

Risk Management: Turning Risk into Opportunity

Written and Created by uniPoint Software





Introduction

Today's businesses and markets are all interconnected. Locally and across the globe, they can rise and fall together for countless reasons. This uncertainty and volatility puts pressure on your risk managers to identify, assess, mitigate, and prevent risk both within and outside your operations. Add to this the many demands on risk managers to achieve regulatory compliance while delivering business value.

Most respondents to the Accenture 2015 Global Risk Management Study say they believe the risk function is an important enabler of long-term profitable growth. They also say that balancing this priority with their responsibility for controls and compliance is a potential barrier to this effectiveness. Yet, you cannot afford to cut corners on risk management. Doing so could harm your operations, employees, consumers, reputations, and so much more.



Given the increased importance of risk management, as evidenced from its emphasis in the ISO9001:2015 standard, you must continue to move from a reactive to a proactive stance on risk. Your business and compliance success depends on it. This is why your risk managers must be data driven, revenue focused, and well versed on the latest risk management technologies and trends. They must also make risk management an essential component of your organization's quality management system, enterprise wide.

Risk Identification and Assessment

When starting a risk management program, it's critical to support your risk managers in undergoing a systematic process to identify risks throughout your organization. Types of risk vary from factors within and outside your control. Unavoidable risk factors could include natural disasters, such as hurricanes, fires, tornadoes, and floods or market fluctuations in prices and interest or exchange rates. Potentially preventable risk factors, to name a few, could include employee injuries; human error; mechanical or internal system failures; shipping, supplier or vendor delays; and consumer litigation.



From the point of view of today's manufacturer, operational risk management (ORM) is about creating a framework that will help risk managers, employees on the plant floor, and maintenance personnel:

- Understand and manage the risks impacting their organization,
- Establish processes to effectively address these risks, and
- Implement procedures for corrective and preventative actions.



Operational risks can fall into the following broad categories: **people, products, processes, and assets**. Within these categories, operational risks commonly facing manufacturers today include failure of critical assets, product non-compliance, environmental impact, financial risks, logistics risks, supplier quality, and health and safety issues. These operational risks are highly interrelated, which makes it paramount for risk managers to establish a strategy that transcends functional boundaries while effectively addressing operational risk.



Once you've identified all of the risks that could potentially impact your operations, employees, and consumers, assess these risks to determine if you have a safe or dangerous amount of risk. If risk management isn't embedded in your corporate culture, employees may make mistakes that could compromise quality, lead to product or service failures and place you and those you serve at higher risk. Prioritize these risks to help you first address those that pose the greatest likelihood of threat to your company's revenue and reputation.

Risk Mitigation and Prevention

A little preparation can go a long way in poising your company for risk management success. Ways you might mitigate and prevent risk include:

- Avoiding loss by not engaging in business practices that pose risk to employees and consumers, such as ignoring safety concerns in product design and manufacturing
- Preventing loss by providing employee safety training and implementing risk awareness and prevention programs throughout your company
- Reducing loss by coming up with plans you could quickly put into place in the event natural disasters or other mishaps occur
- Applying risk management methodologies, such as Failure Mode Effects Analysis (FMEA), Criticality, Accessibility, Recuperability, Vulnerability, Effect and Recognizability (CARVER); Qualitative Risk Assessment (QRA); and Operational Risk Management (ORM)
- Embedding risk management into your quality management system to ensure you, your vendors, your parts and your processes strictly comply with such standards as ISO 9001:2015 and attend to the risk factors you identify in a time-efficient manner



Once you've implemented these and other enterprise risk management (ERM) methods, be sure to examine your risk management program on a regular basis to ensure its adequate and effective over time.

Risk Management Solutions

Countless internal and external factors pose risk throughout your enterprise. To effectively manage, track, monitor, and address them, consider implementing a risk management solution into your quality system.

Many risk management solutions are available in the marketplace. Look for an easy-to-use solution that:

- Integrates seamlessly with your current quality system, as well as holistically across your entire organization
- Employs user-definable risk types and risk formulas to calculate low-, medium- and high-risk issues automatically, with intuitive color-coding
- Ensures high-risk issues are resolved with a closed-loop corrective / preventative action process
- Offers risk metrics on a continual head-up display or executive dashboard that offers your critical business managers' visibility, as well as ability to drill-back to specific risk records
- Makes it easy for you to demonstrate risk assessment management to auditors without having to create complicated forms and reports

Benefits of Managing Risk in your Quality System

A proactive approach to risk management is most beneficial to your business. Now is the time to identify and assess the factors that put your company, products, employees, and consumers at risk. Once you determine these factors, consider implementing a risk management solution into your quality system. The right solution can help you manage risk to avoid, prevent, reduce, and prepare for loss – all while helping you protect your company's reputation and its bottom line.





INTEGRATION

Quality for SYSPRO by uniPoint is fully integrated within SYSPRO ERP and is embedded within your ERP processes.

TECHNOLOGY

What's under the hood really does matter! It impacts the ease of our installation, software upgrades, the user experience, and interoperability with your other software systems.

SIMPLICITY

With 22 configure-to-order modules for Quality Management and Continual Improvement, Quality for SYSPRO by uniPoint is Quality Made Simple.

Quality for SYSPRO Software

Our EQMS:

Quality for SYSPRO by uniPoint is Enterprise Quality Management Software, for SYSPRO ERP. This means you no longer have to run your quality system in isolation of your critical business data. Plus you can eliminate redundant data entry, reduce mistakes and show measurable efficiency improvement.

Our Solution:

The cornerstone of our solution is the technology we use to develop it; the database we use to store your critical data reliably; and the reporting engine we employ to summarize your data in printed reports, graphs and charts. Quality for SYSPRO by uniPoint uses Microsoft Visual Studio .Net; a Microsoft SQL Database; and Crystal Reporting. You will never outgrow our system, and you can rest assured that our proven technology will continue to service your growing and adapting quality compliance needs going-forward.

Our Advantage:

Over 1,500 companies throughout North America agree that Quality for SYSPRO by uniPoint is one of the easiest software applications they have ever used. That's because we use a consistent and intuitive design philosophy in every module. To support your users, our implementation consultants are ISO experts. Plus we offer FREE group training webinars every month.



USA and Americas

SYSPRO USA and Americas
959 South Coast Drive, Suite 100
Costa Mesa, California, USA
92626

Tel: +1 (714) 437 1000
Toll free: +1 800 369 8649
Email: info@us.syspro.com

SYSPRO Africa

Block A
Sunninghill Place
9 Simba Road
Sunninghill
Johannesburg, South Africa
2191
Tel: +27 (0) 11 461 1000
Email: info@za.syspro.com

SYSPRO Europe

Baltimore House
50 Kansas Avenue
Salford Quays
Manchester
United Kingdom
M50 2GL
Tel: +44 161 876 4498
Email: info@eu.syspro.com

SYSPRO Canada

Vancouver
4400 Dominion Street
Suite 215
Burnaby, Vancouver
British Columbia, Canada
V5G 4G3
Tel: +1 (604) 451 8889
Toll free: +1 888 259 6666
Email: info@ca.syspro.com

SYSPRO Asia

8 Eu Tong Sen Street
#19-91 The Central
Singapore
059818
Tel: +65 6256 1921
E-mail: info@sg.syspro.com

SYSPRO Australia and Asia Pacific

Suite 1102, Level 11
201 Miller Street
North Sydney
NSW 2060
Australia
Tel: +61 (2) 9870 5555
Toll free: +1 300 882 311
Email: info@au.syspro.com

www.syspro.com