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1. Risk management and global risks
2. Amazon's supply chain (in brief)
3. Identification and evaluation of risks
4. Risk response strategies and action plans

Q&A

# Identify the most severe risks on a global scale over the next 10 years *Source: World Economic Forum Global Risk Perception Survey, 2021-2022*



Scars of COVID-19

Looming debt crises

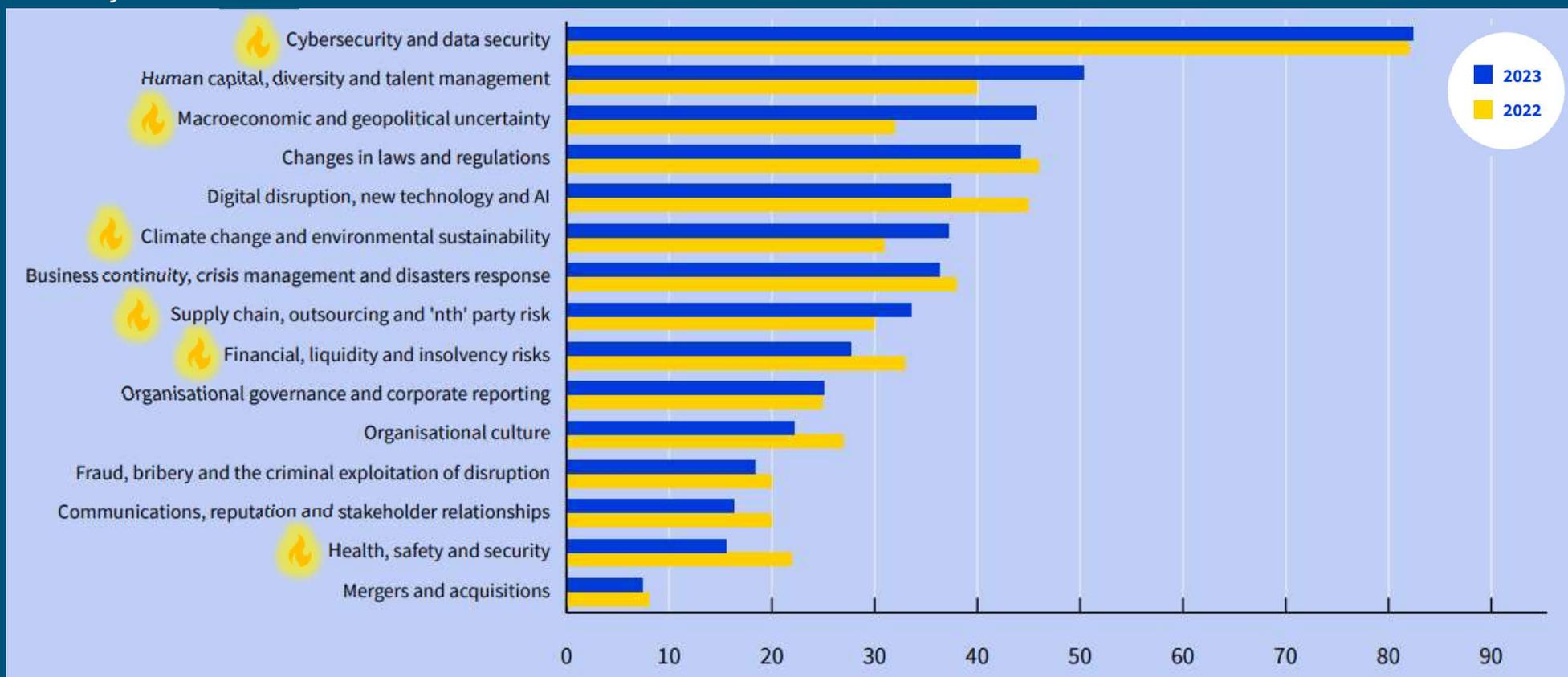
The planet cannot wait

Connectivity blind spots

Growing rivalries

# What are the top five risks your organisation currently faces? *Source: ECCIA,*

*Risks in focus 2023*



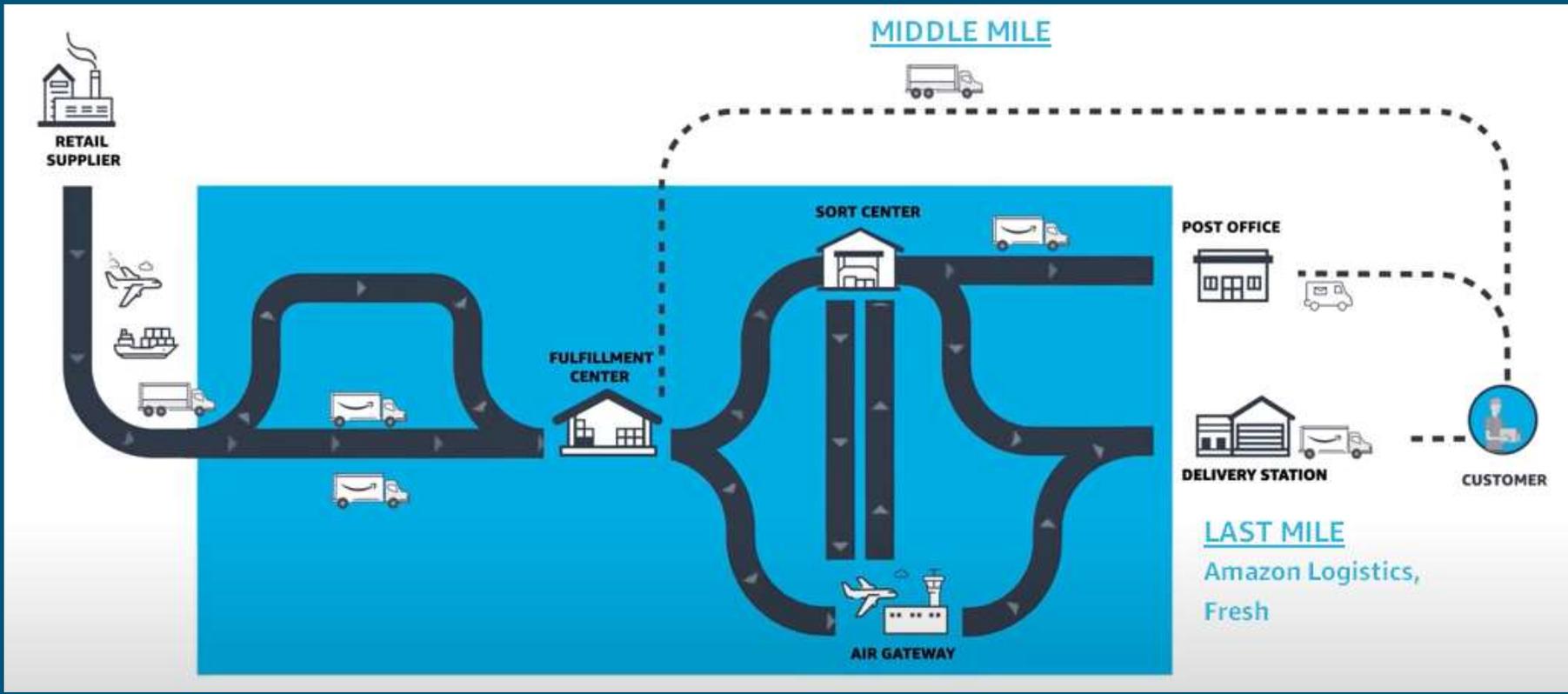
*Other sources: European Supervisory Authorities, Autumn 2022 joint risk report OECD, Economic Outlook - Interim Report September 2022*

Are we all doomed then?

*“Surf on a tsunami wave”*



# Amazon's supply chain (in brief)



Risk is «the **POSSIBILITY** of an event occurring that will have an impact **ON ACHIEVEMENT OF OBJECTIVES**.  
Risk is measured in terms of **IMPACT AND LIKELIHOOD**»

*Ref: The IIA glossary*



Risk Management is «a process to **IDENTIFY, ASSESS, MANAGE, AND CONTROL POTENTIAL EVENTS** or situation to provide **REASONABLE ASSURANCE** regarding the achievement of the organization's objectives».

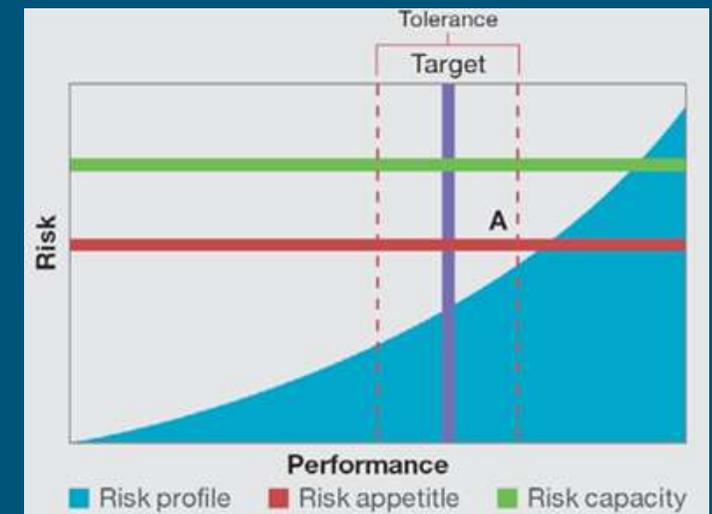
*Ref: The IIA glossary*

**IDENTIFICATION:** e.g. interviews, technical analysis, survey and questionnaires, data analytics, SWOT (Strength/Weaknesses – Opportunities/Threats), RCSA (Risk and Control Self-Assessments)

**EVALUATION:** Probability x Impact = **Risk Rating**



- **Risk «Appetite»:** mission, vision, strategy
- **Risk «Capacity»:** threshold of «absorbability» of risk
- **Risk «Tolerance»:** «windows» of flexibility



## Risk Response Strategies - Threats



**ESCALATE**

Take to a higher power. Manage outside of the project

**AVOID**

Eliminate the root cause so it cannot occur

**TRANSFER**

Move to a group better handled to manage it. Use insurance.

**MITIGATE**

Take actions to reduce risk probability or impact.

**ACCEPT**

Agree to take no action, but create a contingency reserve.

## Risk Response Strategies - Opportunities



**ESCALATE**

Take to a higher power. Manage outside of the project

**EXPLOIT**

Ensure the opportunity is realized. Assign best talent and prioritize work.

**SHARE**

Transfer to a 3rd party or spin up group to ensure value captured.

**ENHANCE**

Increase probability or impact. E.G. Add resources to ensure.

**ACCEPT**

Agree to take no action, but promote and encourage.

## Monitoring and follow up



Q&A

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