

The role of a risk management professional

Organisations of all types and sizes face internal and external factors and influences that make it uncertain whether and when they will achieve their objectives. Managing risk is dynamic and assists organisations in making informed decisions about setting strategy and achieving objectives. It is part of governance and leadership and how the organisation is managed and includes interaction with stakeholders as an integral part of all activities of the organisation.

Managing risk considers the internal and external context of the organisation including human behaviour and cultural factors and risk professionals enable leadership to create and protect value in organisations by supporting excellent decision-making through managing risks and opportunities.

What are the required skills and competencies risk managers must possess?:

Risk and opportunity management is important for an organisation in maximising its ability to protect and create value and therefore the risk professional's skills set must include data analytics, ability to develop strategy, build and analyse scenarios and an exceptional understanding of risk methodologies, frameworks and tools. More specifically,

- Strategic thinking
- Analytical skills and scenario planning
- Communication and report writing skills (written and verbal)
- Financial, business and planning acumen
- Ability to have crucial conversations, skills in persuasion and debating

Which industries employ risk professionals?

Risk Management is or should be practiced in all industries. There are therefore opportunities across all industries or sectors such as the following:

Banking & Financial Services	Mining Oil & Gas
Education	Shipping & Logistics
Electronics, Telecoms and Communications	Tourism & Hospitality
Insurance / Re-Insurance	Trading & Distribution
Industrial Machinery	Engineering: consultancy and construction
Medical & Pharmaceutical	Petrochemicals & Chemicals

What should I study if I want to pursue a career in risk management?

There are certificates available through various learning institutions as well as occupational qualifications at an NQF level 6 and 8 which were developed through the Quality Council for Trades and Occupations (QCTO) to provide opportunities for people to study risk management. These qualifications provide integrated learning as they combine knowledge, practical skills as well as experiential learning.

Additionally, there are business degrees with specialisation in risk management such as a BCom as well as post graduate diplomas and MComs in applied risk management for example which can be studied.

What is the difference between a designation and a qualification?

A designation is awarded by IRMSA as the Professional Body and guardian responsible for risk management, whereas qualifications are awarded by the respective institution offering the tuition under the mandate of the responsible certifying quality council such as the Council on Higher Education (CHE), QCTO etc.

Two designations currently exist with respect to certification. The Certified Risk Management Practitioner (CRM Prac.) and the Certified Risk Management Professional (CRM Prof.).

To achieve the CRM Prac. Designation one has to take and pass board exam 1 and for the CRM Prof. designation one has to take and pass board exam 2. For more details see below.

What do I need to do to access Board Exam I?

For you to register to take a Board Exam 1, you have to be an associate member of IRMSA. The following criteria must be met to register as an Associate Member of IRMSA.

1. No formal recognised qualification, then + 10 years risk management experience
2. Have any non-risk qualification + 5 years risk management experience
3. A risk qualification + 3 years risk management experience
4. The IRMSA Occupational qualification + 3 years risk management experience

What do I need to do to access Board Exam II?

For you to register to take a Board Exam 2, you have to be an associate member of IRMSA. The following criteria must be met to register as an Associate Member of IRMSA.

1. No Qualification + 15yrs risk management experience (Minimum of 5 years strategic Risk Management experience)
2. Any NQF 8 Qualification + 10yrs risk management experience (Minimum of 5 years strategic Risk Management experience)
3. NQF 8 Risk Qualification + 5yrs strategic Risk Management experience

Can one obtain Exemption from writing Board Exam 1?

Candidates holding the Associate membership designation who have aspirations to enrol for the CRM Prof exam, but do not currently hold the CRM Prac designation, can apply directly to sit for the CRM Prof exam without writing any pre requisite exam or completing any work experience logbook.

Typical 15 interview questions for risk positions

CONTEXT SETTING
The aim of this question is to ascertain the kind of leader the candidates are.
1. What do you know about our company and why should we hire you as a risk professional?
Opportunity to sell. Discuss what makes the candidates stand out from the crowd and show them how the candidates can help advance their company. This is where all the company research done comes into play. The candidates should have an idea as to why the company is hiring or looking to hire someone for that position. What problem do they have that they are looking for people to help them solve?
2. As a risk professional, how would your co-workers describe you? Even the Board and Exco depending on the level the candidate is at currently.
Questions such as this one are asked with the aim of getting the candidates to discuss some of the candidates' qualities, perhaps hidden that the candidates wouldn't have mentioned if the candidates weren't asked.
3. As a risk professional, what is your viewpoint on speaking the unspeakable and having crucial conversations - Provide an example of this as well as one where your ethics were tested.
TECHNICAL EXPERTISE
Depending on the level of the candidate, these questions will have to be prepared for in line with their own knowledge, experience and views.
4. Share your experience in establish enterprise risk management policies, defining roles and responsibilities and participating in setting goals for risk management implementation.
5. How would you go about embedding a risk management culture and philosophy into the business supported by a risk framework to identify risks and monitor compliance?
6. Guide me on how to integrate of enterprise risk management with other business planning and management activities.

7. How do you monitor and validate risk measurement and valuation methodologies to ensure the alignment risk management capabilities with the strategic direction?

8. Describe the difference between crisis management, business continuity, disaster recovery and resilience in your understanding of these concepts.

9. Have you facilitated managers to identify risk, develop reporting protocols, including quantitative and qualitative thresholds? How was this approached and what was the outcome?

10. How would you go about establishing a common risk management language that includes common measures around likelihood and impact and common risk categories?

11. How would you ensure that the same methodology and consistent ratings are applied throughout the business?

ALWAYS TAKE EXAMPLES OF YOUR WORK?

Professional risk practitioners will bring samples of their work. Using this opportunity will say a lot about the candidate.

EXECUTIVE COMPETENCY INDICATORS

12. As Chief risk officer position, what is the most difficult situation you have had to face and how did you tackle it? (Highest level)

The reason why the candidates are asked this question is to hear what the candidates consider difficult and how the candidates approached the situation.

13. What is your greatest strength as a risk professional?

This could be a very simple question if the candidate is prepared for it. The candidate just has to talk about the strengths that would be of value to the company.

14. As a risk professional, what is your greatest accomplishment?

This is just like the “what is the candidates’ greatest strength?” question and should be treated similarly.

15. How would you structure the risk management operating model in our organisation and why?

The answer is actually irrelevant here. The aim of this question is to establish level of preparation for this interview, confidence to engage in free discussion with the panel and confidence to share own original thoughts.