



## Risk Management Services



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## Russell Scanlan Risk Analysis Service

**Modern businesses are exposed to a complex range of risks. Some are obvious to managers, some are known but their potential impact is underestimated and others lie undetected through lack of awareness or because they are buried deep in the firm's administration. If survival in business is to be assured, then these risks must be exposed and controlled. Whether the issues are practical such as security and safety or administrative such as employment law and legislative compliance, the key to building reliable defences is to analyse, prioritise and then take action.**

Our risk analysis process helps owners and managers to target and control issues that threaten the survival or profitability of their business. Through systematic examination of 15 key areas of the business, risk and management levels are assessed then converted into an agenda for action.

- Risk management benefits profitability. By identifying and tackling key issues, the efficiency of the business is improved.
- An improved risk profile will enhance your negotiating position with Insurers.
- 80% of UK businesses that suffer a major fire, flood or hurricane go out of business within 3 years.
- Less than 25% of businesses operate reliable personnel, safety or security procedures.
- Less than 20% of businesses operate any organised form of IT security.

### The Risk Analysis Session

We will carry this out with the business owner or manager on site. The analysis studies 325 issues broken down into the following 15 areas of risk management which can be addressed collectively or individually.

Financials, Customers & Markets  
Security  
Employment  
Premises Management  
Cash  
Health & Safety  
Building Maintenance  
Embezzlement  
Environmental Management  
Disaster Planning  
IT Security  
Credit Management  
Vehicle Management  
Financial Protection  
Contracts & Administration

### The Risk Analysis Report

This provides a precise record of the data recorded, charts for each segment to help set priorities and an agenda for action with clear pointers to the steps required.

### Monitoring and Support

We will then guide you on a range of risk management solutions including the provision of sample procedures that have been tried and tested in other businesses. Most importantly, we will regularly monitor and review your progress to help you achieve a steady reduction in risk levels.



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## Risk Management

**Sound risk management involves a balance of:**  
**a) financial protection, usually through insurance, plus b) Practical risk reduction measures to eliminate or reduce the potential for disruptive or costly events. Both are essential to protect the company balance sheet.**

The insurance element converts unquantifiable future losses into a known cost and the practical measures reduce the risks in the first place.

**An efficient risk management programme will produce:**

- Reduced potential for disputes and costly financial losses
- Reduced potential for business interruption
- Increased negotiating ability with insurers and lenders
- Legislative and contractual compliance

Any business manager who has been involved in litigation or dispute knows how distracting the experience can be. Normal management tasks are suddenly interrupted by a new agenda which cannot be deferred or delegated. Problems of this sort always filter up to the top and sidetrack the people with the greatest responsibility for achieving business progress. Financial protection against disputes may be essential but avoidance is preferable so this is a key area for the practical program. It will make the business safer to own and easier to manage.

Compliance is another key issue for the well managed business. Our Health & Safety and Environmental laws demand awareness, commitment and an organised approach without which the business and its directors are exposed to prosecution, cost and adverse publicity. A sound risk management program should also help to address compliance issues.

Russell Scanlan are able to help their clients to implement a practical risk management program which will also support the insurance program. Our Risk Analysis Service is designed to help and support you in achieving a balanced and cost-effective approach to risk.

**Using powerful software we can help you to:**

- Analyse your business risks and set a program for risk management
- Support your program with the provision of guidance, solutions and template working procedures
- Monitor implementation
- Write the framework for your Business Continuity Plan
- Apply all this to best effect with your insurers

Our service crosses the wide spectrum of business risks from asset management, IT security, safety and HR management to fraud prevention and credit control.



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## Business Continuity Planning

**A Business Continuity Plan is increasingly seen as an essential for the well managed business. The failure rate of businesses that do not plan for disruptive events is alarmingly high causing key customers, insurers and lenders, all of whom underpin the business, increasingly to call for evidence of contingency planning. For the business owner, knowing that the survival rate of businesses which suffer a major fire can be as low as 20%, should be sufficient to demonstrate that a Business Continuity Plan is a management essential.**

Picture the scene, you are phoned at 3 a.m. to be told there is a major fire at your premises. You are inevitably upset and as you arrive, your worst fears are confirmed. Your mind is racing with thoughts about what you will say to your staff and customers. What will happen tomorrow when people start arriving for work and customers start phoning in? But there are no phones to answer! What should you do first? Where will we all go? What is going to happen? If you don't know what needs to happen, customers and staff will leave you and the business will go down fast.

For most businesses, advance planning for the possibility of a catastrophe, will determine whether they can survive should the worst ever happen. A catastrophe may be something much less dramatic than a fire, but the key component that marks out the survivors is a Disaster Recovery or Business Continuity plan. Come the day, those that need one are unlikely to survive without one. These UK statistics tell the story.

- 80% of businesses that suffer a major catastrophe, perhaps serious fire or weather damage, go out of business within 3 years.

- 40% of businesses that suffer a critical IT failure go out of business within 1 year.

Business interruption insurance is another essential because it provides a financial safety net while the business is recovering, but it takes more than cash to breathe life back into a business that has suffered a major setback. Recovery will depend on leadership, good organisation, survival of essential data, documents, perhaps the ability to maintain production or at least to tell your customers with confidence that you have secured the future. After the event is too late to discover what those plans needed to be.

So we need a written plan. Where do we start? You could start with a blank sheet of paper but most busy people value an organised approach and the support of people with experience and the tools to achieve the task. Using the latest software, we can help you at either of these two levels :

1. Work with you to create a framework plan which you can then take over in Word format and develop to completion.
2. Work with you to plan completion using the software to maintain, develop and review the plan with the ability, at every stage, to produce hard and soft copies in Word or PDF format.

Effectiveness of any plan will depend on what you put into it plus a commitment to review and update it. The plan will be as good as you agree to make it but changes in the business will erode its value if it is not reviewed and developed.

### **Next step: Pick up the phone - its still there. It might not be tomorrow!**

Where risk reduction measures reduce the exposure of the company's insurers, it follows that this should be rewarded with lower premium rates. Insurers understand and recognise this in their price negotiations.

# Risk Management Resources:

- In House Surveyor
- Risk Analysis Service
- Disaster Recovery
- Business Continuity Planning
  - Health & Safety
  - Human Resources
  - Electrical Testing
  - Asbestos Surveys



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