

Resolve to Reevaluate Your Risk Management Culture

Take a moment to consider the past year in risk management. Is there anything that stands out to you as needing improvement? Anything that worked well to be taken into the New Year? It's important to reevaluate your risk management culture every so often in order to stay aware of changes that may have evolved in your industry, and check in on areas that could be improved upon at your business.

Company Culture. One size does not fit all when it comes to risk management strategies. Whatever your specific needs are, remember that a solid foundation is key. Management should be committed to upholding a culture of safety and risk mitigation across the board, and that commitment should have a ripple effect on everyone — from the most senior veteran employee to the newest hire. To create a culture of risk management, a great place to start is examining the basic regulatory requirements applicable to your business, and from there you can dive into your business's deeper needs.

A group effort. Great risk management culture ideals start at the top, and everyone needs to be involved. When good behavior is modeled, it reinforces a safety-first message. And if all employees are committed to practicing good workplace habits, it will demonstrate to newcomers and clients that safety and risk management play a valuable role at your business. It will also show that a safe business model can help lead to higher productivity, more efficient operations, and a better chance to meet your organization's goals.

Empower Employees. Give employees the tools and incentives to take ownership in a risk management culture. It is part of management's responsibility to invest time and resources to help implement sound policies and procedures. Set clear expectations, reward positive behavior, and encourage bottom-up communication so that employees feel comfortable reporting potential issues.

Learn from your lessons. Use past experiences to help guide future efforts. Stay aware of what is happening in your industry and around the world to help head off potential risks down the road, for example, noting that social inflation and cybercrime are becoming more prominent. Keep in mind that many claims are preventable, and your history can help to dictate the direction you want your business to go.

Remember, risk management is an ongoing process. As you move into the New Year, reevaluate where your company is at in terms of its risk management culture. It never hurts to focus more on maintaining a safe and productive work environment for everyone, in order to continue creating a successful culture of risk management at your business.

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