

Risk Management Made Simple **Advisory**

Welcome to the FREE Online Newsletter about **Systematic Risk Management**
for **executives** and **management professionals**
from **Risk Wise Inc.** and **Diana Del Bel Belluz**

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BONUS RESOURCE: Learning to Lead in the 21st Century

By Diana Del Bel Belluz, M.A.Sc., P.Eng.

Will your organization survive over the long-term?

We all like to think the answer is “yes”. Yet, every year, there are companies that drop off the Fortune 500 list, worthy nonprofits that cease to exist, and government agencies that are severely cutback or closed. **Why do seemingly good organizations fail to endure?**

Sometimes an organization collapses because its leaders fail to recognize and accept that the ground on which the business was built had shifted underneath them. Other times it's because the company's response to the shifts in its business environment is too little and/or too late.

It's a stark reminder that none of us is immune to the forces of change and **it is dangerous to let your attention be completely dominated by what is happening internally** in your organization.

Your organization's chances of survival decrease dramatically if you aren't properly monitoring your business environment.

Two prerequisites of adaptability and resilience

(the healthy risk culture traits that I cover in this month's [Feature Article](#)) are:

- **timely knowledge about how your business environment is changing**, and
- **an understanding of the implications of those changes** for the viability and **success of your corporate strategies**, and ultimately for the survival and **sustainability of your organization**.

Given the pace of change in today's world, leaders and employees need to be constantly studying their business environment to **gain advance warning of shifting conditions** and to **develop solid responses before those shifts turn into seismic shocks**.

In the following excerpt from an interview for a series on **Leading in the 21st Century**, **Larry Fink, Chairman and CEO at BlackRock**, shares his insights about the

importance of continually monitoring your environment for changes and using what you learn to adapt yourself and your business to keep pace with those changes.

*"I gave a speech to our new incoming class of 230 young hires just yesterday—I said to them, "Here I am running this company not quite 25 years. And **I still spend an hour a day studying the world and the markets.**" And if it's not an hour, it's an hour and a half a day.*

*I'm still a student. I am still learning today as much as I was learning 36 years ago when I started in this business. So our job globally is about investing. And it's about transfer of information to our clients. Our job is to provide risk-management services to clients. So that means **you have to be current. You have to be up to speed. You have to be responsive.***

*So whether you're in HR, legal, operations, or technology, if you don't understand the world and the markets, you're not connecting with the firm. **So it is imperative that all of us worldwide take the time to be that student.** That's the most important lesson I've learned by watching other firms. They actually forget that **their job has to evolve and change all the time**, and that what worked in the past may not work in the future. In my view, if you don't believe you're learning, **if you're not a student, you're probably going backward.** ...*

***It is really important to evolve with the world. And if you don't, you're going to fail.** As you watch how so many companies have failed, they may have been very good with one product for one moment. But they didn't monitor the evolution of that product or the evolution of that information and thus did not adapt fast enough and became irrelevant—or else their product became irrelevant."*

Source: **Leading in the 21st century: An interview with Larry Fink**, by Bill Javetski, McKinsey & Co, 2012.

Upcoming Events and Special Offers*

- **WEBINARS:** The *Nonprofit Risk Management Center* is hosting a series of three webinars on **Governance and Risk Oversight**. All three webinars are co-presented by the Center's **Melanie Lockwood Herman** and **Diana Del Bel Belluz** of *Risk Wise*. (The recording of the first webinar on **Risk Oversight** is now available).
 - **Risk Aware Boards** on **July 7, 2014**. The webinar will explore the topic of governance risk. What risks arise from the work of board? How does the responsibility of a nonprofit board differ from that of a for-profit board? What steps are recommended to engage the board without frightening members and encouraging risk-averse positions or policies? By the end of this webinar you'll have the insight needed to empower your board to identify and manage the risks that arise from its work.
 - **Teamwork is Job One** on **November 3, 2014** - A common mistake in nonprofit risk management is delegating responsibility to a single staff member or volunteer. Attend this webinar to learn why an interdisciplinary approach to risk identification is vital, and how a team comprised of players from every level in the organization is the most effective driver for sound risk management. By the end of this webinar you will have the tools you need for the risk management and risk oversight functions in your organization.
- **CONFERENCE: 2014 Intergovernmental Forum on Risk Management. The Conference Board of Canada** will present this event on **October 1-2, 2014** in **Ottawa, Ontario**.

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* For details on these and other events and offers, visit: <http://www.riskwise.ca/events.html>

About Us



Diana Del Bel Belluz
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Diana Del Bel Belluz, M.A.Sc., P.Eng., is a risk management advisor who **helps executives in complex organizations to implement systematic and sustainable risk management practices**. Since 1990, Diana has been doing **leading-edge risk work** for a wide range of organizations in the corporate, government and nonprofit sectors.

In addition, Diana **advances the field of risk management** by **teaching** university courses and management training seminars, **speaking** at conferences and **authoring** publications on a wide range of risk management topics.

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