



BUSINESS AVIATION CONVENTION AND EXHIBITION

Thursday, October 12, 2017 Las Vegas NV

2017

# RISK MANAGEMENT & SAFETY MANAGEMENT

Establishing a Culture of Heightened Risk Awareness



## ESTABLISH HEIGHTENED AWARENESS – THE ESSENCE OF EFFECTIVE SYSTEMS

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### ERM

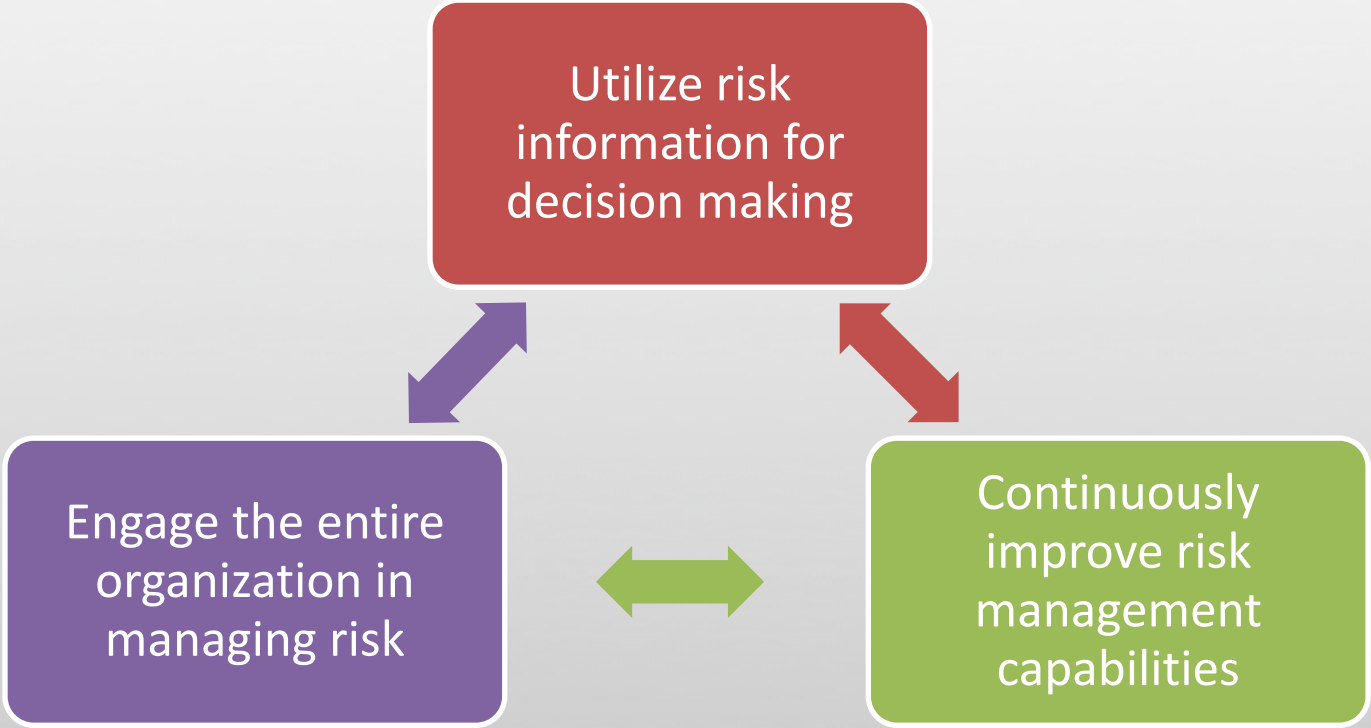
- ⊕ A process that helps manage diverse organizational risks and supports successful achievement of objectives

### SMS

- ⊕ A data driven approach to managing Safety



# How ERM LEVERAGES SMS



Source Material: Bickmore and AvMaSSI

# EVOLUTION OF ERM / SMS

Basic	Initial	Defined	Integrated	Advanced
<p>Safety and Risk Management are not viewed as a key business risk, and responsibility for management of these activities often delegated to a single department.</p>	<p>Accidents and risk exposure are average for its industry sector, but incidents are higher on the severity side. Performance measured in terms of lagging indicators and senior management involvement is reactive.</p>	<p>Accidents and risk exposures are relatively low, but not decreasing. Majority of staff acknowledge their personal role in maintaining a safe work environment and managing risk within their purview.</p>	<p>Majority of staff is convinced that health and safety are important from both a moral and economic point of view. Majority of staff is also convinced that alignment of risk management activities with the mission of the organization is imperative to ensure successful achievement of objectives. Not only is direct risk experience used to advise action, but risk scanning techniques are also deployed.</p>	<p>The prevention of all injuries or harm to employees is a core company value, and though the organization has had a sustained period without a significant risk event, there is no feeling of complacency. Risk conversations happen during every major decision, and risk-based functions across the organization work seamlessly and collaboratively with the business units to mitigate risk across the organization.</p>



## LEVERAGE EXISTING RISK MANAGEMENT PROGRAM



- ④ **Use the overall knowledge of the organization.**
- ④ **Communicate and Educate in order to set the tone for implementing an ERM/SMS.**
- ④ **Understand the culture of your organization and align Reporting Methods and incentives accordingly.**
- ④ **RM is the repository for exposure information and loss data.**
  - The basics for SPIs and SPTs
- ④ **Prioritize risk based on probability and impact.**
  - Utilize additional data sources throughout the organization.

## FIVE BENEFITS OF ERM

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**1. More focused culture of organization.**

Breaks down silos on how risk is managed.

**2. Standardized risk reporting.**

Improved, timeliness, conciseness and flexibility of risk data

**3. Improved focus and perspective on risk.**

Leading indicators to help detect a potential risk event.

**4. Efficient use of resources**

Allocating the right amount of resources to mitigating the risk.

**5. Effective coordination of regulatory and compliance matters.**



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**THANK YOU**

