Managing and Mitigating Digital Risk

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PROTIVITI GLOBAL STUDY FOR TOP RISKS 2018

<u> </u>		Rank	Risk Issue	YOY Trend	
	M	1	Rapid speed of disruptive innovations and new technologies	1	

<u> </u>	Rank	Risk Issue	YOY Trend	
	3	Cyber threats	1	

Source: Protiviti - Executive Perspectives on Top Risks for 2018 and 2019

PROTIVITI GLOBAL STUDY FOR TOP RISKS 2019

<u></u>		Rank	Risk Issue	YOY Trend	
	<i>M</i>	1	Existing operations meeting performance expectations, competing against "born digital" firms	1	

	Rank	Risk Issue	YOY Trend	
	4	Cyber threats	1	

Source: Protiviti - Executive Perspectives on Top Risks for 2018 and 2019

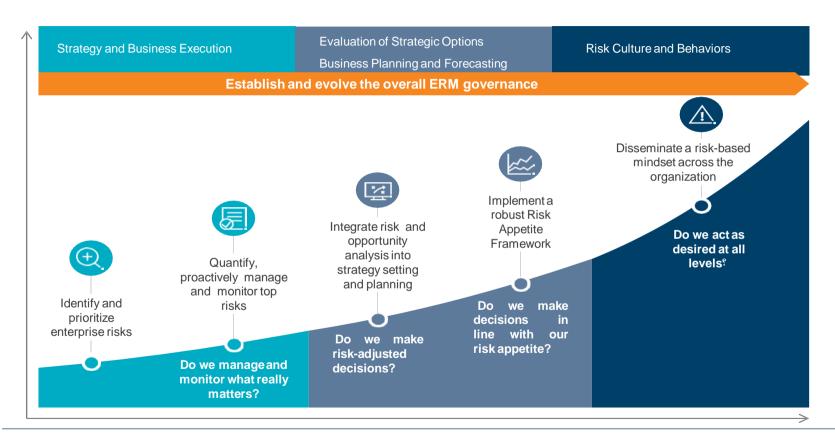
CONSIDER THIS



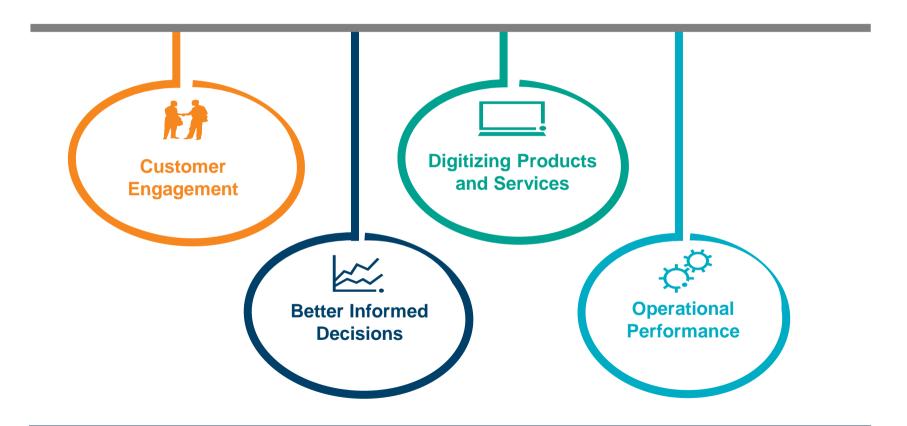
\$30.8bn in 24 hours 85S for 1st billion 9m queries 57bn recommendations Marriott International says that a breach of its guest reservation database exposed the personal information of up to 500 million people



TRADITIONALLY ERM IS A PHASED JOURNEY...



...DIGITAL TRANSFORMATION IS ALSO A JOURNEY



... WHICH COMES WITH POTENTIAL COLLATERAL DAMAGE

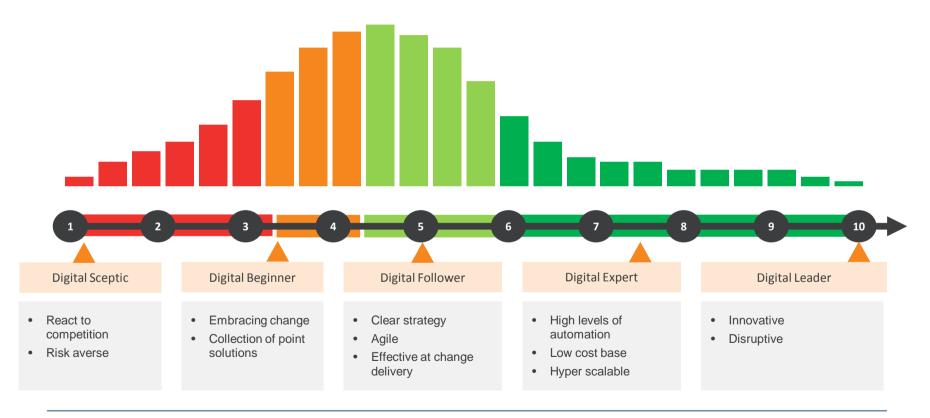


DIGITAL MATURITY AND RISK SHOULD BE ASSESSED

VISION MISSION STRATEGY	MANAGEMENT EMPLOYEES CULTURE	ORGANIZATION STRUCTURE PROCESS	COMMUNICATION MARKETING SALES	TECHNOLOGY INNOVATION DEVELOPMENT	BIG DATA ANALYTICS AUTOMATION
VISIONING	DIGITAL LEADERSHIP	CORPORATE CULTURE	CUSTOMER CENTRICITY	TECHNOLOGY ORGANIZATION	DATA VALUE CREATION
BUSINESS MODEL DISRUPTION	MANAGEMENT CULTURE	STRUCTURE & HIERARCHY	MARKETING STRATEGY	IT ARCHITECTURE & INFRASTRUCTURE	BIG DATA ANALYTICS
STRATEGIC PLANNING	EMPLOYEE SKILLS & CAPABILITIES	HUMAN RESOURCE MANAGEMENT	MARKETING PROVIDER MANAGEMENT	SOFTWARE DEVELOPMENT & DELIVERY	DATA SCIENCE TEAM
GOVERNANCE & RISK MANAGEMENT	TEAM PERFORMANCE	INNOVATION & RESEARCH	CROSS CHANNEL STRATEGY	THIRD PARTY COLLABORATION & INTEGRATION	DATA GOVERNANCE
COMPLIANCE	DIGITAL SPONSORSHIP	KNOWLEDGE MANAGEMENT	MEDIA PERFORMANCE	INNOVATION SUPPORT	BUSINESS AUTOMATION
FINANCIAL PLANNING	WORKPLACE COLLABORATION	OPERATIONAL EXCELLENCE	BUDGETING TRACKING & PERFORMANCE	CYBER SECURITY	PERSONALIZATION

DIGITAL MATURITY SCALE

MATURITY LEVELS



LEADERS IN RISK MANAGEMENT

Understand risk and reward are linked

Embrace risk to achieve growth potential.

The risk function is as **innovative** as other parts of the business

Risk identification and monitoring is data driven, drawing on feeds from a diverse range of sources

Statistical techniques provides the business with a view on the probabilities of certain outcomes



KEY TAKEAWAYS

1

Inactivity is Dangerous.
The speed of change will only increase.

2

Digital risk is real –
Understand your current status
and implement changes to ERM
as needed.

3

Don't just focus on technology risk; people, processes and culture are key.