



ERM Maturity Assessment Report for XYZ Co

The maturity of XYZ Co's risk management system was assessed on 08-Sep-2020. A limited risk management system appears to be in place at XYZ Co. Detailed results and any relevant areas for consideration are shown below.

This assessment was based on the principles for ERM contained in ISO 31000:2018 and principles are ©ISO.

Results Summary

Assessment completed by	Andrew Sheves
Organization being assessed	XYZ Co
Assessor's comments	This reflects the observations made by Bobbie, the XYZ Co HSE Manager, before undertaking the risk assessment project described in 'Beyond The Spreadsheet'.
Assessment shared with	
Maturity assessment	A limited risk management system appears to be in place

Detailed results

The evaluation for each principle is shown below. Recommendations and specific considerations are included at the end of the assessment.

1 - Risk management acknowledges uncertainty

Principle 1 evaluation	This is applied in parts of the organization
Principle 1 consideration	**Principle 1 Recommendation** Ensure that the role of uncertainty is reflected in definitions and acknowledged by all those involved in the risk management process.
Assessor's comments	XYZ Co leadership understand this but it is not embedded in the organization.

2 - Risk management supports the creation and protection of value

Principle 2 evaluation	This is not applied at all
Principle 2 consideration	**Principle 2 Recommendation** Ensure that risk management is directly linked to the creation and protection of values and that risk management activity supports the organization's objectives.
Assessor's comments	Risk and value are not linked in XYZ Co

3 - Risk management is integrated

Principle 3 evaluation	This is not applied at all
Principle 3 consideration	**Principle 3 Recommendation** Integrate risk management into business processes at all levels and ensure that the risk management process is transparent and inclusive.
Assessor's comments	There is no risk management system in place.

4 - The risk management system is structured and comprehensive

Principle 4 evaluation	This is not applied at all
Principle 4 consideration	**Principle 4 Recommendation** The risk management system should be formalized, thorough and embedded within the organizational structure.
Assessor's comments	There is no risk management system in place.

5 - The risk management system is customized

Principle 5 evaluation	This is not applied at all
Principle 5 consideration	**Principle 5 Recommendation** Use a recognized standard and guidelines to develop a top-level system but allow customization within limits to meet local, functional or situational needs. This will ensure that the risk management system remains fit for purpose throughout the organization.
Assessor's comments	There is no risk management system in place.

6 - Risk management is inclusive

Principle 6 evaluation	This is applied in parts of the organization
Principle 6 consideration	**Principle 6 Recommendation** Internal and external stakeholders should be involved in the development of the overall risk management system, during assessments and when designing measures to address risks.
Assessor's comments	This need is understood by the company leadership but it is not codified.

7 - Risk management is dynamic

Principle 7 evaluation	This is not applied at all
Principle 7 consideration	**Principle 7 Recommendation** Ensure that the risk management system acknowledges the changing nature of the operational environment, threat environment and other factors. Use horizon scanning, operational audits and regular review of previous assumptions to maintain an up to date system.
Assessor's comments	There is no risk management system in place.

8 - The risk management is based on the best available information

Principle 8 evaluation	This is not applied at all
Principle 8 consideration	**Principle 8 Recommendation** Ensure that information and data sets are as accurate and up to date as possible to help address the inherent uncertainty and dynamism of risk management.
Assessor's comments	This need is understood by the company leadership but it is not codified.

9 - Risk management incorporates human and cultural factors

Principle 9 evaluation	This is not applied at all
Principle 9 consideration	**Principle 9 Recommendation** Acknowledge and account for human behaviours in the risk management system and ensure that both positive and potentially detrimental cultural factors are considered.
Assessor's comments	This need is understood by the company leadership but it is not codified.

10 - The risk management program undergoes continual improvement

Principle 10 evaluation	This is not applied at all
Principle 10 consideration	**Principle 10 Consideration** Develop and utilize a system for continual improvement to maintain the system in light of lessons learned and internal and external change.
Assessor's comments	There is no risk management system in place.

11 - The risk management program has leadership support and commitment

Principle 11 evaluation	This is applied across the whole organization
Principle 11 consideration	Maintain current arrangements.

Assessor's comments	There is very strong support for risk management from the company leadership.
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12 - Risk management is integrated with decision-making

Principle 12 Evaluation	This is applied in parts of the organization
Principle 12 considerations	**Principle 12 consideration** Formally include a step for a risk assessment or to review the risk assessment outputs in the decision-making process at all levels.
Assessor's comments	Ad hoc risk management is used for decision-making but this is not systemized.

Please contact the assessor on andrew@andrewsheves.com with any queries concerning the results of this assessment.

[You can schedule a free consultation to discuss these results here](#)

This report was prepared using a DCDR assessment tool provided by Tarjuman LLC. [Learn more about DCDR and find other assessment tools here.](#)

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Contact andrew@andrewsheves.com if you have any additional questions concerning this report.

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