

Introducing Strategic Risk Policy for Leaders - Risk 4.0

ARPI – the Australian Risk Policy Institute – promotes new thinking, new approaches and new frames about ‘Risk’ for effective leadership, decision-making and public policy.

Traditional risk management processes continue to fall short, leaving society exposed and vulnerable, operating without all available and accessible information.

ARPI offers a fresh approach – ‘Strategic Risk Policy’ – which redefines risk, firstly as the impact of decisions or non-decisions and secondly, the impact on networks. A more contemporary approach which replaces the old ‘uncertainty’ definition. It introduces pre-emptive thinking and frames around ‘exposure and vulnerability’ to empower leaders and decision-makers – and also reduce risks.

ARPI has developed Strategic Risk Policy (SRP) as the new approach, operating before and separate from risk management, based on often-unknown ‘potentialities’ facing organisations. Not only will this assist decision-makers but it will avoid responses to regulators, boards and shareholders that ‘we didn’t know’ which are increasingly common today.

Strategic Risk Policy requires paradigm change through transformational leadership to understand today’s new environment, how to access all available information, and identify and protect against exposures and vulnerabilities – which are still too often missed.

Paradigm change recognises the need for New Civics by:

1. understanding and working with today’s network and digital interconnectedness;
2. appreciating the essentiality of whole-system perspectives;
3. adopting a network-centric approach in place of organisation-centric or ‘silo’;
4. recognising that many of today’s problems require new solutions;
5. accepting that some consequences today are unthinkable;
6. adopting a more strategic and contemporary definition of risk to meet today’s needs;
7. introducing ARPI’s New Risk Landscape – a risk analytics trilogy as a leadership dashboard;
8. ensuring that limitations of traditional risk management have been addressed; and
9. enhancing risk management processes to recognise the concept of Systemic Risk and change application of the risk equation to prescribe when consequence must dominate.

ARPI’s website is www.arpi.org.au and a summary of key limitations of traditional risk management appears at <https://www.arpi.org.au/media>. ARPI is an independent, non-profit, incorporated association whose sole purpose is to promote Strategic Risk Policy. ARPI has convened and leads a Global Risk Policy Network with the first affiliated Risk Policy Institute – European Risk Policy Institute www.erpi.be - operating in three locations. Further Institutes are underway.

ARPI also maintains a global network of Special Interest Groups and advises government, corporate and community sectors on security, cyber, complex project management, counterfeiting, counter-terrorism, anti-money laundering and fraud. ARPI enjoys strategic partnerships with the Australian National University and peak professional bodies.

ARPI assists organisations to introduce Strategic Risk Policy. Also, a global accreditation – Certified Risk Policy Specialist – will be available in 2020. Inquiries can be made to academy@arpi.org.au