

PRAY

People Risk Assessment & Yield



Risk Pro
Connect with Risk Professionals

Riskpro, India

Background and Challenges to People Risk

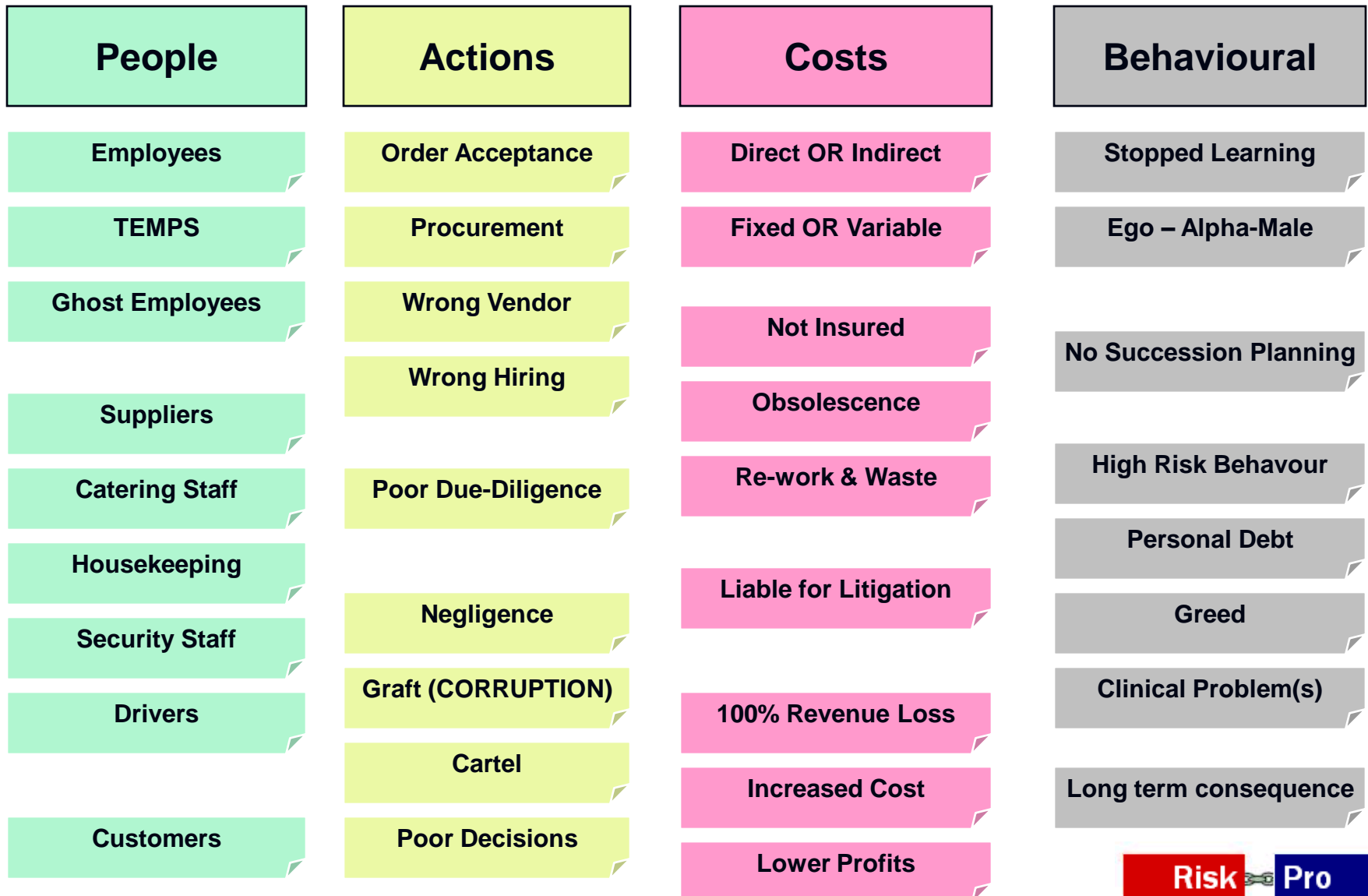
BACKGROUND

- ▲ India is People-centric. In a global context; manpower outsourcing comes to India and has to be a part of their Global Solution.
- ▲ All companies rely on efficient, honest and effective people to grow and create business value
- ▲ People risk management goes beyond hiring good people and carrying out annual performance evaluation.

CHALLENGES

- ▲ People risk is often forgotten, neglected. Companies build models, frameworks to manage risk..but ignore People themselves
- ▲ People are, indirectly or directly, at the core of all risks
 - Starting with the way they are; their background, early childhood, how they got to be where they are; personal & family life. Debt, Gambling, indulgent to the good life?
- ▲ Unlike Logistics, Finance, Marketing, Sales, Distribution etc. the risk related to People has a range of 'different' local, regional, enterprise, cultural & global implications.
- ▲ Most companies do not have quantitative score or metric that measures people risk levels.

The People Risk Landscape



How People's ACTIONS increases or decreases risks

- ▲ EVERY Decision that a person takes affects Revenue, Collection, Expenses, Payables, project or ultimately the bottom-line of the company.
- ▲ Negligence OR wanton 'delay' adds to inefficiencies, project delays, increased cycle times, lower customer or supplier satisfaction and can even jeopardize the Transaction
- ▲ Once a thief always a thief
- ▲ Failure to properly verify a cheque payment for a large sum.
- ▲ Misbehavior with colleagues
- ▲ Writing degrading emails about companies to external parties
- ▲ News and print news about employees due to their personal lifestyle, behavior

All such behaviors are noted by management, employees warned or a note made in their personal files. **But no tracking taken to consolidate this information, see an overall risk score of that each employee or at the company level.**

Decision making delays, process inefficiencies, bad leadership all require some quantification and aggregation to highlight your STAR performing employees and the bad ones.

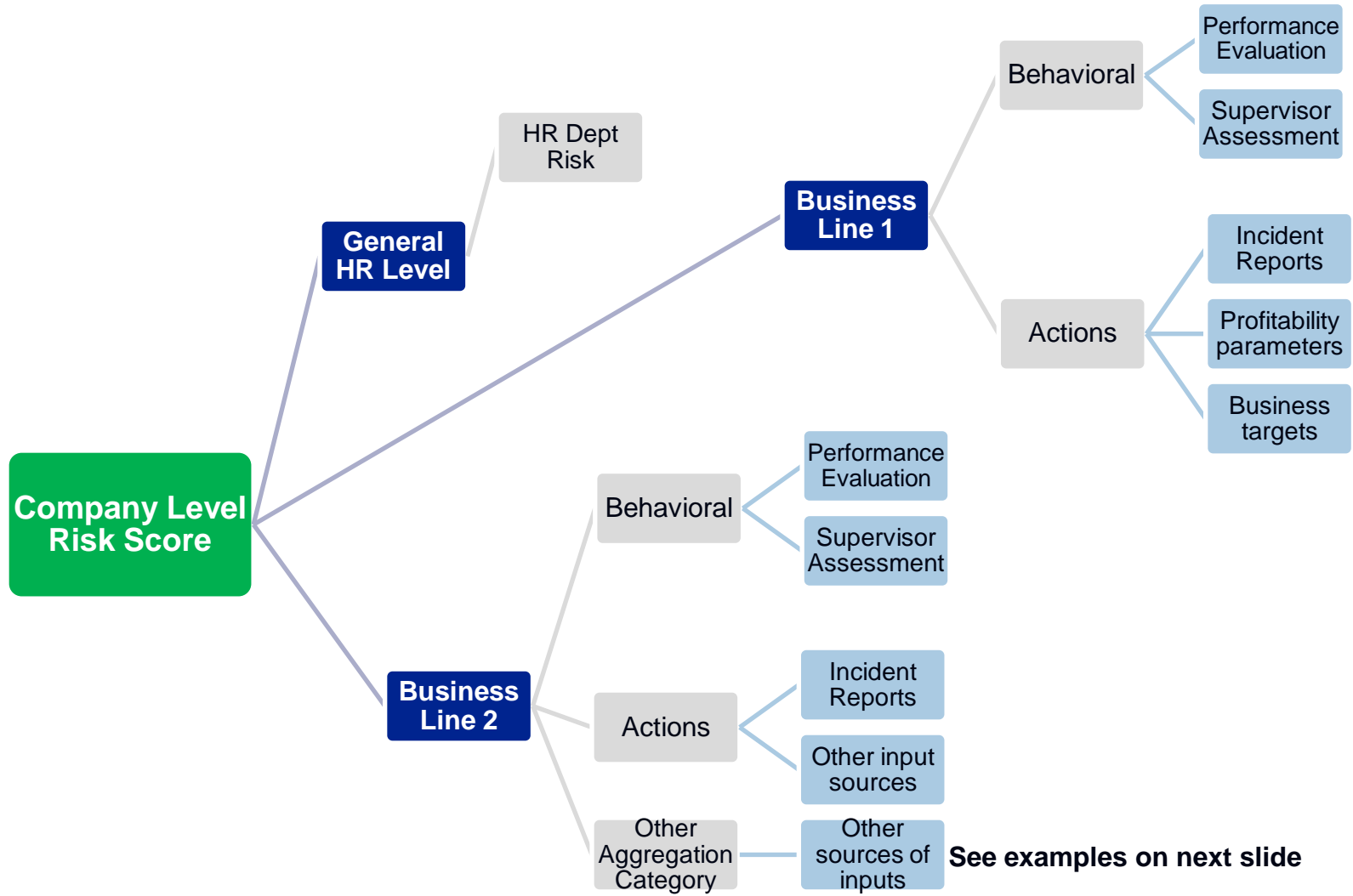
The People Risk Pareto philosophy & Focus

- ▲ 20% of the People from 20% of Factors account for 80% of the Risk and 80% of the controllable Financials in any Enterprise.
- ▲ Companies need to address the employees that account for large risk factors



The PRAY trick is to understand which 20% employees causes the what 80% of risks on a regular and periodic basis.

PRAY Bottom Up Approach to Risk Management



People Risk Management – Other Inputs to the Model

▲ HR Department Inputs

- Skills set gap, succession planning, outstanding jobs unfilled. All HR inputs can be considered by PRAY to model some level of risk score at entity level.

▲ Recruitment Verification

- Results of internal, external verification, due diligence

▲ Risk Register

- Inventory of known risks relating to people risk. Aggregate score of company wide HR Risk register

▲ Incident Reporting and Issues Management Database

- Responsible for how much of financial losses, number of events by the persons, all incidents with evidence support. Audio, Video, Documents etc

▲ Performance Appraisal System

- Add risk elements to existing Systems, Methods & Practice

▲ Reporting System

- Predictive and Pre-empts. Real-time Alerts. Yesterday, Last-week, Last-month, Last-quarter and Last-year knowledge. Why? Who? What for?

PRAY



Making People Risk Management Clever and Visible

The PRAY Model

Roots

- Position in Organisation
- Job Description
- Longevity in Enterprise
- Trust within Enterprise
- Current & Past Record

Reportees

- People Accountability
- Sigma of all Reportees
- Non-performance Exposure
- PRAY now becomes CYCLIC

Resources

- Resources Accountability
 - Direct & Indirect Costs
 - Fixed & Variable Costs
 - Liability Exposure
 - Project-Delay Exposure

1. Promotion – Higher Authority
2. Bonuses & Incentives
3. Pay rise
4. More Responsibility
5. Increased Accountability
6. Awards & Recognition

Good

1. Non-Performance
2. Apathy. De-motivated
3. Negligence.
4. High-Risk Behaviour
5. Not-willing to take risks
6. Poor Decision-Making
7. Negligent Hiring
8. Lack of Training

Bad

1. Punishment for Failure
2. Time Skimming
3. Resources Skimming
4. Cartel-Unionisation
5. Insubordination
6. Theft

Ugly

HRIS / HRMS

HCM

PMS

Decision-Making
Quality

Individual &
Group Metric

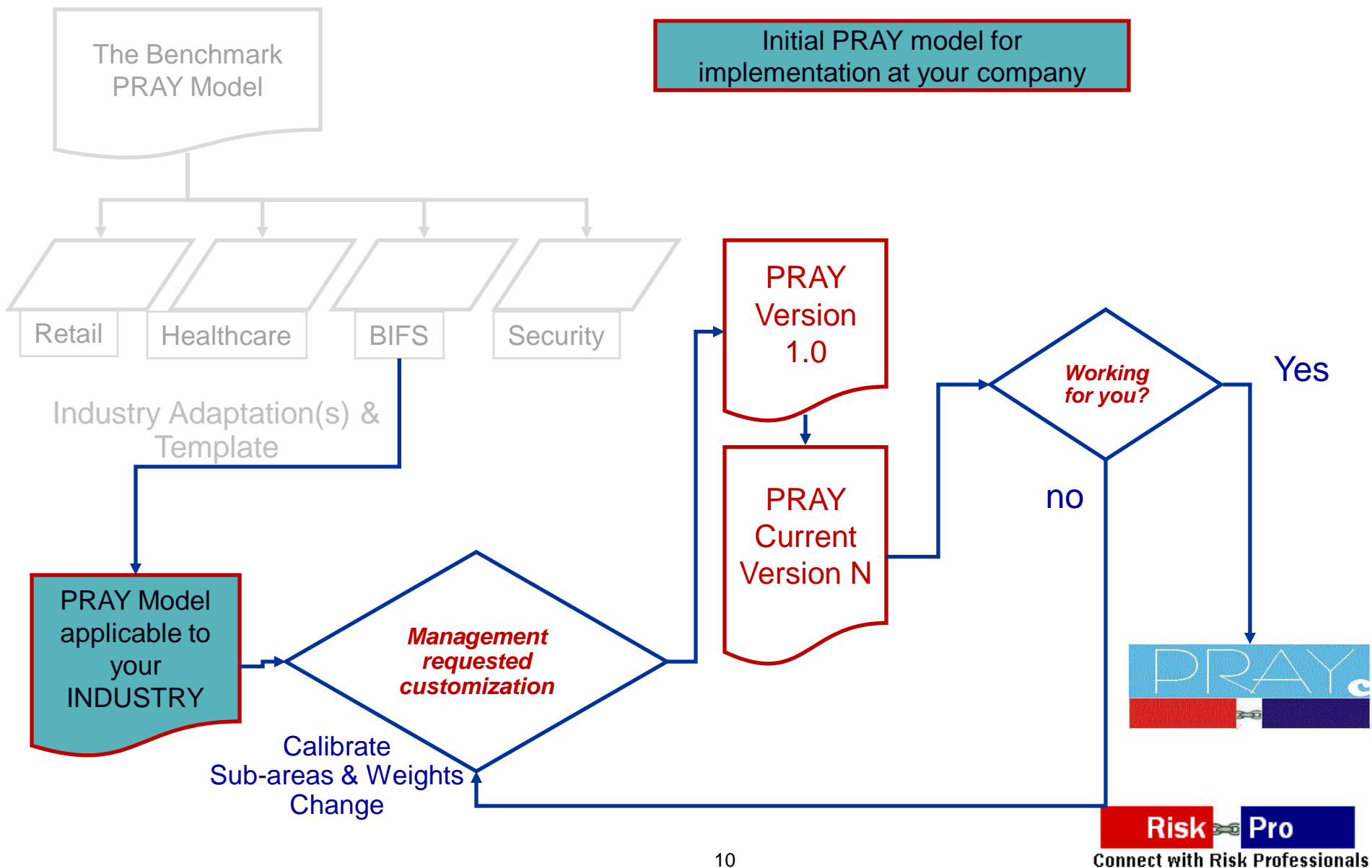
i3S

Enabler Components ...

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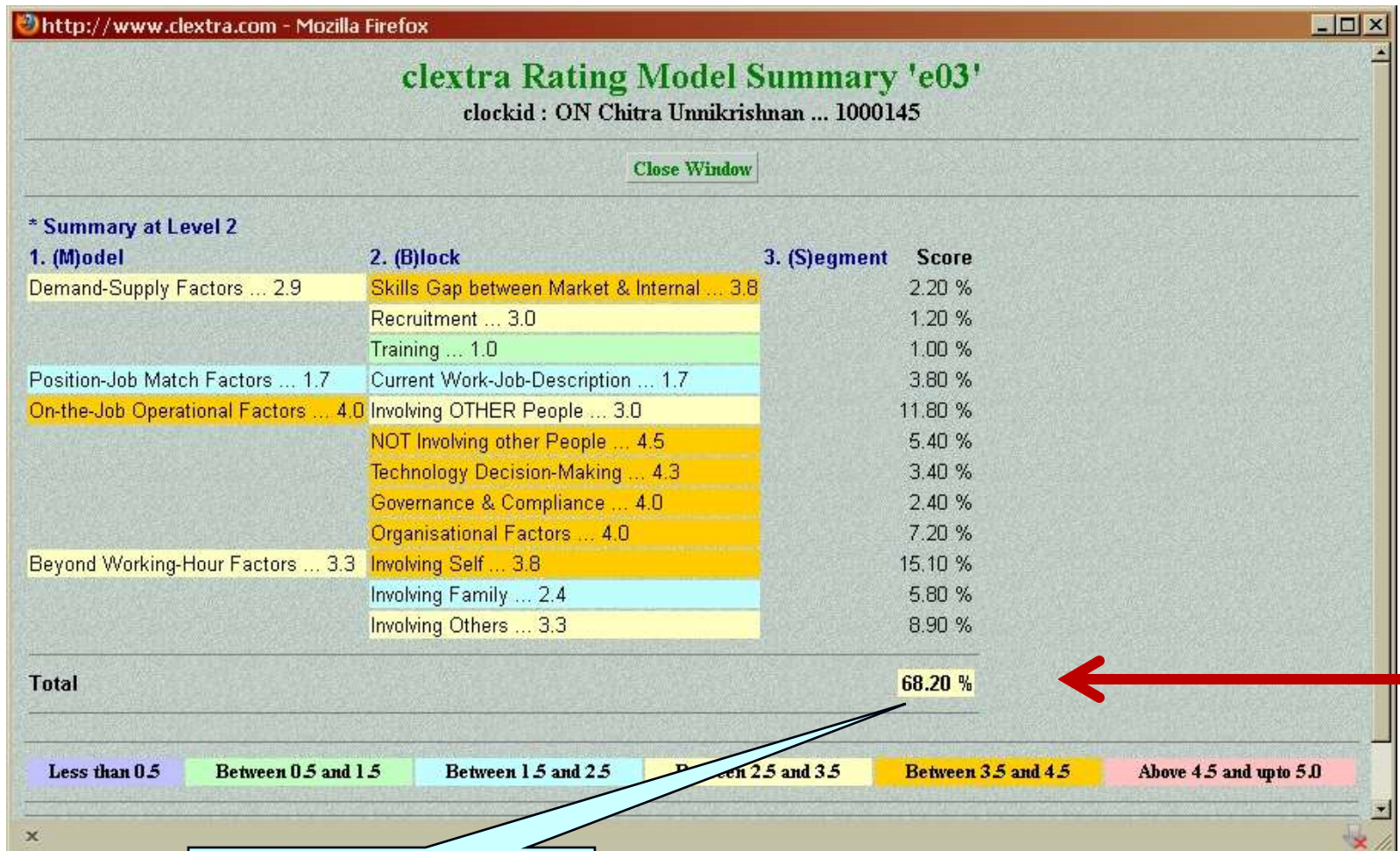
PRAY Calibration – Customized for your exact needs



Example Industry Calibration - Logistics

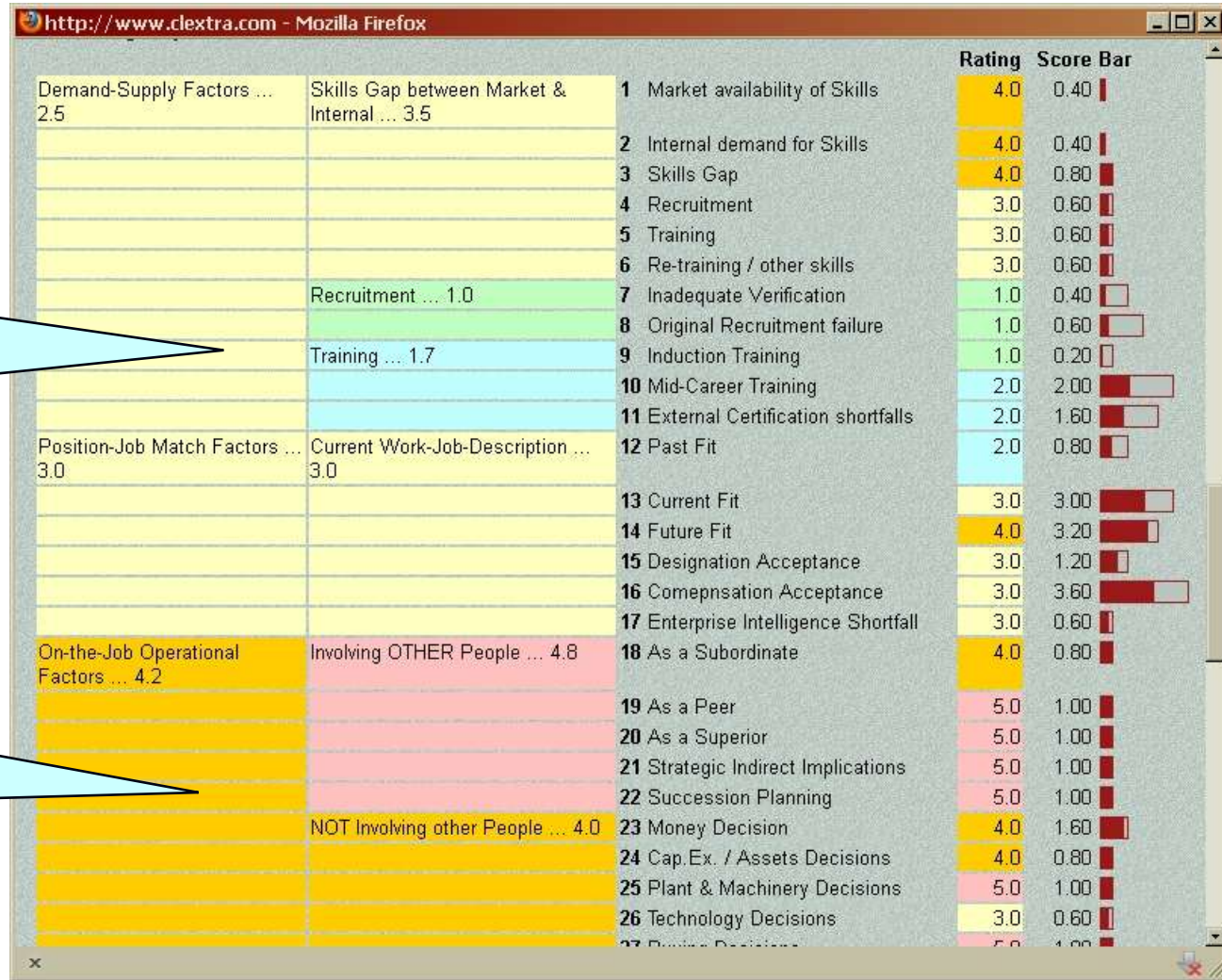
Main Category	Risk Factors modeled	Weightage
Demand-Supply Factors	<ul style="list-style-type: none"> •Skills Gap between Market and Internal •Recruitment •Training •Availability of good skilled resources •Background checks 	20%
Position-Job Match Factors	<ul style="list-style-type: none"> •Current Work-Job-Description Knowledge of Logistics industry 	20%
On-the-Job Operational Factors	<ul style="list-style-type: none"> •Organisational Factors •Periodic Performance and Appraisal •Periodic Safety; Security and Surveillances •Incidents •Reputation Risk •Unauthorised receipts and expenditure •Revenue leakage 	30%
Beyond Working-Hour Factors	<ul style="list-style-type: none"> •Involving Others •Involving Family 	10%
•Company defined category	<ul style="list-style-type: none"> •Company defined risk factors •Company specific risk factors 	20%

People Risk Model – Single-Dimension View



A SINGLE aggregated
People Risk Score for the
whole organisation

Screenshots – People Risk Model – Company View - Detailed



Aggregated Dashboards across Risk Metrics are available for senior management to monitor People Risk Landscape

Colored Heat Maps ensure swift decision for priority issues (Red areas)



Employee Information System (Import required fields ONLY)

Modify Employee Master Record

Assigned Employee-ID :	1 000 145
Employee Name :	Chitra Unnikrishnan
Employee alias :	0016 (No spaces NOR special characters)
Designation :	Sales Executive
Main Task Type :	564 ... Convince clients, brokers, agents and other intermediaries and a
Gender :	<input type="radio"/> Male : <input checked="" type="radio"/> Female
Date of Birth :	1964-05-03 YYYY-MM-DD Get Date
Date of Joining :	2003-11-29 YYYY-MM-DD Get Date
Location :	2 ... inKAbIraZON01 : Corporate Office ... Multiple Locations
Associated Corporate :	Zilog India Electronics ... 100100507
Type of Involvement :	Permanent
Batch :	200311 (Any 6-char, typically YYYYMM or YYYYWW)
Grade :	2
Educational Level :	- NOT SPECIFEID -
Certifications :	... SET!
Years of Experience prior to this :	3.4
Overwrite Compensation Set? :	<input type="radio"/> Yes : <input checked="" type="radio"/> no
Select Compensation Set :	Set 2 : for Grade 2 ... (Check Yes above)
Date of Leaving : (if applicable)	0000-00-00 YYYY-MM-DD ... Get Date
Reason for Leaving : (if applicable)	101 : Lack of individual Respect
Team :	I9-t = Profit Centre (Team I9:T20)
Household :	= - NOT SPECIFEID -
Superior :	Anup J. Tapase : 1000008 : ... ADD ... if unavailable. ... Find ...
Tech.Head :	Anishek Agarwal : 1000007 :
HR Head :	- NOT SPECIFEID - ::
Corporate Role :	S002 ... SAP - FICO Functional
CRIP Centre :	... -NOT SPECIFIED-

While stand-alone the RiskPro clextra PRAY model would require minimal structured key-based information about Staff. This can be exported, imported or manually maintained as needed.

Screenshots – Manual Entry based on PRAY Model

Supervisor / HR Dept complete Annual Risk Assessment for each employee based on pre-defined Risk Metrics

http://www.clextra.com - Mozilla Firefox

clextra Rating Model 'e03'
clockid : ON Vivek Ratnakar ... 1000123

[Close Window](#)

		Rating					
Demand-Supply Factors	Skills Gap between Market and Internal	1. Market availability of Skills	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		2. Internal demand for Skills	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		3. Skills Gap	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		4. Recruitment	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		5. Training	<input type="radio"/> Very Low	<input type="radio"/> Low	<input checked="" type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		6. Re-training / other skills	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
Recruitment	Recruitment	7. Inadequate Verification	<input type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input checked="" type="radio"/> High	<input type="radio"/> Very High
		8. Original Recruitment failure	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		9. Induction Training	<input type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
Training	Training	10. Mid-Career Training	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		11. External Certification shortfalls	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
Position-Job Match Factors	Current Work-Job-Description	12. Past Fit	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		13. Current Fit	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		14. Future Fit	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		15. Designation Acceptance	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		16. Compensation Acceptance	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		17. Enterprise Intelligence Shortfall	<input checked="" type="radio"/> Very Low	<input type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
On-the-Job Operational Factors Involving OTHER People	On-the-Job Operational Factors Involving OTHER People	18. As a Subordinate	<input type="radio"/> Very Low	<input type="radio"/> Low	<input checked="" type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		19. As a Peer	<input type="radio"/> Very Low	<input type="radio"/> Low	<input checked="" type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		20. As a Superior	<input type="radio"/> Very Low	<input type="radio"/> Low	<input checked="" type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		21. Strategic Indirect Implications	<input type="radio"/> Very Low	<input type="radio"/> Low	<input checked="" type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		22. Succession Planning	<input type="radio"/> Very Low	<input type="radio"/> Low	<input checked="" type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
NOT Involving other People	NOT Involving other People	23. Money Decision	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High
		24. Cap. Ex. / Assets Decisions	<input type="radio"/> Very Low	<input checked="" type="radio"/> Low	<input type="radio"/> Average	<input type="radio"/> High	<input type="radio"/> Very High

Aggregate score of the Assessment is one of the inputs for overall Employee Risk Score for that employee

Ranking Report – Highest to Least Risk

All Employee Ranking of PRAY Rating

		Least 5%	Less 15%	Less-Mid 30%	High-Mid 30%	High-30%	Highest 5%
Sl	ID	Employee	Team	Household	Grade	PRAY Score	
1	1199	Rohan S. Aradhya	I7-t	1	1	99.36	1 : Highest 5%
2	1140	Archana Rao	B9-t	4	2	98.98	2 : Highest 5%
3	0052	Anand Nair	I9-t	5	3	98.67	3 : Highest 5%
4	1146	Daniel James	G5-t	3	2	98.21	4 : Highest 5%
5	0051	Akshat Birla	B2-t	4	1	97.12	5 : Highest 5%
6	0149	Frank Daniel V	G8-t	9	2	96.43	6 : Highest 5%
7	0042	Sudipto Das	G0-t	7	3	95.79	7 : Highest 5%
8	0087	Mathew K.J.	G8-t	3	1	95.21	8 : Highest 5%
9	0234	Taha Jiwaji	O2-t	3	1	95.20	9 : Highest 5%
10	0180	Pranav Sheth	R9-t	2	2	95.15	10 : Highest 5%
11	0115	Sathish Kumar M	V4-t	8	2	94.58	11 : Highest 5%
12	00076	Jason Mathew	R4-t	4	3	94.49	12 : Highest 5%
13		Berlie	Y5-t	4	2	92.29	13 : Highest 5%
14		G.	Y6-t	4	1	92.27	14 : Near-Highest 15%
15		unjhunwala	B9-t	6	1	92.25	15 : Near-Highest 15%
16		da Hegde	I1-t	8	1	92.18	16 : Near-Highest 15%
17		ingamneri	V0-t	8	1	90.58	17 : Near-Highest 15%
18		ile D'Souza	R3-t	4	1	90.28	18 : Near-Highest 15%
19		al	I1-t	7	1	89.32	19 : Near-Highest 15%
20		indran	V8-t	9	1	88.99	20 : Near-Highest 15%
21		Bangur	B3-t	6	1	88.98	21 : Near-Highest 15%
22		yanathan	G2-t		1	88.47	22 : Near-Highest 15%
23		De	I6-t	5	2	88.15	23 : Near-Highest 15%
24		carenhas	G5-t	6	1	88.03	24 : Near-Highest 15%
25			I1-t	2	2	87.73	25 : Near-Highest 15%
26		ashyap	Y3-t	7	2	87.63	26 : Near-Highest 15%
27		Chowdhury	B0-t	7	3	87.40	27 : Near-Highest 15%
28		alan	Y0-t	1	1	87.33	28 : Near-Highest 15%
29			V9-t	4	2	87.32	29 : Near-Highest 15%
30	1000187	Raghnandan G	V5-t	8	1	86.65	30 : Near-Highest 15%
31	1000221	Siddharth Shivapuja	I1-t	5	1	85.18	31 : Near-Highest 15%

- A range of options and links are available ...
- Online Query
 - Offline Printing
 - Lists of all Ratings
 - 6-level Percentile Ranking.
 - Grouping on a range of Factors.
 - Behavioral Links
 - Incidents Databases
 - Performance Appraisal Links



Ranking and N-wise listings and drill-down possibilities

PRAY Selected Final Ratings
alpha = 3

Less than 20% Between 20 and 49% Between 50 and 59% Between 60 and 69% Above 70%									
Sl. ID	Employee title=	Location title=	Team title=	Household title=	Grade	Campaign	PRAY Rating	Variance	
1.	1000144 Chirag Gaglani	inKAbIrfZON03	Team G3:T34:G3-t	7	2		66.3		
2.	1000025 Chinmayi Krishnappa	usCAIacAZOND2	Team I3:T14:I3-t	9	3		39.8		
3.	1000026 Chirayu Krishnappa	Corporate Office	Team I4:T15:I4-t	3	3		13.0		
4.	1000145 Chitra Unnikrishnan	Corporate Office	Team I9:T20:I9-t	2		T1B031	0.0		
5.	1000258 Casper Abraham	Corporate Office	Team I9:T20:I9-t	3	12	M10001	56.2		
6.	1000062 Chetana Prasad	US Office	Team O0:T51:O0-t	5	3		70.6		
7.	1000063 Chethan V	-NOT SPECIFIE	Team O1:T52:O1-t	3			12.6		
8.	1000060 Chandan Khargekar	usCAIacAZOND2	Team Y8:T49:Y8-t	7	3		35.5		
9.	1000061 Chandan Rajah	inKAbIrfZON01	Team Y9:T50:Y9-t	8	3		73.6		
AVERAGE							40.9		

Less than 20% Between 20 and 49% Between 50 and 59% Between 60 and 69%									
A. Demand-Supply Factors	A. Skills Gap between Market and Internal	1 Market availability of Skills							
		2 Internal demand for Skills							
		3 Skills Gap							
		4 Recruitment							
		5 Training							
		6 Re-training / other skills							
	B. Recruitment	7 Inadequate Verification							
		8 Original Recruitment failure							
	C. Training	9 Induction Training							

- Group and Sub-Group Listings ..**
- Designation-wise
 - Qualifications-wise
 - Geographic Location-wise
 - Age-Band wise
 - Experience-Band wise
 - Shift-wise
 - Grade (or Compensation) wise
 - Batch wise
 - Superior 1,2 or 3 wise.
 - User-defined Campaign wise
 - Skill-Sets wise

Examples of Parameters for modeling people risk

Beyond Working-Hour Factors

Involving Self

High-Risk Hobbies; Alpha; Aggressive
Gambling; Speculation
Drinking; Drugs
Greedy
Opposite Sex Issues
Beliefs such as Faith/Religion

Involving Family

Emotional Pressures
Financial Pressure
Dysfunctional Factors

Involving Others

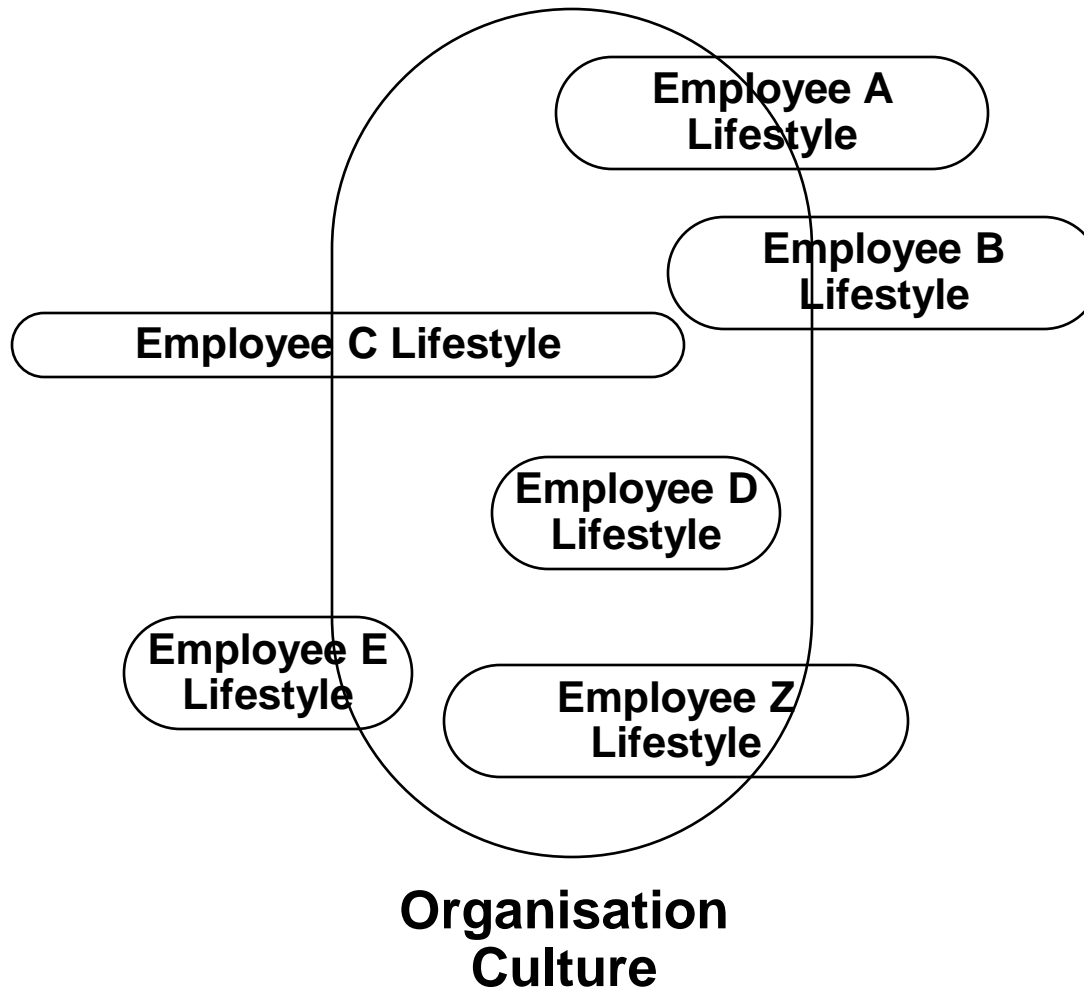
Bad company
Risk Rating
Track-Record
Litigation - Legal Action Risk

- Above are just some of the hundreds of parameters and inputs that re used to model people risk score.
- All parameters can be customized s per client requirement, or can be easily configured (ON/OFF) by company's administrator.
- Rating weights and score can be configured in consultation with company management so that important factors are given more weightage and thus arriving at an accurate risk indicator

'People Risk' even when outside the Enterprise

9 to 5

Mon-Fri
Support.
Creche.
Namaaz / Pujas
Loans.
PPF. 401K
Dating
House-Zine



5 to 9

Sat-Sun
Spouse?
Children?
Religion?
Debt?
Savings?
Marriages.
Ceremonies?
Gambling?
Bad Company?
Graft?
IPR Theft?
Loose Talk?

Implementation Overview

Requirement Gathering

- Gap Analysis
- Review of existing systems
- Review of existing policies
- Identify process gaps and policy weaknesses

Interviews and Data Collection

- Discuss with senior management of key risks
- Interview employees or professional, personal and other factors
- Populate data in database as core mater data

Model Parameterization and Implementation

- Agree on model factors
- Finalise factor weights
- Finalise organisational hierarchy and risk categories
- Escalation workflow to report risk issues

Reporting and Analytics

- Design customized reports
- Design ad hoc and drill down reports
- Customize other report elements such as download formats, security, access controls

Training and Handover

- Tool training
- User manual Overview
- Administrator training
- Hand over of tool

- Implementation timelines around one month
- 1-2 Consultant for project execution supported by a team of client employees / our junior staff for data gathering and questionnaire completion
- Implementation costs depends upon number of employees, depth of parameterization
- SaaS and license models depending upon client's budgets
- Cloud hosting options as low as Rs 20,000 per month for entire enterprise**

Who is Riskpro... Why us?

ABOUT US

- ❑ Riskpro is an organisation of member firms around India devoted to client service excellence. Member firms offer wide range of services in the field of risk management.
- ❑ Currently it has offices in three major cities Mumbai, Delhi and Bangalore and alliances in other cities.
- ❑ Managed by experienced professionals with experiences spanning various industries.

MISSION

- ❑ Provide integrated risk management consulting services to mid-large sized corporate /financial institutions in India
- ❑ Be the preferred service provider for complete Governance, Risk and Compliance (GRC) solutions.

VALUE PROPOSITION

- ❑ You get quality advisory, normally delivered by large consulting firms, at fee levels charged by independent & small firms
- ❑ High quality deliverables
- ❑ Multi-skilled & multi-disciplined organisation.
- ❑ Timely completion of any task
- ❑ Affordable alternative to large firms

DIFFERENTIATORS

- ❑ Risk Management is our main focus
- ❑ Over 200 years of cumulative experience
- ❑ Hybrid Delivery model
- ❑ Ability to take on large and complex projects due to delivery capabilities
- ❑ **We Hold hands, not shake hands.**

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THANKS

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