

# RISK ADVISORY

NAVIGATING UNCERTAINTY &  
MAKING RISK AN ADVANTAGE





# INTRODUCTION RISK MANAGEMENT



## Risk Management as Competitive Advantage

In an increasingly uncertain world risk management has never been more important. Being able to effectively identify, define, and then manage risks can be a key competitive advantage for any organization.

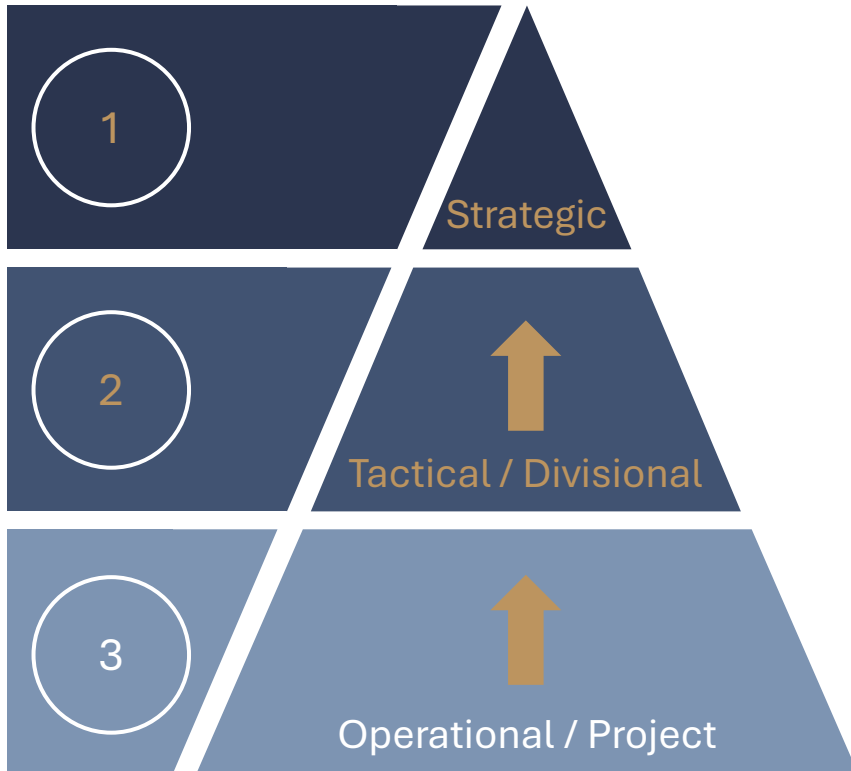
Developing a positive risk culture in an organization (supported by good tools and processes) can reduce threats and capture opportunities.

Castle Controls have in-depth hands-on experience implementing, operating, and improving risk management processes and systems. This experience, at major companies, includes risk management at the strategic through operational levels.

## Risk Solutions:

- **Risk Advisory:** We can conduct an independent review of your existing risk management systems and processes using our Risk Maturity Index (RMI) tool. It provides metric-driven results. Coupled with our deep experience in Risk we will recommend targeted improvements and provide support as required.
- **Risk Identification/Framing:** We can work with your teams to identify and frame critical risks that could impact your business. We also facilitate meaningful discussions to create effective control measures.
- **Quantification:** We can quantify the risk profile of a project or opportunity using our TECOP toolkit. Ideal for gate assurance and/or for comparing different options.
- **Probabilistics:** We offer a full Risk Probabilistic (CSRA) offering to set contingency and float. See standalone product sheet for more information.
- **Training:** We can provide training to develop your team's risk management skills as you seek to build your risk management culture.

# INTRODUCTION RISK MANAGEMENT



*Castle can support risk management at all levels of an organization. Our tailored solutions differ by level.*

## Risk Management across the Organisation

Effective risk management should be happening at every level in an organization. However, risk management should be conducted differently at each level.

- **Strategic:** These are the top risks to the overall organization and are most effective when linked to key strategic objectives. Normally a small number of high impact risks. *Example: Capital efficiency and delivery of major projects to sanctioned premises.*
- **Tactical:** In larger organisations each region or division will have a set of risks linked to their divisional goals. These are normally a more detailed set of the strategic risks and can feed up into the business-wide risks. *Example: Delivery of Project X according to sanction.*
- **Operational:** These are the lowest level of risk and directly linked to projects and operational activities. These risks help project managers effectively deliver their projects. They roll-up / feed into Tactical level summary risks. *Example: Discrete risks (many) impacting Project X.*



# RISK MATURITY INDEX (RMI) INDEPENDENT REVIEW / EVALUATION

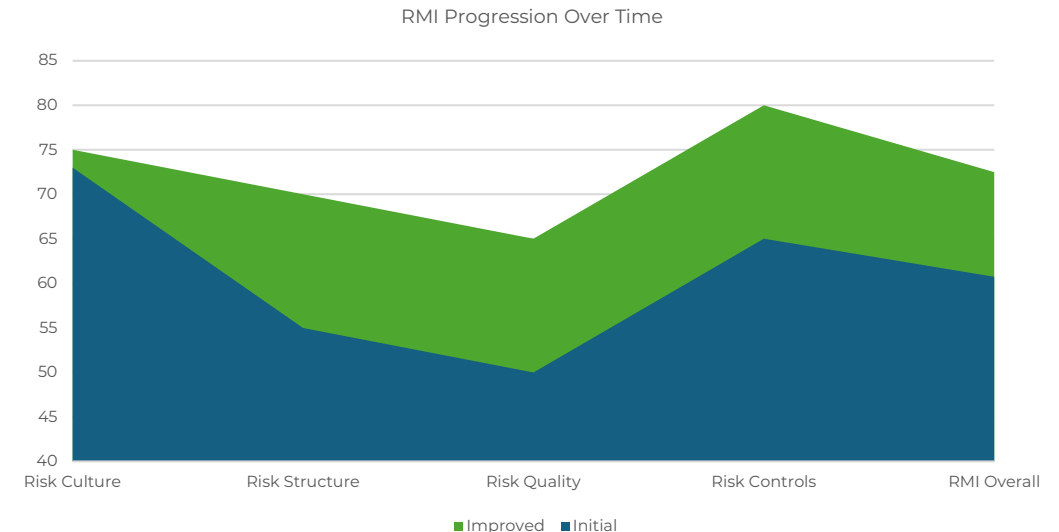
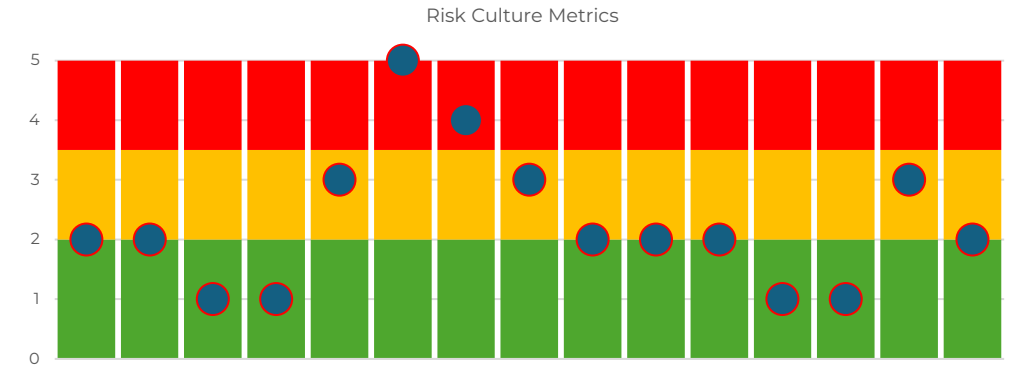


## The Risk Maturity Index (RMI) Tool

Our RMI tool is a quantified evaluation of your organizations risk management framework. The RMI uses over 50 discrete metrics to evaluate the health of the following areas:

- **Risk Culture:** The overarching risk environment that influences risk management practices and policies. This includes the attitudes and behaviours exhibited towards risk in the organization.
- **Risk Structure:** The processes, structures, systems, and tools that are in place to facilitate and ensure quality and consistency of risk management within the organization.
- **Risk Quality:** The quality of the actual risks identified. Quality and
- **Risk Controls:** The effectiveness of controls and mitigations that have been identified and implemented.

We will highlight key areas to improve your risk management and propose meaningful solutions. We can also help implement improvements as required.



# RISK ADVISORY

## RISK IDENTIFICATION / FRAMING



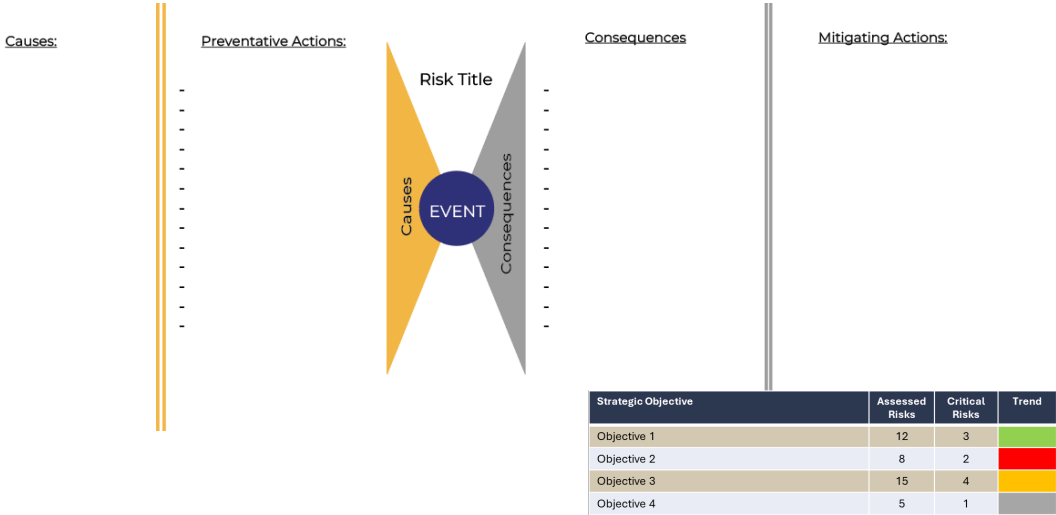
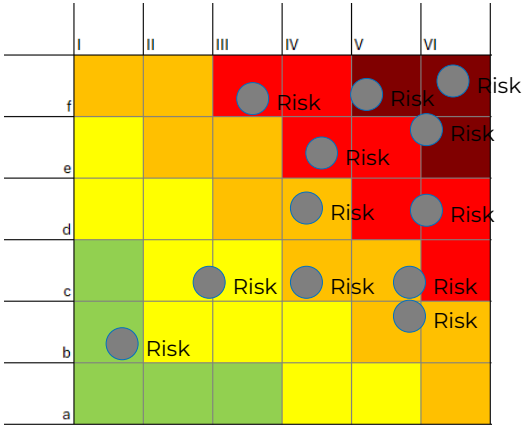
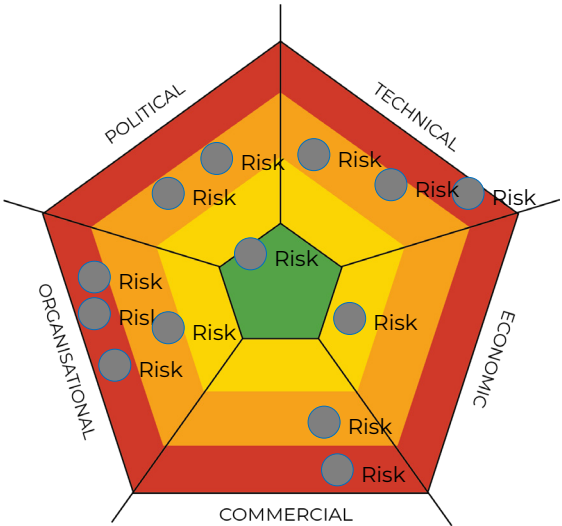
### Identifying, framing, and controlling the right risks.

Castle Controls can facilitate effective and efficient risk workshops which will:

- Identify the key risks to your business or project.
- Frame the risks to define their potential impact.
- Evaluate and agree controls to be implemented.
- Set the org up for success in risk management.

We have a range of proven tools and templates which we use to create engaging, enjoyable, and valuable risk sessions.

Our approach and tools for Project risk management differs to Strategic risk management.





# RISK ADVISORY

## RISK PROFILE QUANTIFICATION



### Quantifying the Overall Risk-Profile

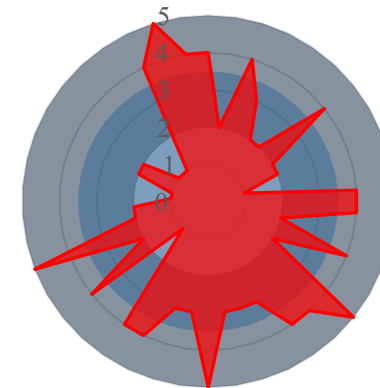
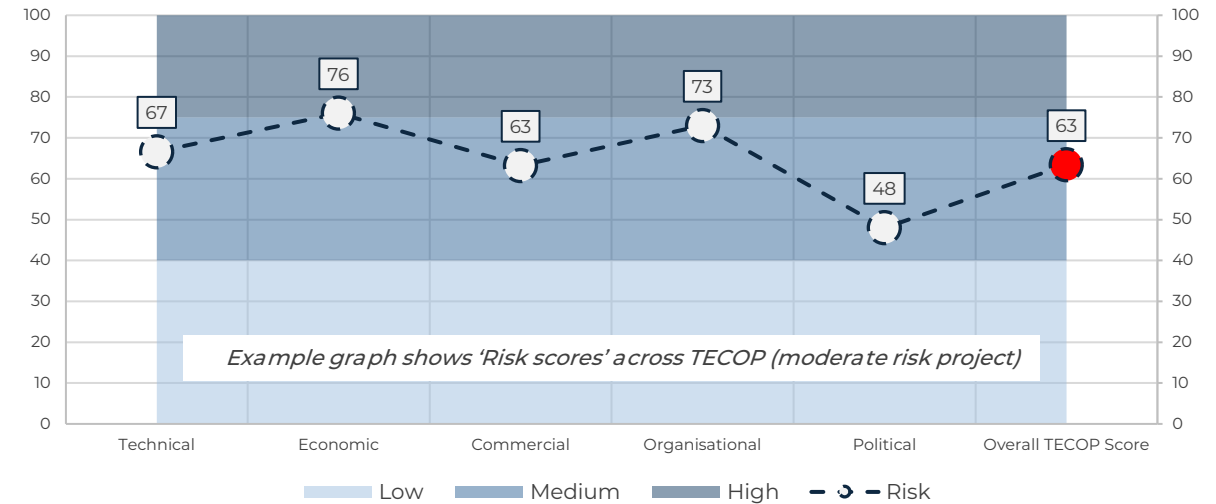
Most risk exercises focus on individual risk events and how best to manage/control them. While this is valuable all individual risks sits within a broader risk-profile. Individual risks are also hard to compare/contrast to other risks or other projects.

The TECOP tool is designed to quantify the overall risk profile of a project. It uses set metrics and definitions to allow comparison between projects and to demonstrate progress over time. If individual risks are “trees” then the TECOP tool shows the “forest”, both of which are useful views of risk.

Our TECOP Toolkit (Risk) contains 200+ discrete metrics. Each has a 1-5 scale with clear definitions to be selected. Inputs are converted into a ‘Risk Score’ indicating how inherently difficult/complex/risky the project is.

Running a project through the TECOP tool will provide valuable insights and also guide the production of a more detailed risk register.

EXAMPLE: Risk / Difficulty Level



The TECOP toolkit produces a range of graphics and metrics for analysis

# PROJECT RISK MANAGEMENT SUPPORTING THROUGH THE CYCLE



## Risk Management: Support throughout the Project lifecycle.

- **Throughout:** Risk Maturity Index evaluations. Training.
- **Assess:** Identify high level risks associated with the opportunity. Recommended to do this as part of our “Opportunity Framing” sessions.
- **Select:** Identify risks for all options being considered. Use risk as a differentiator between options. Our ‘Concept Selection’ product is very effective at comparing risk profiles between options.
- **Define:** Risk identification workshops to identify and define risks as the detailed register is developed for FID. Risk Probabilistics (CSRA) to support FID decision.
- **Execute/Operate:** Operationalize risk management. Maintain high quality registers and delivery.
- **Decommission:** Prepare for EoFL and ensure risk is considered in selecting options.



# RISK MANAGEMENT

## RISK PROBABILISTIC



### **Industry leading Risk Probabilistics: Accurate, insightful, and accurate.**

Quantifying project risks is a critical step in being able to effectively manage uncertainty and positively influence project outcomes.

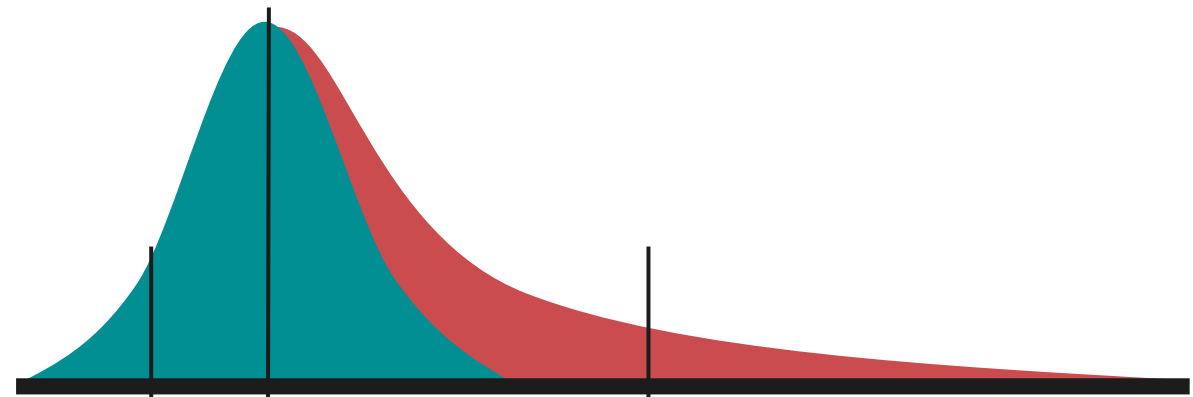
Independently facilitated processes reduce bias and produce more insightful and accurate results. Castle Controls are experts in Risk Probabilistics and Monte-Carlo analysis with extensive hands-on experience running probabilistic exercises for major companies and projects of all types and sizes.

Castle goes beyond the hard numbers and mathematical models and will work with your business to understand the risk drivers and develop levers to improve outcomes.

*\*\* See the standalone product brochure on our Probabilistics offering for more information\*\**

### **Goals of Castle Probabilistics:**

- Accurate Results: Quantify a project risk profile to create an accurate cost contingency and schedule float.
- New insights: Greater understanding of project drivers and risk impacts (across the P10-P90)
- Meaningful engagements: Process that has inherent value (as well as accurate results) through in depth review.
- Actionable outputs: Identify key levers/actions to improve project outcomes and drive success.





# RISK MANAGEMENT

## RISK PROBABILISTIC



### Standard process, tailored to meet your requirements:

Castle Controls have an established process for probabilistics that has been tested and proven over many years. Our method of gathering and modelling inputs will produce meaningful and accurate results.

However, as every project and goal is unique we have built flexibility and scalability into our approach so we can tailor solutions to your needs..

*\*\* See the standalone product brochure on our Probabilistics offering for more information\*\**

### Process Characteristics:

- **Structured & Repeatable:** Our processes are well established, standardized, and industry proven.
- **Low Admin:** We utilize surveys and datasheets to reduce admin and maximise time available for meaningful discussions and analysis .
- **Buy-in:** We seek team and management buy-in throughout to ensure ownership of results.
- **Scalable:** We can scale our process and tailor approaches according to project type and phase.
- **Actionable outputs:** Identify key levers/actions to improve project outcomes and drive success.





**We'd love to discuss with you how our Risk Advisory and product offerings could support your organization or project. Please reach out for more information.**

## **CONTACT US**



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