Dealing with Delivered Risk
How to approach Risk in Change

Projects deliver changes to processes, technology and culture, which can have a significant impact on the risk profile of an organisation. A risk which is new or modified due to these changes is known as a ‘Delivered Risk’. Risk in Change activities are performed to identify and measure the impact of Delivered Risks, so that controls can be implemented that will adequately mitigate them.

This article describes a number of considerations for the effective measurement and mitigation of Delivered Risk:

- **In organisations where risk actors are viewed as compliance-oriented, coaching may aid them to be viewed as pragmatic and value adding.** Occasionally, there is a perception within an organisation that risk representatives are unwilling to become involved in the detail of business activities and instead take a risk-process view which reduces the value that they can add to the business. Strong and collaborative involvement of risk professionals in Risk in Change activities presents a positive opportunity for them to demonstrate significant value. This may require coaching to ensure that risk mindset and behaviours are oriented towards providing practical, commercially oriented insights, as opposed to increasing red tape.

- **Use a clear and concise definition of Risk in Change which is linked to the value that it brings.** Our experience has shown that this area of risk is poorly understood, even amongst operational risk professionals. An organisation’s definition of Delivered Risk needs to take into consideration the diverse range of stakeholders affected, including risk professionals, frontline business staff and a variety of technical and non-technical project team members.

- **Accountabilities related to performing Delivered Risk assessments should be well defined.** Both business as usual and project teams will likely avoid taking responsibility for activities which are not owned by either group. To remedy this, clear accountabilities need to be in place for the initiation and execution of Delivered Risk assessments. The organisation’s project management framework should dictate that a project team is responsible for initiating a Delivered Risk assessment for all change activities fitting certain simple criteria; this will typically be done by the project’s risk stream if one exists. Meanwhile, the organisation’s Operational Risk Management Framework should name Line 1 Operational Risk representatives as responsible for ensuring that the output of Delivered Risk activities is fit for purpose and consistent with the existing business unit operational risk profiles.

- **Project team members with a non-risk background require comprehensive training which is clear and concise.** This training needs to include a definition for Delivered Risk, the distinction between Delivered Risk and Project Delivery Risk, and the process for identifying risks and controls related to the changes being performed.

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