

Executive Perspectives on Top Risks for 2015

THOUSANDS OF SATELLITES ORBIT EARTH, gathering and distributing data and information, and facilitating effective communications. This is analogous to the mission of boards and executive management, who seek to gather as much intelligence as possible to ensure they have a clear view of the horizon for their organizations.

North Carolina State University's ERM Initiative and Protiviti recently partnered to conduct their 3rd annual survey of board members and C-level executives, seeking their views about the most pressing risks for their organizations in 2015.

KEY FINDINGS:

- The global business environment in 2015 is perceived to be somewhat less risky for organizations than it was in the last two years.
- Most organizations are more likely to invest additional resources toward risk management in 2015 compared to the past two years.
- Regulatory change and heightened regulatory scrutiny is the top overall risk for the third consecutive year.
- There are increasing concerns about cyberthreats disrupting core operations.
- Economic conditions are again a key risk area for organizations.
- There is greater focus on succession challenges and the ability to attract and retain talent.

TOP RISKS:*

	2015	2014	2013
 Regulatory change and heightened regulatory scrutiny	6.4	6.4	6.8
 Economic conditions	5.7	5.7	6.5
 Cyberthreats	5.7	5.3	5.4
 Succession challenges and ability to attract and retain top talent	5.7	5.5	5.5
 Organization's culture	5.5	NA	NA
 Organizational resistance to change	5.4	5.3	5.2
 Privacy/identity management and information security	5.4	5.2	5.4
 Crisis management	5.3	4.8	4.8
 Sustaining customer loyalty and retention	5.2	NA	NA
 Meeting performance expectations	5.2	4.9	4.9

The full survey report, *Executive Perspectives on Top Risks for 2015*, may be accessed at erm.ncsu.edu or protiviti.com/toprisks. It includes detailed breakdowns of the results by respondent role, organization size, industry and other categories.

* Each respondent was asked to rate 27 individual risk issues using a 10-point scale, where a score of 1 reflects "No Impact at All" and a score of 10 reflects "Extensive Impact" to their organization over the next year.