



Operational Risk Management: Continuous Improvement Toward Zero Incidents



Stature for Operational Risk Management links disconnected risk management processes across the enterprise, enabling organizations to continuously improve toward zero incidents.





## Operational Risk Management: Continuous Improvement Toward Zero Incidents

Operational Risk Management is currently a fractured process due to multiple, isolated systems for assessment, mitigation, management of change, incident management and monitoring. Stature for Operational Risk Management enables dramatic improvements in risk management through company-wide visibility of risks identified by a continuous improvement approach that unifies disparate risk management activities and the related lessons learned and best practices.

Companies typically have profuse amounts of data, but lack the ability to turn that data into useable information. You need a software platform that links the entire risk lifecycle, capturing critical lessons learned and best practices for the benefit of the entire organization. You need visibility into risk assessment processes, so you can drive optimal performance, while complying with regulatory demands.

Stature for Operational Risk Management (ORM) is designed to facilitate the common goals of risk management such as environmental protection, health and safety, loss prevention, business continuity, and effective selection of projects and investments.

### **Operational Risk Management challenges include:**

- Visibility – You have data, but no real decision-support information; risk is often assessed within the plants, without the information being made available to the management/executive level
- Hazard Identification – Properly identifying hazards is key to mitigating the associated risk

- Risk Assessment – For identified hazards, consistency to assessed risk is crucial
- Knowledge-sharing – Incidents and the resulting identification, assessment, mitigation and control solutions are not shared or used in existing or new facilities
- Redundancy – Multiple risk management processes, such as environment, health, safety and operations, leads to additional work and the potential for unnoticed, overlapping risks
- Incomplete Mitigations and Controls
- Inaccurate assessment of risk during Management of Change

By taking a continuous, lifecycle approach to risk management, Stature unifies risk management processes into a single process that shares and communicates essential lessons learned and best practices. Incidents are no longer simply managed, but directly tied into the original risk assessment, mitigation and control practices. Because assessments are based on common language and practices, lessons learned are now easily shared in a manner that captures the incident, the root

cause, and the updated assessment, mitigation, control and monitoring plans. Similarly, Management of Change (MOC) is no longer an independent process. All associated risks and processes for managing a change are easily accessible for new changes. The change is conducted against a clear set of risk management plans for the system being changed.

### **Stature manages the complete risk lifecycle:**

- Hazard Identification
- Risk Analysis and Assessment
- Risk Control, Mitigation and Monitoring
- Continuous Improvement through Lessons Learned

The essential steps in the risk lifecycle are unified on a single, global platform with closed-loop, continuous improvement processes. With this, management has access to a real-time risk registry with leading and lagging key performance indicators, and risk management specialists have access to the collective knowledge of the entire company.

## Stature capabilities include:

### Global Risk Registry

Stature provides you with a central risk registry of all significant risks captured in your risk assessments. The registry is automatically produced from the risk assessment process, allowing viewing from different risk perspectives (i.e. health or safety) and thresholds (i.e. loss of life, loss of asset availability).

### Effective Risk Assessments

Stature dramatically improves the effectiveness of your risk assessment practices, such as PHA (HAZOP, LOPA etc.) by basing them on lessons learned and best practices that evolve through Stature's closed-loop, continuous improvement process. This knowledge-driven approach also ensures consistency in format and language across risk assessments, enabling both the sharing of knowledge and the visibility into risk processes across the enterprise.

### Scalable, Effective Management of Change

Stature simplifies the Management of Change (MOC) process by clearly identifying all of the required steps and approvals and walking each user through his/her responsibilities in the MOC project. Stature assures the uniformity of your MOC projects, providing a collaborative platform that integrates with your risk assessments, incident management and action tracking processes. It can be configured to your company's unique workflow, and by providing best

practices for the initiation, evaluation, approval and start-up stages of a change, ensures MOC compliance with all industry regulations.

### Closed-Loop Incident Management

To be effective, Incident Management (IM) needs to be tied into the broader incident prevention strategies of enterprise risk management. By tying incident management to risk assessment, mitigation, and control, Stature ensures the full lessons learned and best practices captured from an incident or near miss are saved and used across the enterprise.

### Analytics – Reports and Dashboards

Stature ensures governance of all risk management processes through visibility of key performance indicators in Risk Assessment, Incident Management, MOC, and Action Tracking processes. Through the use of comprehensive reports and dashboards, as well as leading and lagging indicators, Stature allows you to achieve visibility into high risks at all levels of the company.

### Lifecycle Process Management for Continuous Improvement

Stature provides comprehensive action tracking to support risk assessment recommendations, management of change tasks, incident management activities and ad-hoc actions. This allows Stature to tie together the various risk management practices into a single, closed-loop, continuous improvement process.

## Stature: The Four Pillars of Operational Risk Management

### 1. Risk Assessment

Consistent, effective risk assessments based on lessons learned and best practices provide the initial view of risk and the basis of all other risk management processes across the risk lifecycle.

### 2. Process Management

Risks need to be managed at all stages across the risk lifecycle, including mitigation, control, monitoring, Management of Change (MOC) and Incident Management (IM).

### 3. Visibility

Risk management must involve all parts of an organization to be successful. Only through clear and immediate visibility into risk and risk performance can leaders at all levels of a company see and react to risk appropriately.

### 4. Knowledge Management

Risk management must be based on the application of the best practices and lessons learned that have been captured over many years. At all stages, this includes both the usage of existing and the capture of new best practices and lessons learned.

For more information visit [www.dyadem.com](http://www.dyadem.com)

#### **About Dyadem**

Dyadem is the market leader in Operational Risk Management and Quality Risk Management solutions. Dyadem provides software and services that empower companies to discover and manage the risks to people and products in the design and manufacturing processes. Dyadem helps some of the

world's largest companies achieve regulatory compliance and business continuity, serving the oil & gas, chemical, mining, pharmaceutical, medical, automotive, electronics and aerospace and defense industries.



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