

# RiskNZ Annual Report 2020

RiskNZ Management Board  
14 June 2020



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# Message from the Chair

Tēnā tātou

It is my pleasure to welcome you all, our members, to the RiskNZ Annual Report 2020. What a rollercoaster of a year it has been! The last year – and the last four months in particular – have had a number of significant impacts on our society in a range of unanticipated ways. These impacts have stimulated a new level of thinking among the board and our members, and have gone some way toward questioning some of our established methods of doing business. I am delighted that, despite the challenges of the Covid-19 lockdown, the RiskNZ management team were still effective in running the Society, conducting meetings and delivering seminars. The three main changes I have noticed over the last year, and want to highlight here are:

- New thinking, innovation and ideas about our value proposition to members;
- An increasing focus on growing our membership base beyond the main cities and into the New Zealand heartland;
- The versatility of webinars and other channels of delivery to increase reach and the accessibility of events and other services to members, and;
- A steady strengthening of our business systems: better document management; a more effective voting system; our own risk management; functionality of the new website; an improved process for the annual Risk Awards; statutory reporting processes, and; the introduction of presentations to prospective new board members to introduce them to the governance and management view of RiskNZ, and what it means to be on the board.

At our AGM last year, members voted overwhelmingly in favour of the new constitution and for an electronic voting system. Both these new essential tools have proved very successful in operation. Despite being longer and more complex, the new constitution is better aligned to the requirements of the forthcoming new Incorporated Societies Act, and is more empowering and enabling of board decisions. Moreover, the new constitution allows for one additional board member and this has added welcome capacity toward the delivery of the work plan.



The application-based electronic voting platform was a challenge to establish but proved extremely versatile, useable and effective. Approximately 100 members exercised their voting rights to elect new board members – a very large improvement in the voting rates over previous years. However, despite the many successes over the last year, RiskNZ still faces a number of challenges.

The Covid-19 crisis has made risk management more crucial than ever and yet, we anticipate the strained economy could lead to a decline in membership numbers. To mitigate this risk the management team are increasing our engagement with members to understand what they want and value most from RiskNZ during these difficult times.

The capacity of the voluntary management board continues to govern our ability to deliver fully on the annual workplan. To address that challenge, the Annual Business Plan for the coming year sets a more disciplined approach with a three-year outlook of work, a risk assessment, and a new approach to implementing a simple project management structure to enable the prioritised delivery of initiatives. I encourage you all to read through the 2020-21 Annual Business Plan to understand our priorities and approach to delivering success.

I would like to extend my gratitude to the management team – our Executive Officer and Administrative Officer – for their commitment and hard work over the last year: our Society would simply not exist without them. I also want to recognise our Board for their voluntary commitment and professionalism toward the continued growth and development of RiskNZ. In particular I mention departing board members (Sally, Miles, Jim and Darroch) for their significant contributions and also welcome our new board members who are already bringing their own fresh thinking and initiatives.

In closing, I thank you all for your energy and engagement. We exist for your benefit and your ongoing engagement will ensure we continue to adjust to your needs and make RiskNZ, relevant, contemporary, valued, and at the forefront of our industry. I encourage you to speak up and let us know what you need and want from the society – and to stay engaged so we can continue to evolve and provide you what you value most.

Stephen Hunt  
Chair, RiskNZ

A handwritten signature of Stephen Hunt in black ink. The signature is stylized and cursive, written on a light blue background.

# Our Organisation

Established under the Incorporated Societies Act 1908 in 2000, RiskNZ is the leading non-profit association for risk professionals in New Zealand. The society brings together people and organisations managing risk under our guiding principle that New Zealand prospers when risks are understood and well managed.

## Our Strategy

Our strategy is underpinned by the following objectives and areas of focus. The accompanying document - "RiskNZ Business Plan 2020/21" provides details on how we will deliver our strategy.

### RiskNZ Strategic Objectives

- Promote the principles, theory and practice of risk management in New Zealand.
- Promote research and the development of knowledge about the management of risk in New Zealand.
- Expand communication about the management of risk and associated practices between organisations and individuals involved in the management of risk, both within New Zealand and in the international risk management community.
- Increase interest in membership of the Society

### Focus Areas

1. Membership, Education and Professional Development
2. Networking and Events
3. Advocacy and Influencing
4. Marketing and Communications
5. Governance and Management

# Our People

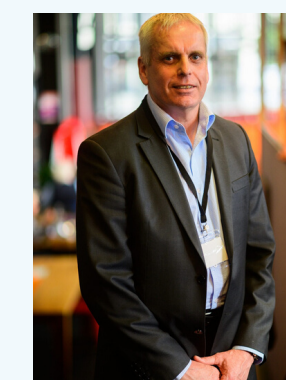
We are proud to have a diverse, passionate and collaborative management team driving our organisation, and representing the voice of our members. Based across several locations including, Christchurch, Tauranga, Auckland and Wellington, our small team reflects a breadth of strategic and technical expertise, and significant experience across multiple industries, from finance to forestry, in both the public and private sector.



Stephen Hunt  
Chair



David Turner  
Deputy Chair



Gary Taylor  
Treasurer



Katie Phillips  
Secretary



Imogen Perez  
Board Member



Jane Rollin  
Board Member



Brent Sutton  
Board Member



Kristin Hoskin  
Board Member



Duncan Stuart  
Board Member



Sathya Mithra Ashok  
Executive Officer



Vaibhav Bhatnagar  
Board Member



Emily Thorn  
Administration Officer



Lynda McCalman  
Board Member



# Report from our Executive Officer

Kia ora koutou,

Nobody can argue that this has been an interesting year. While the last year was all about growth, this year has been about consolidation of the growth and development of ideas that go beyond the current membership benefits.

I am proud to state that RiskNZ was able to weather the storm of Covid-19 reasonably well, largely due to the investment in Zoom technology that was done in early 2018. The team was able to capitalise on this technology investment in early 2020, and as we went into lockdown, critical member activities such as the Lunchtime Seminar continued to be delivered without any hitch.

Due to the timely investment in technology, and the positive impact we have had in the market, RiskNZ has maintained steady membership numbers. RiskNZ welcomed 38 new individual members and 7 new corporate memberships during the year.

Member engagement in RiskNZ activities has continued to remain high with our increasingly popular Lunchtime Seminars attracting over 370 participants throughout the year. The RiskNZ Conference and Awards of Excellence also brought together 80 participants to this highly successful event held in Wellington.

RiskNZ Workshops, which were introduced recently, proved to be highly successful, bringing together 231 members, with participation across Auckland, Wellington and Napier. While plans to deliver a RiskNZ Workshop in late March 2020 had to be shelved due to Covid-19, we have every intention of reviving these activities in the near future as we move out of the lockdown period into business-as-usual operations.

The Persuasive Advisor Programme in March 2020 was a new initiative for RiskNZ that was fashioned to provide critical skills development for risk practitioners around the country. We were able to deliver these just before lockdown. The events, held in Wellington and Auckland, had over 26 participants and delivered immense value to all attending, eliciting warm and positive feedback from each of them. We will be pursuing the delivery of more such initiatives in the coming months, and working to make them accessible to more members spread across the country.



The last 12 months has also seen us renew relationships with our major partners – Marsh, SAI Global and Safety Associates – as well as establishing relationships with new partners. We have continued to maintain, and strengthen, our ongoing relationship with our non-financial partners, who continue to support us in many ways. This includes providing venues for the delivery of all of our activities. We welcome and thank all partners – old and new – on our journey of progress.

The on-going participation and engagement, from members and non-members, is a sign of the continuing relevance, significance and utility of RiskNZ's platform and activities to network, post jobs and share best practices. As things settle down around us in this post Covid world, and business functions return to normal, RiskNZ will persist on building on its strong foundations over the year ahead. Members can expect sustained delivery of activities, as well as new initiatives that will add more to their networking calendars, as well as their skill sets.

As always, we will be working to enable services for members, and future growth of the organisation, in a collaborative process that involves all of our key stakeholders and builds on our strengths to empower the risk community, and increase knowledge and practices around risk in New Zealand.

Nga mihi nui,  
Sathya Mithra Ashok  
Executive Officer RiskNZ

# Finance Report 2020 - Highlights

To ensure that RiskNZ's financial resources are used in an effective and appropriate manner, this Annual Report is prepared with the inclusion of an external auditors report. RiskNZ has received a clear Audit opinion for the 2020 Financial Year.

As a not-for-profit we need to maintain a very fine balance between managing our revenue and costs in order to remain viable, and provide an energetic programme to meet the needs of our members. The Board keeps a very close eye on our revenue and expenditure, especially given the forecast deficits over recent years. Whilst we budget conservatively, and inevitably perform better than expected, we still want to increase our revenue whilst keeping our costs under control. Key to this are regular high quality events that are well supported by our members.

## Financial Performance

RiskNZ recorded a deficit of \$10,475 for 2019/20 compared to a budgeted deficit of \$17,924. This positive result was predominantly driven by:

## Income

- Membership fees were kept at the same level as the previous year. The overall level of income from fees (\$62k) was below budget but was higher than last year (\$59k).
- New sponsorships with Paladin (\$9k) and Protecht (\$5k) and ongoing sponsorship with JLT (\$8k) and SAI Global (\$5k).
- Successful Conference and Awards Day (overall net surplus \$8k).
- Other events such as risk workshops and the Persuasive Advisor Programme (overall net surplus \$5k).

## Expenditure

- Main expenditure is Executive Officer (\$62k) and Admin Officer expenses. The increase in EO expenses reflects that the EO was in place for the full year and includes a performance element for running a number of successful events.
- Legal fee to update our constitution (\$10k). This is one-off expense.

## Financial Position

## Assets

- Maintained a solid cash position. At 31 March 2020 we have \$64k at the bank (last year \$62k).
- The fixed asset is our new website that went live at the beginning of the year (cost \$11k and depn for year \$4k).

## ***Liabilities***

- Increase in Trade and Other Payables mainly relates to accrued expenses for the Persuasive Advisor Programme held in March.

## Equity

Net Equity (\$51k) together with our cash holdings, means that RiskNZ remains in solid position moving heading into 20/21.



# Focus Area 1 - Advocacy and Influencing

*- RiskNZ is positioned to influence decision makers and standard setters.*

## Representation

RiskNZ has contributed to TC262 NZ Mirror Committee, OB-007 Australia/New Zealand Joint Committee and TC262 ISO committee activity this year. We have been present via teleconference and in person to contribute to the NZ position on multiple risk management standards related subjects ranging from legal risk to disruption related risk. Our biggest challenge remains the Standards NZ model that relies on funding as a means to demonstrate need and support for Standards projects. While the volunteers that represent interest groups contribute many hours towards content at no cost, the funding of the administration and publication side of developing standards has proved a barrier, leading to the de-jointing of several publications over the last few years. So, even though NZ Standards name may not appear on all the risk related standards documents coming out, RiskNZ is still contributing to, and influencing the best practice content locally and globally.

## Thought Leadership

We have had a turbulent few months, and how we practice and integrate risk management moving forward is the priority. To meet this need we have continued to grow our thought leadership base, and our objective for the coming year is to provide members access to the latest risk management thinking and practice, and in turn grow skill sets by introducing subject matter experts who can provide valuable insights and guidance into the future of risk management.

## Members Views

Collecting and listening to the feedback and requirements of members remains one of RiskNZ's top priorities. Our feedback collection routines have improved significantly over the year with each activity and event leading to thoughts and input being actively sought and collected from members. This has allowed RiskNZ to track the success of its activities almost in real time and also allowed it to modify any parts of future activities as necessary based on feedback. RiskNZ will continue to seek and incorporate feedback from members in the new financial year.

## Influence Government and Decision Makers

Over the last year one of the ways we contributed to influencing government and decision makers was through submissions when consultation opportunities arose. Other activities included one-on-one engagement with individuals to raise awareness of RiskNZ and the diversity of risk management applications. Regular seminars, networking and workshop events, and our LinkedIn page were also used as opportunities to grow RiskNZ's reputation as a conduit for finding information related to Risk Management. Over the course of the year, the Chair has engaged and promoted RiskNZ to executives at the following organisations: CAA NZ, MBIE, NZTA, MOT, Maritime NZ, Transpower, the NZDF and DPMC.



## Focus Area 2 - Networking, Events and Communications

- Members and non-members can interact, sharing knowledge and experience.

### "Our Changing World" - 2019 Conference

RiskNZ's conference "Our Changing World" held in June 2019 provided a platform to explore the challenges and opportunities in New Zealand's future. Speakers explored a range of topics from our Global risk context and NZ's security system, through to how cities might need to adapt to embrace new mobility technology – whilst keeping regulatory challenges in mind. With over 12 speakers arranged over plenary and discussion forum, RiskNZ welcomed around 100 attendees. The event was supported by sponsorship from SAI Global and JLT.



*Del Rajan, PhD Student School of Mathematics and Statistics, Victoria University of Wellington.*

*Catriona Robinson, Director of National Security Systems, Department of Prime Minister and Cabinet.*



*Our Chair, Stephen Hunt, gave a warm welcome to our members at the Annual Conference 2019*



### RiskNZ 2019 Awards of Excellence

The awards process and categories were refreshed for this year to comprise of six categories: Risk Professional of the Year; Emerging Risk Professional of the Year; Collaboration in Risk Management; Communication in Risk Management; Innovation in Risk Management and Governance and Leadership in Risk Management. With the support of our judging panel Grant Avery, Nigel Toms, Janine Foster and Jacqui Lyttle.



### Our RiskNZ Awards of Excellence winners for 2019 were:

- Moana Ah Ken (Communication in Risk Management);
- Gemma de Vilder (Emerging risk professional of the Year);
- Wellington City Council (Governance and Leadership in Risk Management); and
- Ross Wells and Duncan Stuart sharing the coveted award for Risk Professional of the Year.





# Focus Area 2 - Networking, Events and Communications

- Members and non-members can interact, sharing knowledge and experience.

## Seminars, Webinars and Networking events

In addition to RiskNZ’s traditional offering of lunchtime seminars and Wellington / Christchurch events, our 2019 offering included and expanded member engagement through a new Auckland breakfast networking session and a series of workshops providing more intimate deep-dive and capability building opportunities.

Our lunchtime sessions included topics such as:

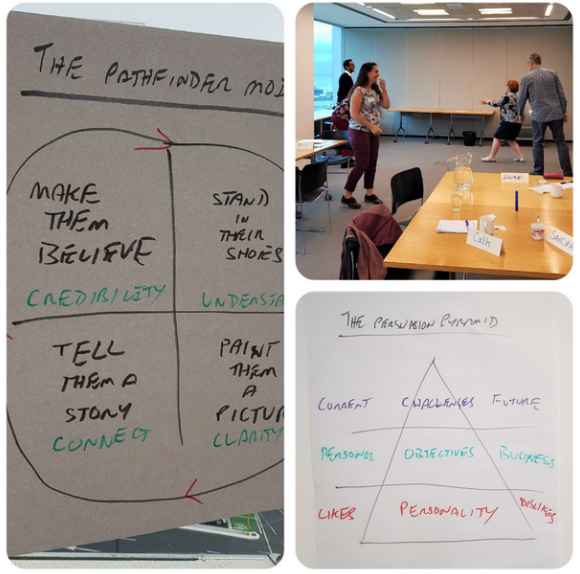
- Quantitative risk assessments;
- Crisis management; and
- Directors' liabilities.

Our new workshop sessions included:

- ISO 31000;
- Risk Appetite;
- A Health and Safety perspective from Pike River; and
- Persuasive Advisor Programme.



Krisitin Hoskin, RiskNZ's Board representative on a number of national and international standards, leading an engaged audience through the latest round of ISO 31000 changes.



There was great energy at the "Persuasive Advisor Programme" workshops that were held in both Auckland and Wellington.

## Communication

We continued to engage with our members through our web-site and email updates and took the opportunity to enhance our wider engagement through our LinkedIn channel - growing our followers by around 60% at the end of 2019. At the end of 2019, the Board undertook a very targeted campaign to recruit new Board Members - successfully securing 4 new Board Members and co-opting a fifth.

We were delighted that our technology and website enabled continuous communication and engagement with our members as we navigated the Covid-19 lockdown period.

We took the opportunity to share the success of our winners on our RiskNZ LinkedIn page receiving one of our highest engagement rates for that post.



## Focus Area 3 - Education and Professional Development

*- Members are better informed, and have the required skills to do their work.*

### Membership - Professional Recognition

This year, the board members working on the Professional Recognition Project fully reviewed the work and recommendations completed by the Professional Recognition Committee (PRC) in 2018. The PRC conducted a thorough appreciation of the many aspects and challenges of a professional recognition scheme and made recommendations based on the views and preferences at that time.

On reviewing the PRC recommendations this year, the board found that the recommendations did not fully meet the requirements and expectations of the majority of RiskNZ members today. Work is now beginning, in accordance with the annual work plan, to develop further the PRC outcomes and establish a professional recognition scheme which reflects the industry standing and professionalism of our society as well as the needs of members as they stand today.

The approach being taken is to appropriately recognise the experience, qualifications and standing of members in a multi-tiered structure that neither diminishes the value or standing of the recognition scheme, nor builds unreasonable barriers to qualification of recognition and status. Moreover, it is essential that the scheme will be administratively manageable within our resources while also being fair and equitable.

Information regarding progress on the design, process and the implementation of the professional recognition scheme will be communicated through member mailers and on our website. The scheme will have a Continued Professional Development (CPD) structure that is anticipated to align with planned work to deliver RiskNZ training, tools and qualifications.

### Risk Management - training, tools and qualifications

The Board has been looking at ways to increase RiskNZ's offering of risk management training, and also developing a practical toolkit, that will support risk managers across New Zealand. This programme of work will be focused on growing the knowledge and the practical skills of our members to help meet the ever-changing requirements of New Zealand's business environment, while at the same time increasing our thought leadership footprint.

This initiative is intended to increase our value proposition, and as such it is critical that we co-design our approach with our members across New Zealand. It is also expected that development in this area will place RiskNZ in a better position to attract more sponsors and members, and increase overall revenue to assist with future growth.



## Focus Area 4 - Purpose and Performance

*- The Boards governance is supported by an appropriate constitution and supporting organisational structure and systems.*

### Constitution and supporting governance.

The Board is operating effectively under the guidance of our revised constitution, and with the on-going support of our Honorary Solicitor Karen Price. Most notably, our constitution enabled significant progress to be made in our voting process, with the implementation of electronic voting for our 2020 Board elections. Feedback from our members highlighted that this was a seamless, efficient and more enjoyable experience. In addition, we have benefited significantly from the streamlined approach to our annual membership fee review. This provided the flexibility needed to quickly address our fee structure and payment terms as we navigated the challenges from COVID-19.

The Board is settling into a strong business rhythm, which is critical to support the delivery of our ambitious work-plan. We have started to refresh our internal policies and procedures to ensure we have the agility to rapidly respond to our ever-changing environment, whilst continuing to maintain excellence in governance, decision making and delivery. We have made progress in the design and structure of our internal systems and processes, with continuing improvement in this space an area of focus over the next 3 years.

### Board members

Our Board is made up of committed, experienced, energetic and pro-active volunteers. Our revised constitution allows our Board to consist of ten elected members, and an additional two co-opted members at any point in time. All members have full voting rights. All elected members serve for a term of two years before they are required to stand for re-election. An elected member may only serve for three consecutive terms. Members who are co-opted onto the Board are also co-opted for a period of two years, however they may only serve as a co-opted member for one term, after which they must stand for election to the Board in their own right. The Board also appoints an Honorary Solicitor and an Audit partner each year, to support us in meeting our obligations under the Incorporated Societies Act.

Last year saw some big changes in the composition of our Management Board as we said goodbye to the following long-serving members: our Deputy Chair Sally Pulley; our Secretary Jim Harknett; Miles Crawford, and Darroch Todd. Following our 2020 elections we were pleased to welcome Imogen Perez, Duncan Stuart, Lynda McCalman and Katie Phillips to the Board. We also saw David and Katie join our team of Officers, as Deputy Chair and Secretary respectively. In addition, we were delighted to be joined by Vaibhav Bhatnagar as a co-opted member of the Board.

### Membership

RiskNZ has continued to deliver events and services that are focused on increasing engagement with members, remaining relevant to their needs, and expanding our reach to more people in the risk community.

To further support members, fees have been kept at the same level as previous years. We recognise that due to changing circumstances some members do not renew their membership so it is pleasing to see that overall RiskNZ membership numbers have increased steadily from 792 total members as at 31st March 2019, to 799 as at 31st March 2020. We have had 38 individual members and 7 corporate members join us over the last 12 month period.

### Sponsorship

This year RiskNZ has continued to build on the sponsorship development and engagement that was started last year. We have strengthened relationships with existing sponsors and brought in new sponsors this year. This is despite larger market realities that has seen one of our sponsors move down a tier and another one leave due to a focus on international markets outside NZ. We continue to have effective engagement arrangements and will continue to work towards securing additional sponsorship in the next year.

RiskNZ would like to thank our Sponsors and Hosts for their support throughout the year.

