SoluxR
ENHANCING STRATEGY EXECUTION

Enterprise Risk Management (ERM) linked to Business Performance

Linking ERM to Business Performance

Business Performance objectives fall into three broad categories as follows:

- Revenue/value definition objectives, reflecting purpose and stakeholder needs,
- Revenue/value creation objectives, reflecting resource allocation, partner, ecosystem needs,
- Revenue/value delivery objectives, reflecting operational needs,
- Revenue/value sustainability objectives, reflecting long term viability needs.

Each category has its revenue/value creation and preservation dimension.

An easy way to approach the topic of revenue/value creation and preservation is to think in terms of a defined business objective and to ask:

- what can help me achieve/exceed my objective
- what can stop me or slow me down towards achieving/exceeding my objective

Those things which are well understood are best assessed in SoluxR ERM.

Those things about which there is limited information and which are therefore not well understood (but which are nevertheless on the horizon as possible causes for concern) are best assessed in SoluxR Emerging Risks.

Registered address: Windsor House, Windsor Terrace,
Dun Laoghaire, Co Dublin, A96 A065,
Ireland

Email: Info@soluxr.com

The purpose of SoluxR ERM is to provide guidance indicators of likely business performance on the road ahead. For example where can the business safely speed up to exceed achievement of objectives, or where should it perhaps slow down, and double check in case it hits a bump on the road ahead. In the case of ERM, consistently reliable good quality information is, assuming competent systems, always available.

The relationship between ERM and Emerging Risks

An Uncertain World Summarised

1. WHO concerns that COVID-19 is just the start of a recurring cycle of extremely dangerous annual global pandemics,
2. Run-away weather events fuelling concerns about the environment and planetary health,
3. Multi-polar geopolitical tensions exasperated by misinformation/fake news through social media,
4. Technology advances impacting traditional business and operating models and associated AI displacement of jobs,
5. Persistent cybersecurity attacks targeting company secrets and personal data,

The combined effect of these and other global threats and emerging risk sources is:

1. Reducing the amount of time available to understand, let alone first identify risks, before they occur,
2. Increasing the interconnected and interdependent nature of systems and processes, particularly across supply chains and partner ecosystems, creating contagion effects where risk events in one area can connect with others or cause new risks to appear,
3. Making it harder to quantify risk impacts across financial and reputational 'integrated capitals'; and others for example environmental, manufacturing and human capitals

The Challenge:

Each threat and risk scenario needs to be understood and monitored. COVID-19 lessons have so far taught us that weaknesses include:

- Poor risk management capabilities

  Explanatory note on the relationship between Emerging Risks and Enterprise Risk Management (ERM) can be found on ***page 8***
- Lack of organisational agility to respond to crisis
- Poor business continuity and contingency planning
- Poor resilience within the deeply interconnected and independent ecosystems across the globe resulting in systems failures across supply chain and other critical activities

The purpose of SoluxR Emerging Risks is to 'SIGNAL' possibly issues lurking around the corner and which therefore need to be factored into decision making. In the case of Emerging Risks there is no consistently reliable, good quality information on which to base decisions and so there is little understanding of possible issues, opportunities, and challenges ahead.

In summary:

- SoluxR ERM can be used where things can be uncertain, but nevertheless well understood because of the availability of consistently reliable information,
- SoluxR Emerging Risks can be used where things are highly uncertain because information is of scant or poor quality, and so there is a poor understanding of possible issues ahead.
- As emerging risks become better understood they can

Using ***Agile Risk Management (ARM)*** practices SoluxR delivers ERM results at scale, in less time, at less cost, more effectively and more reliably than other methods.

Immediate results begin to emerge when practical issues are addressed against internationally proven and accepted guidance assessing organisational risk, for example:

Objective Setting:

1. Listing organisational, business unit, or functional objectives against which decision makers identify issues, challenges and opportunities which need to be factored into decision making on an ongoing basis,
2. Considering the effect of uncertainty on objectives i.e. ISO 31000 definition of risk,
3. Evaluating levels of risk the organisation is prepared to accept in the pursuit of objectives i.e. risk appetite,
4. Deciding on risk treatments in accordance with attitude to risk,

Integrated with:

5. **SWOT** analysis: Organisational Strengths, Weaknesses, Opportunities and Threats,
6. **Impacts** across financial, human, reputational, manufacturing, natural and IP capitals

Powerful insights from such automated assessments conducted across large numbers of front-line decision makers have a hugely positive impact on the quality of thinking and decision making.

Steps
Dynamic links are distributed across the organisation, and its associated ecosystem of partners and suppliers to:

7. Initially map and scope the risk landscape. The more links that are shared across front line decision makers the more automated assessments are undertaken. And, the more complete the enterprise wide picture of risks associated with the achievement of business objectives.
8. Thereafter decision makers undertake more assessments which over time produce automated trend analysis leading to deeper insights and enhanced scenario development and stress testing,
9. Consistently reliable enterprise wide (front-line) assessments conducted over even 2-3 quarter's results in a pooling of information on trends and insights leading to an organisational ability to anticipate and respond to changing conditions ahead of less adaptive competitors.

Useful Approaches

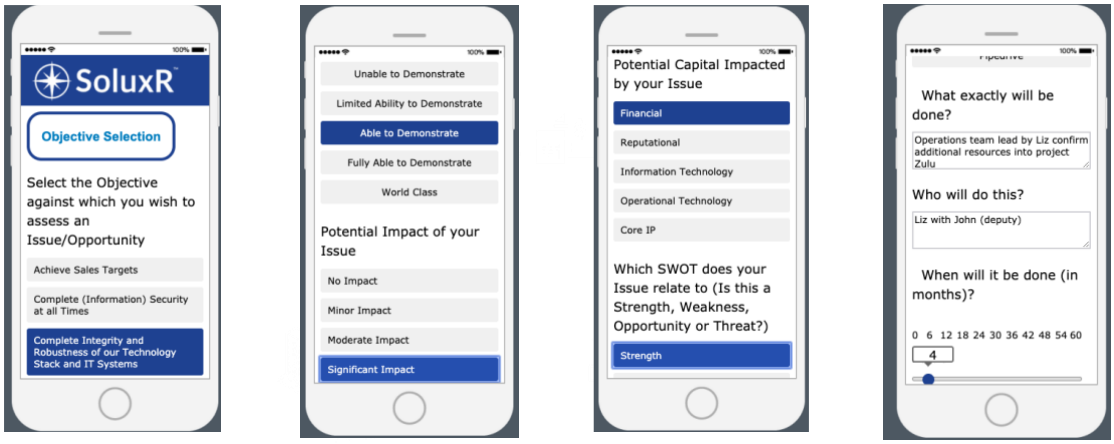
1. **Point Solutions for small numbers of people:** You know and understand your issues. They are complicated but you have a plan. You know what questions to ask and the people who can answer them. You just want information fast so you can make a concrete decision now. Examples include supply chain impacts arising from pandemics, business disruption …

2. **Extended Solutions for an unlimited number of people:** Issues are arising and they are complex. There is little or no precedent so the right path is not always clear. You need different people, from different departments and different countries/locations to pool knowledge and experience to help arrive at the right decisions for management consideration. Examples include business and operating model disruptions arising from geo-political tensions, weather, technology, regulatory change (Libor Transition …)

3. **Enterprise Solutions:** Yours is a complex and distributed organisation. You are spread across countries and operate in a highly competitive industry sector. You are agile and data driven. You want a consistently reliable way of solving complex and complicated problems. You need scenario driven insights underpinned by evidence based, actionable information to provide sufficient certainty that business objectives can be achieved. Examples include multiple combinations of the above delivered in a seamless and structured way.

SoluxR
ENHANCING STRATEGY EXECUTION

Emerging Risks: Easy to use, Fast, automated insights …

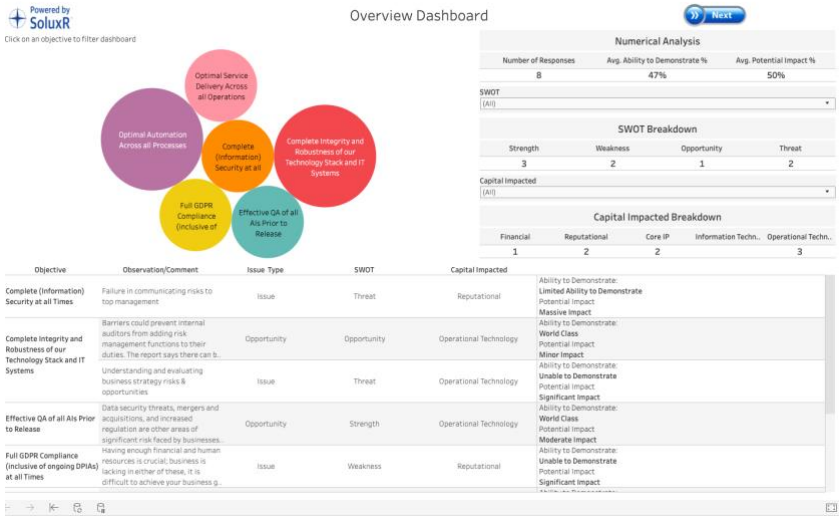


1 2 3 4

SoluxR ENHANCING STRATEGY EXECUTION

© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved.

ERM Overview



SoluxR ENHANCING STRATEGY EXECUTION

© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved.

Registered address: Windsor House, Windsor Terrace,
Dun Laoghaire, Co Dublin, A96 A065,
Ireland

Email: Info@soluxr.com

SoluxR
ENHANCING STRATEGY EXECUTION

Ability to Demonstrate Impacts

SoluxR
ENHANCING STRATEGY EXECUTION

© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved. 13

Operational Impacts

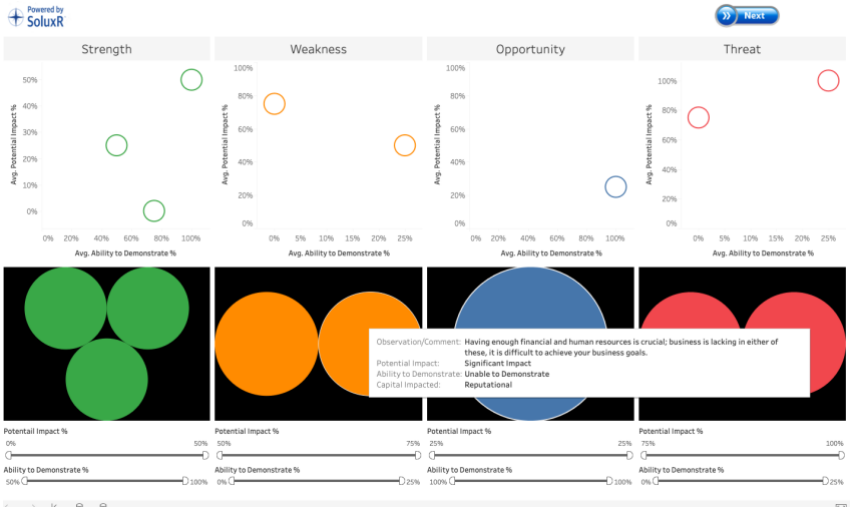
SoluxR
ENHANCING STRATEGY EXECUTION

© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved. 14

Registered address: Windsor House, Windsor Terrace,
Dun Laoghaire, Co Dublin, A96 A065,
Ireland

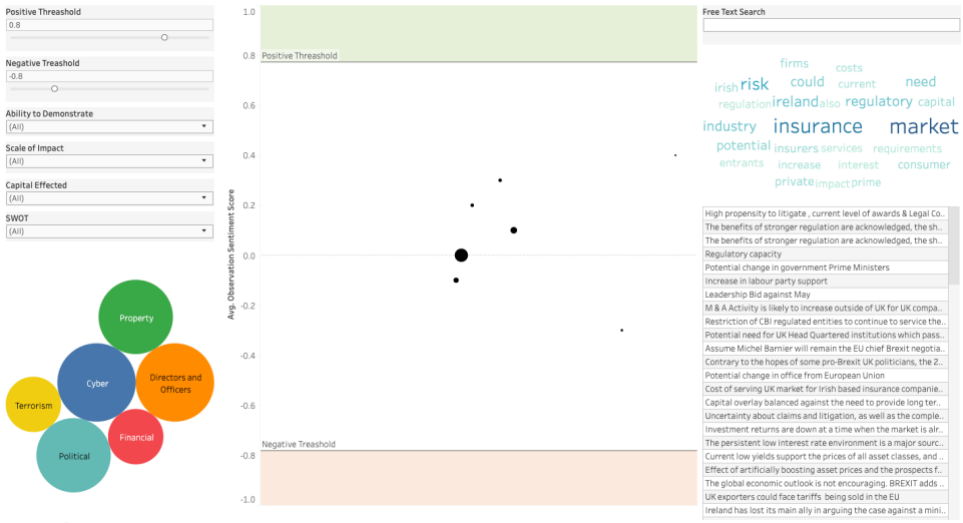
Email: Info@soluxr.com

SWOT Settings



© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved.

ERM: Sentiment Analysis



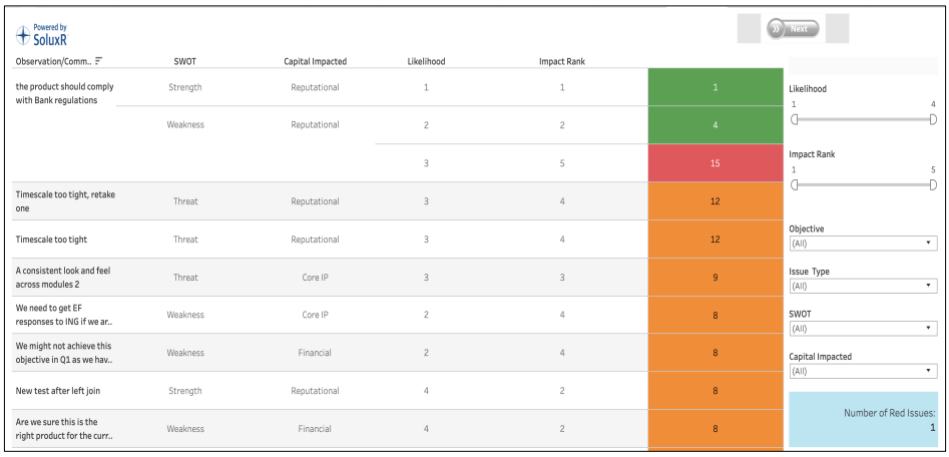
© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved.

Registered address: Windsor House, Windsor Terrace,
Dun Laoghaire, Co Dublin, A96 A065,
Ireland

Email: Info@soluxr.com

SoluxR
ENHANCING STRATEGY EXECUTION

Risk Register Dashboard



Observation/Comm..	SWOT	Capital Impacted	Likelihood	Impact Rank	
the product should comply with Bank regulations	Strength	Reputational	1	1	1
	Weakness	Reputational	2	2	4
			3	5	15
Timescale too tight, retake one	Threat	Reputational	3	4	12
Timescale too tight	Threat	Reputational	3	4	12
A consistent look and feel across modules 2	Threat	Core IP	3	3	9
We need to get EF responses to ING if we ar..	Weakness	Core IP	2	4	8
We might not achieve this objective in Q1 as we hav..	Weakness	Financial	2	4	8
New test after left join	Strength	Reputational	4	2	8
Are we sure this is the right product for the curr..	Weakness	Financial	4	2	8

Risk Register Dashboard

SoluxR
ENHANCING STRATEGY EXECUTION

© Board Risks Decisions Systems Limited T/A SoluxR 2019. All rights reserved. 16

What do you get from SoluxR?

1. Robust scenario analysis and modelling impacts, risks and mitigations
2. Early foresight and insight of issues and opportunities before they develop
3. Significantly lower cost, faster and better analysis and planning
4. A single comprehensive view of what's actually going on across organisations and wider ecosystem
5. Ability to understand, anticipate, respond, recover and quickly adapt as further cyclical pandemics occur
6. Rapidly assess the impact and effectiveness of urgent remediations
7. Detect systemic issues across the organisation.
8. Dynamically fulfil regulatory & compliance obligations/requirements

Why use SoluxR?

1. Secure, fully mobile optimised, easy to use and manageable
2. Very fast deployment
3. Greatly reduced costs
4. No interruption to business-as-usual
5. More reliable information
6. Seamless infusion with other data sets

SoluxR Return on Investment:

1. Ability to maintain effective and efficient battle readiness for enterprise wide Brexit impacts, opportunities, challenges and scenarios,
2. Sustainability of organisational resilience by aligning and shifting organisational decision making from top-down hierarchical to the front line distributing fast, data driven, scenario based pathways to long-term viability,
3. Increased buy-in of people up and down the decision chain of command with continuous feedback, testing, failing and learning during execution.

Request a Demo

Registered address: Windsor House, Windsor Terrace,
Dun Laoghaire, Co Dublin, A96 A065,
Ireland

Email: Info@soluxr.com

Enterprise Risk Management (ERM) relates to risks which are well understood, and which affect the entire organisation. Good and reliably consistent information is always available.

Emerging Risks are not well understood. Available information is either of poor quality, or not consistently reliable.