

Organisational Risk & Controls

Or

Organisational Over Reach & Controls

Prashant Gupta

Caerus3 Advisors

Advisory | Assurance | Think-Tank



In the recent past I witnessed an “over-reach”, wherein the **Risk& Control Function with unholy nexus with the #LineManager (Head of Risk and Controls & Line Manager were vacation buddies which the Organisation knew off and chose to keep a blind eye on)** was used as a witch-hunting tool (oriental witch-craft with English twist at its best; like having Chinese tea with English Rose flavour) , it was used to settle political scores with the predecessor Line Manager who brilliantly managed the Function. It was used to malign the Team and get brownie points in form of out of turn promotions (the Head of Risk & Control highly (in)competent was promoted to 1 level below the CXO) as the Organisational Risk team and Line Manager unholy nexus played to the “fear psychosis” of the CXO.

The result, a fabricated Cottage Industry around Risk and Controls was created, **every human error was called “significant control gap” despite the error rate being less than 0.1% in a highly manually intensive environment.** Guess what; rules were different between one Line team and the other; in short what was a “significant control gap” in Team 1 was noted as a human error in Team 2 (despite their error rate being >5%). Team 1 was made to fill complex forms, create additional controls that had no meaning and served no purpose and were duly harassed on monthly Control calls!! KPI and RAG status were changed with the help of “friendly external consultants” who pressed upon the fact that “the process was collapsing” (not to mention any such alleged collapses lead to increase in their billable hours). The collateral loss: high attrition across Team 1 (across all hierarchies) and despite all efforts the brain drains continued and so did the oriental witch-hunt!!

Caerus3 Advisors

My Firm's #Assurance team did a survey with mid management Line teams (sample size appx 200) and Risk & Controls team (sample size 40) and the results are in slides below – **guess what over 42% respondents agreed that “there is malice and witch-hunt”, and the Risk & Controls team findings are driven more by personal rapport (or lack of it) between Risk & Control Head and Line Management** Ironically the figure of 42% was 88% in the Organisation that I have mentioned abovesome #foodforthought

Its time to set the house straight, clean up the mess and restore independence and neutrality to the functions of Risk &

Controls, Internal Audit and HR. As of today, we @ Caerus3 Advisors & Think Tank are working with many Corporates to help stream line their culture and clean up the “killer-weeds “which are eating away the flora of Corporate Governance. We are also arbitrating and bringing out the “truth” between the Organisations and the victims of this kind of over-reach.

Our first advise to all is ensure you have a strong #ombudsperson to whom such organisational over reach can be independently escalated to.

Caerus3 Advisors

A word about



the Author

Prashant is a seasoned professional having over **26 years of work experience across Big 4 and BFSI**

He has had **Global leadership responsibilities** and managed teams across multiple locations in India, US and Europe.

It's his passion for Restructuring, Process Excellence and Enterprise Risk Management, his strong belief system on Political-Socio Economic Issues that impact World Order have driven him to set up a Advisory Firm with a difference. The Firm focuses on Advisory & Assurance; with key catalyst being a Think-Tank and PraRit Cares Foundation which promotes dialogues on issues impacting People, Economy and International Relations

Prashant is a **Certified Life Coach**

Prashant is actively engaged with **Rotary Club of Mumbai Elite** and is named as a **Paul Harris Fellow** by Rotary Foundation of Rotary International in appreciation of his commitment towards Rotary values and for fostering better relations amongst members of Local & International Community

Caerus3 Advisors & Think-Tank

A Boutique Advisory Firm with a difference; set up by like minded professionals who have been on the "other side of the table" for `3 decades and have a comprehensive understanding of the key pain areas and challenges faced by today's CXO

Our Key Practice lines are Advisory and Assurance focus on Human Capital, Technology, Enterprise Risk Management & Process excellence

Our Think-tank works as a catalyst for our Clients. We have a dedicated Research team, over a dozen Industry leaders as dedicated "Trusted Partners" who share with us Industry Best Practices, the Macro and Micro Business Drivers that impact Business. We have enlisted support of Former Bureaucrats, Technocrats; Members of Judiciary and Economists who advise us on Political –Socio Economic issues.

For Further information, please feel free to reach out to

info@caerus3advisors.com

This Report is under the Intellectual Property Rights of Caerus3 Advisors & Think-Tank with key content under copyrights. Provided there is no change in content, messaging and IPR of Caerus3 Advisors & Think-Tank; copies of the Report may be forwarded or distributed electronically or physically including publishing on Social media.

This Post is a result of “factual” Professional experiences of people associated with our Firm Caerus3Advisors&Think-Tank and of those randomly surveyed by our Third-party vendor. It is also based on the Author’s professional experience across several organizations (not limited to one) that he may have been personally or professionally related to either directly or indirectly in past 25+ years in any capacity.

The Post is written in a manner to convey an impression that the “incidents of over reach” were in one organisation however in reality they maybe across several organizations. Resemblance to any person(s) living or dead is not a coincidence, the Author stands by his Experiences and Research and facts stated above.

The intention is not to malign any person living or dead or any organization in existence or of past but to drive home the message that any extra judicial over reach by Risk & Controls should be curbed by the Top Management ands that they should not allow their “Fears prevail their Judgements”. This Post and Legal Disclaimer thereon have been vetted by the Author’s Legal Team

www.caerus3advisors.com

Follow us on

