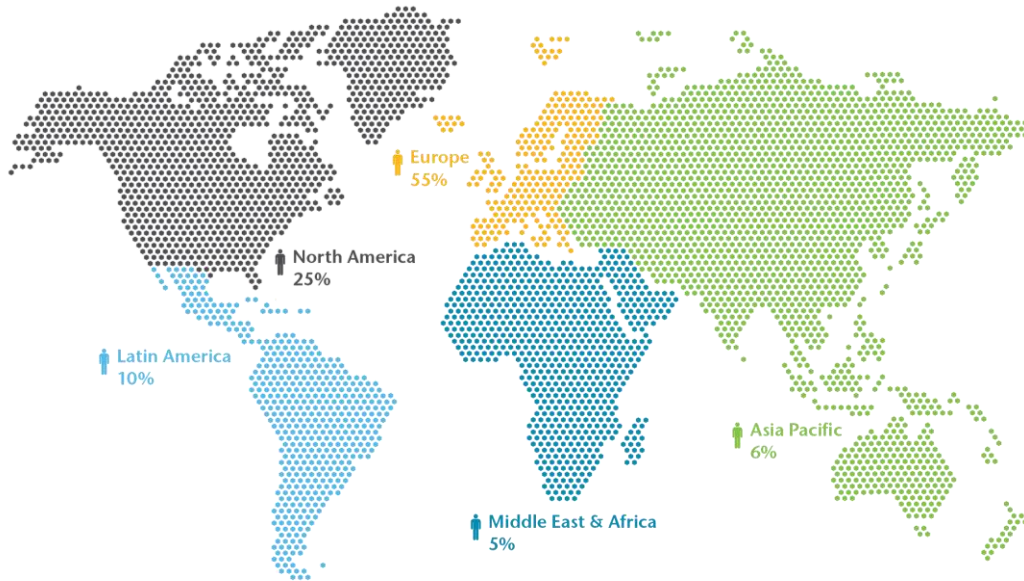
Neelay Patel

Executive Vice President, AON Risk Solutions
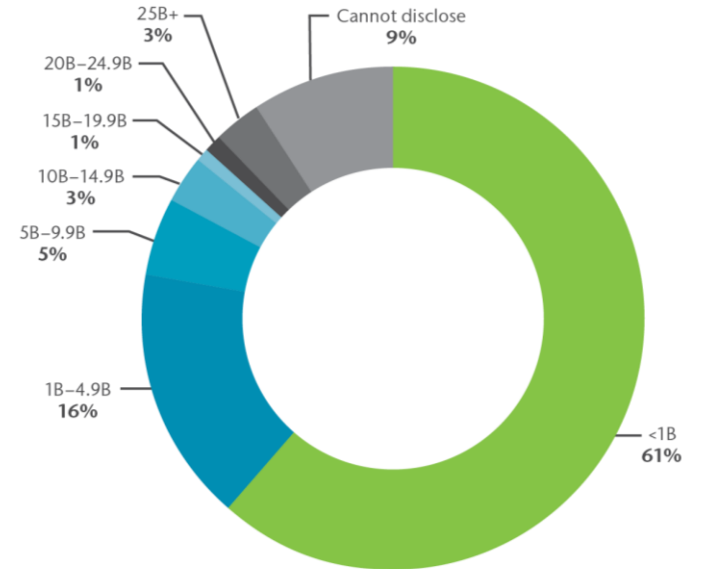
Global Risk Management Survey 2017

Prepared by Aon Risk Solutions

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Survey Respondents by Industry

Industry	Percent	Industry	Percent
Agribusiness	3%	Machinery and Equipment Manufacturers	3%
Aviation	1%	Metal Milling and Manufacturing	3%
Banks	3%	Non-Aviation Transportation Manufacturing	2%
Beverages	1%	Non-Aviation Transportation Services	4%
Chemicals	4%	Nonprofits	2%
Conglomerate	2%	Power/Utilities	6%
Construction	8%	Printing and Publishing	1%
Consumer Goods Manufacturing	4%	Professional and Personal Services	5%
Education	2%	Real Estate	3%
Energy (Oil, Gas, Mining, Natural Resources)	4%	Restaurants	1%
Food Processing and Distribution	3%	Retail Trade	4%
Government	3%	Rubber, Plastics, Stone, and Cement	1%
Health Care	5%	Technology	4%
Hotels and Hospitality	1%	Telecommunications and Broadcasting	2%
Insurance, Investment and Finance	7%	Textiles	1%
Life Sciences	1%	Wholesale Trade	4%
Lumber, Furniture, Paper and Packaging	2%		

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Survey Respondents by Region and Revenue

Survey respondents by region

- North America 25%
- Latin America 10%
- Europe 55%
- Asia Pacific 6%
- Middle East & Africa 5%

Survey respondents by revenue (in USD)

- <1B 61%
- 1B–4.9B 16%
- 5B–9.9B 5%
- 10B–14.9B 3%
- 15B–19.9B 1%
- 20B–24.9B 1%
- 25B+ 3%
- Cannot disclose 9%

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Survey Respondents by Region and Revenue

Survey respondents by number of employees

- 50,000+ **5%**
- 15,000–49,999 **9%**
- 5,000–14,999 **12%**
- 2,500–4,999 **10%**
- 500–2,499 **22%**
- 250–499 **11%**
- 0–249 **31%**

Survey respondents by number of countries in which they operate

- 50+ countries **10%**
- 1 country **40%**
- 2–5 countries **18%**
- 6–10 countries **9%**
- 11–15 countries **6%**
- 16–25 countries **7%**
- 26–50 countries **10%**

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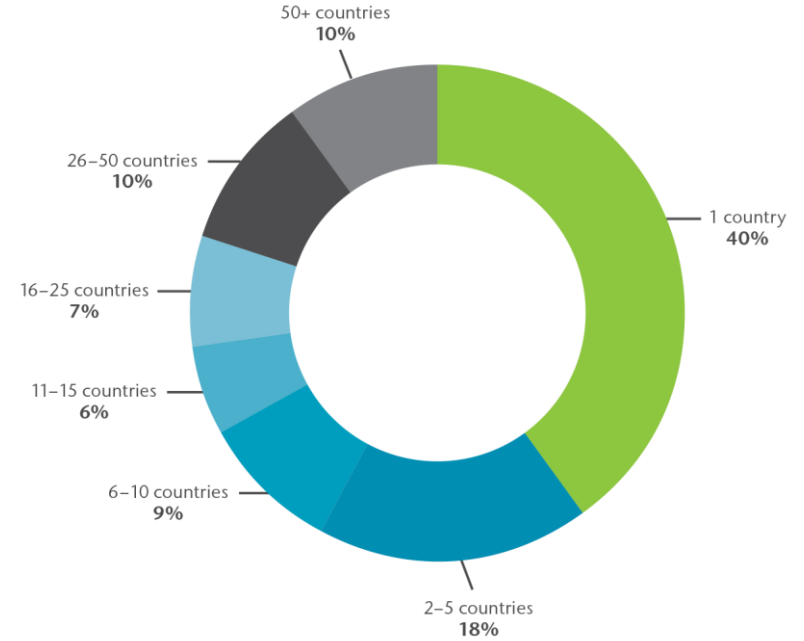
Global Risk Management Survey Risk Ranking

1 Damage to reputation/brand	**2** Economic slowdown/slow recovery	**3** Increasing competition	**4** Regulatory/ legislative changes	**5** Cyber crime/ hacking/viruses/ malicious codes	**6** Failure to innovate/meet customer needs	**7** Failure to attract or retain top talent	**8** Business interruption
9 Political risk/ uncertainties	**10** Third party liability	**11** Commodity price risk	**12** Cash flow/ liquidity risk	**13** Property damage	**14** Directors & Officers personal liability	**15** Major project failure	**16** Exchange rate fluctuation
17 Corporate social responsibility/ sustainability	**18** Technology failure/ system failure	**19** Distribution or supply chain failure	**20** Disruptive technologies/ innovation	**21** Capital availability/credit risk	**22** Counter party credit risk	**23** Growing burden and consequences of corporate governance/ compliance	**24** Weather/natural disasters
25 Failure to implement or communicate strategy	**26** Merger/acquisition/ restructuring	**27** Injury to workers	**28** Failure of disaster recovery plan/ business continuity plan	**29** Loss of intellectual property/data	**30** Workforce shortage	**31** Environmental risk	**32** Crime/theft/fraud/ employee dishonesty
33 Lack of technology infrastructure to support business needs	**34** Inadequate succession planning	**35** Product recall	**36** Concentration Risk (product, people, geography)	**37** Aging workforce and related health issues	**38** Accelerated rates of change in market factors and geopolitical risk environment	**39** Interest rate fluctuation	**40** Globalization/ emerging markets
41 Unethical behavior	**42** Outsourcing	**43** Resource allocation	**44** Terrorism/ sabotage	**45** Climate change	**46** Asset value volatility	**47** Natural resource scarcity/ availability of raw materials	**48** Absenteeism
49 Social media	**50** Sovereign debt	**51** Pandemic risk/ health crises	**52** Share price volatility	**53** Pension scheme funding	**54** Harassment/ discrimination	**55** Kidnap and ransom/ extortion	

Insurable	Partially Insurable	Uninsurable

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Top ten risks
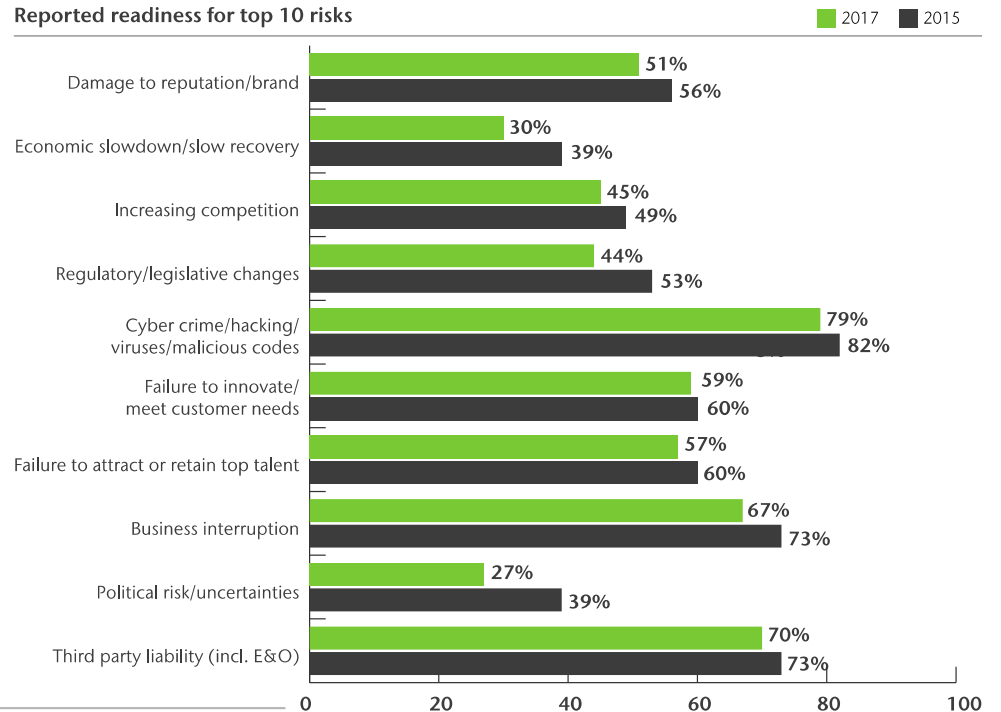
1   Damage to reputation/brand

2   Economic slowdown/slow recovery

3   Increasing competition

4   Regulatory/legislative changes

5   Cyber crime/hacking/viruses/malicious codes

6   Failure to innovate/meet customer needs

7   Failure to attract/retain top talent

8   Business interruption

9   Political risk/uncertainties

10   Third party liability (incl. E&O)

Risk readiness for top 10 risks

Q

For each of the 10 key risks identified for your organization please indicate whether a plan is in place or a formal review has been undertaken.

Reported readiness for top 10 risks

Legend: ■ 2017 ■ 2015

Risk	2017	2015
Damage to reputation/brand	51%	56%
Economic slowdown/slow recovery	30%	39%
Increasing competition	45%	49%
Regulatory/legislative changes	44%	53%
Cyber crime/hacking/viruses/malicious codes	79%	82%
Failure to innovate/meet customer needs	59%	60%
Failure to attract or retain top talent	57%	60%
Business interruption	67%	73%
Political risk/uncertainties	27%	39%
Third party liability (incl. E&O)	70%	73%

Axis: 0, 20, 40, 60, 80, 100

Average reported readiness for top 10 risks by region

Region	2017	2015	2013
Asia Pacific	66%	64%	63%
North America	63%	69%	60%
Europe	47%	58%	55%
Latin America	46%	57%	55%
Middle East & Africa	58%	68%	75%

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