



Emerging Risks

An Uncertain World Summarised

1. World Health Organisation 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. Global 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 predict/anticipate/foresee 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 and cause new risks to appear,
3. Making it harder to quantify risk impacts across 'integrated capitals' (financial and reputational) as well as other capitals such as environmental, manufacturing and human capitals.

The Challenge:

Each threat and risk source needs to be monitored and understood. 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 7](#)
- Lack of organisational agility to respond to crises
- Poor business continuity and contingency planning
- Poor resilience within both the deeply interconnected and independent ecosystems across the globe resulting in systems failures across supply chain and other critical activities

Organisations need to:

- Better understand current changes in pandemic, weather, geopolitical, technology, consumer, business customer and supply chain conditions,
- Stress test impact scenarios
- Highlight response challenges
- Find a way to receive ‘always-on’ reliable, relevant actionable information to support the quality of thinking and decision making,
- Create robust response capabilities

Choices include:

Combining publicly available data and network analytics algorithms to seek to illuminate possible vulnerabilities facing organisations over a period of time, or crowdsourcing trusted front line information infused with third party data sources for more immediate results.

Using **Agile Risk Management (ARM)** practices SoluxR delivers 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 an internationally proven and accepted technique assessing emerging risks, for example using:

PESTLE criteria scanning:

1. **Political** issues and opportunities with potential to increase risk of trade disputes, or relax regulations,
2. **Economic** conditions which either support or restrict investment opportunities or influence consumer spending,
3. **Social** factors driving unrest or conditions influencing prosperity vis a vis relaxing or tightening regulations,
4. **Technological** developments which have the potential to create competitive advantage or undermine traditional business and operating models
5. **Legal** frameworks such as those protecting IP, personal data, trade agreements etc. and so making certain countries attractive, or not, for investment,
6. **Environmental** rules and regulations supporting or ignoring green, carbon, ESG etc. agendas

Integrated with:

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

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

Steps:

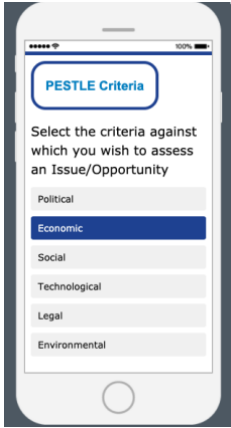
Dynamic links are distributed across the organisation, and its associated ecosystem of partners and suppliers to:

1. Initially map and scope the PESTLE, SWOT, impacts landscapes. The more links that are shared across front line decision makers the more automated assessments are undertaken. And, the more complete the view of what’s coming around the corner.
2. Thereafter undertake deep business impact analysis leading to enhanced scenario development and stress testing,
3. Leading to enterprise wide cadenced assessments, across the whole organisation such that it can anticipate and respond to changing conditions ahead of less adaptive competitors.

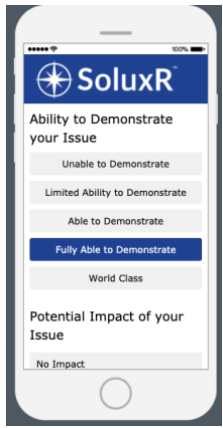
Useful Approaches

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.

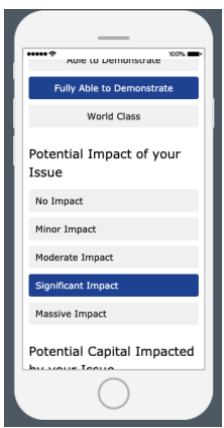
Emerging Risks: Easy to use, Fast, automated insights ...



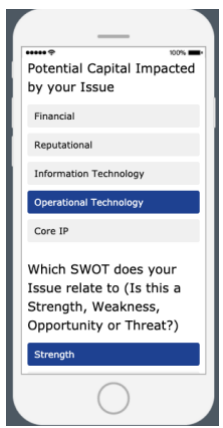
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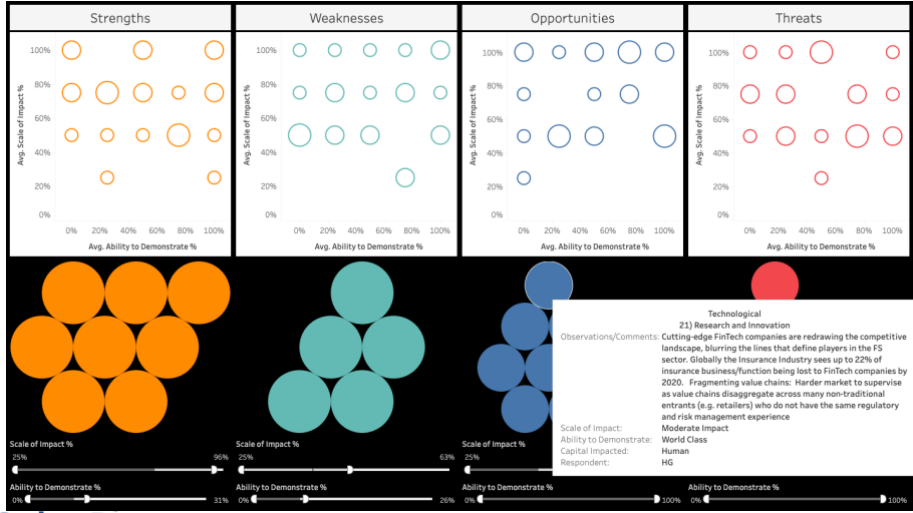
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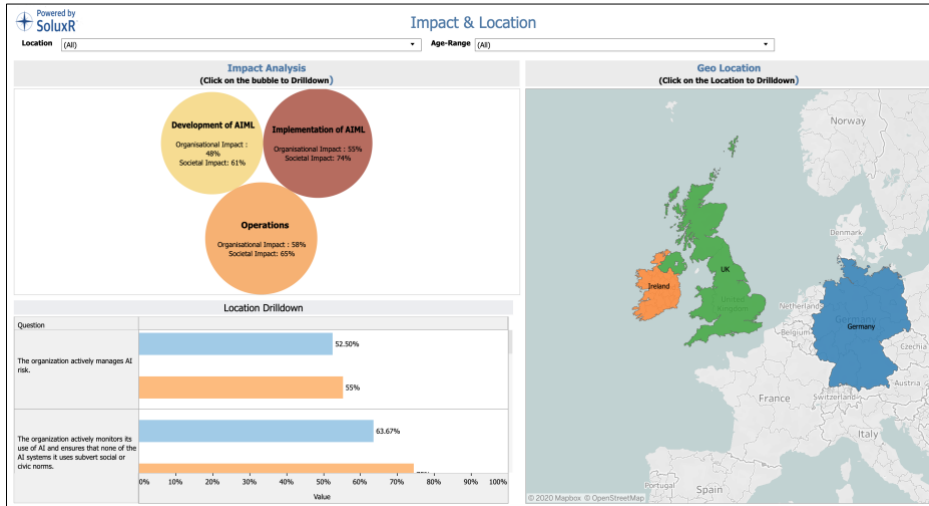
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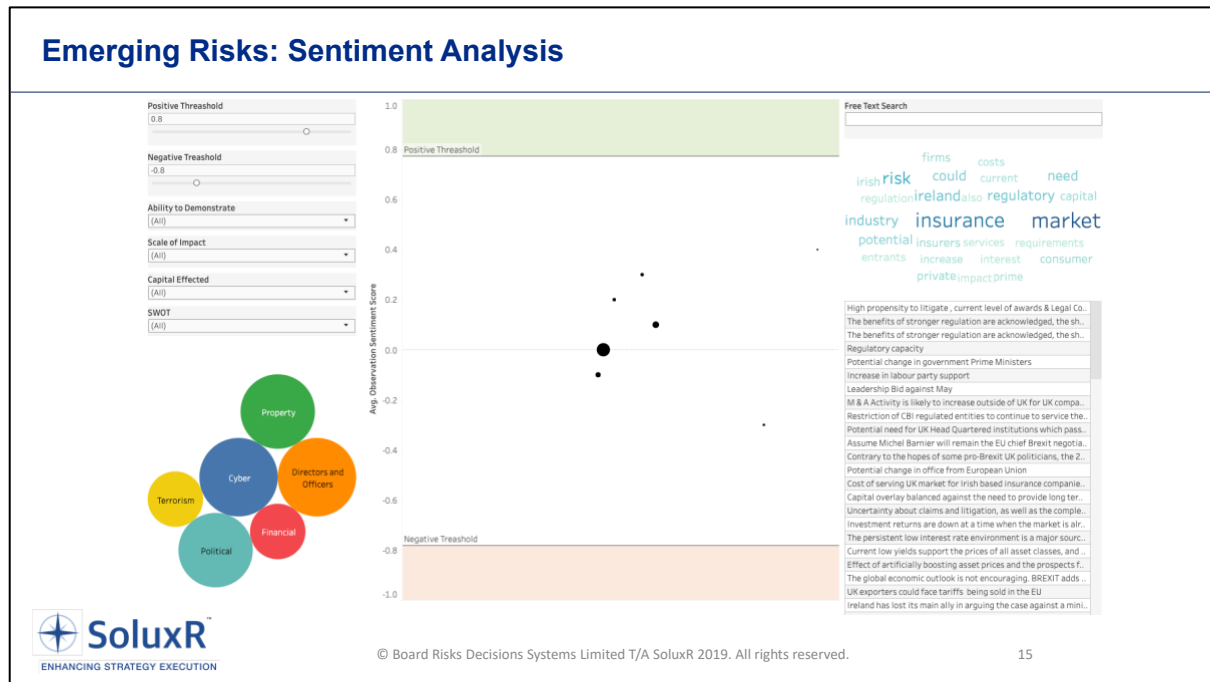
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Emerging Risks: SWOT Assessments



Emerging Risks: Geo-Spatial





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 COVID-19 and other pandemic supply chain issues, 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.

Method of Delivery

SoluxR automated solutions are delivered on a Risk as a Service (RaaS) subscription basis

Request a Demo

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.