

ACTIVE RISK MANAGER

The Confidence-based Approach to Risk-Reward Management



Risk management is often seen as focusing just on the downside. However with Active Risk Manager (ARM) your organization can identify and manage the opportunities and upside too. Opportunities for winning more deals, saving more money and delivering projects on-time and on-budget. ARM works enterprise-wide to turn all your employees and partners into risk-reward spotters. ARM makes what is often seen as a 'cost of doing business' into a system which can drive improved business performance.

HOW ARM IMPROVES BUSINESS PERFORMANCE

ARM is all about risk-reward management - giving you both the oversight and insight to make better informed business decisions, save money and increase revenues – but how?

ARM records the risks and opportunities identified throughout your organization, supply chain and partner network. ARM holds that information in one place rather than it being dispersed and lost in a multitude

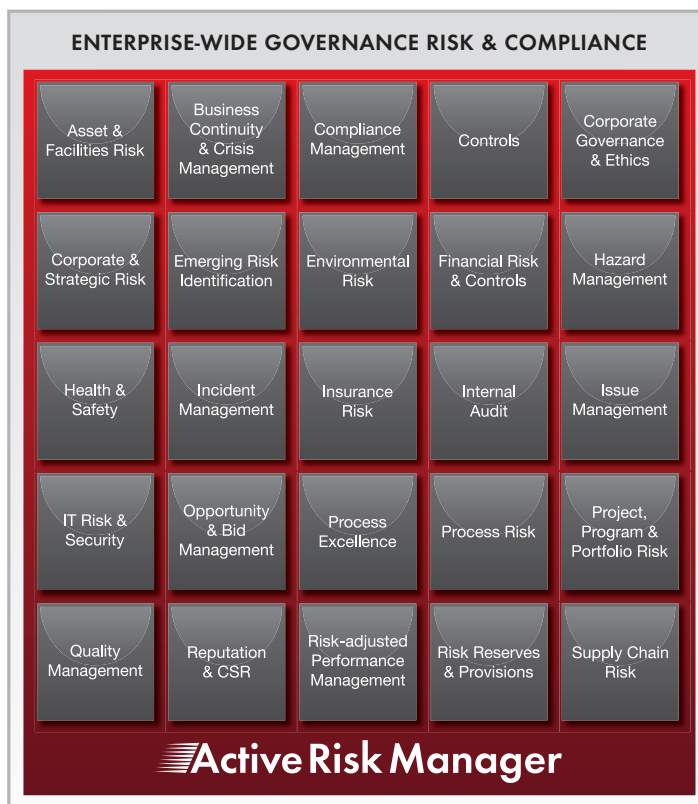
of documents, spreadsheets, meeting minutes, ideas and conversations. ARM enables you to rate and measure these risks and opportunities both qualitatively and quantitatively and assess the probabilities and impacts of them happening. With this data held centrally in a common format you're ready to make sure more of the good things happen, fewer problems occur and, if they do, have confidence that the plans are in place to deal with them.

Recording and escalating the opportunities and risks up through the organization brings top-down strategic planning face-to-face with operational issues and actions, keeping the whole company in synch. Potential problems will be highlighted earlier and can be nipped in the bud. Trends and patterns will be spotted sooner, improving the ability for agile responses.

ARM enables all levels of management to risk-adjust their business planning so that strategies and forecasts are more realistic. Decision making can be shown to be evidence-based with a supporting audit trail. Put simply, ARM enables a confidence-based approach to risk-reward management.

ARM BRINGS OVERSIGHT AND INSIGHT TO ALL AREAS OF THE BUSINESS

- ARM records risks and opportunities at all levels of the business – capturing relevant information from the people who know best – the people closest to the spend, the supplier, the customer or the project. ARM means employees see evidence that their ideas are being acted on and so breeds a culture striving to improve.
- ARM highlights the areas of risk and opportunity inherent in any bid, proposal or tender. This brings two main benefits - fully understanding the risks means you can put in place mitigation plans from the start, reducing your need for contingencies making for more accurate pricing– and having an evidence-based approach to risk shows you know what you’re talking about, building the relationship with the customer making it more certain you’ll win the deal.
- ARM Knowledgebase ensures that the ideas proven to have worked and the best practices that have delivered can be shared between projects, programs and business areas – wherever they are in the world.
- Credit rating agencies like Standard and Poor’s are increasingly basing their assessments on proof of an enterprise-wide approach to risk-reward management. ARM provides the evidence and structure needed. Improving your rating increases confidence in your business and reduces your cost of capital.



Active Risk Manager (ARM) adds value in all these business domains

- ARM brings together disparate business areas which often worked blind. For example, drawing risk management, insurance and compliance into a single system drives better informed financial decision-making leading to a more efficient allocation of capital and the potential to reduce insurance costs.

ARM BRINGS A CONFIDENCE-BASED APPROACH TO RISK-REWARD MANAGEMENT

With the ARM ‘risk engine’ at the heart of your business you have better information to underpin your plans. ARM highlights the risks to achieving strategic goals and flags up new opportunities for cost reduction, efficiency and increased revenue. This risk-adjusted business planning gives you more confidence in your forecasts and the messages you give to the market. ARM brings a confidence-based approach to risk-reward management that will aid transparency and underpin your corporate reputation.