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SŽDC Introduces Centralised Risk Management System

Based on its management's decision, Správa železniční dopravní cesty (SŽDC) introduces a centralised risk management system. Its objective is to analyse current and future risks throughout the whole organisation and actively mitigate the probability of their occurrence and the gravity of their undesirable impact. The current administration and management process of our organisation will thus get even more effective.

Activities of SŽDC are more and more intensely influenced by a number of factors such as increasing regulation, technology development, globalisation, natural disasters climate changes, fraud conduct or terrorism which can influence its functioning and reaching set goals in a significant way. That is why the state organisation management decided to face actively all possible threats and to fulfil responsibly its role of a good manager and economist.

Mr. Jiří Svoboda, Director General of SŽDC, presents his vision to introduce a functional risk management integrated system as a modern way of management focused on complex identification of risks and their handling. *"Správa železniční dopravní cesty assumes that this change, supported by appropriate communication and employees' training, will increase awareness of risks, promote managerial decision-making and especially help to ensure fulfilling the organisation's strategic objectives"*, says Mr. Svoboda.

Up to now, risk management at SŽDC was being assured in a decentralised way while focusing on selected partial areas such as operational and financial risks as well as the areas of human resources, IT and cyber-security or bribery. The new centralised model should bring a complex view of risks throughout the whole organisation including all its activities and processes.

In the first phase of implementation, the global framework of risk management, terminology unification and organisational arrangements will be set up to the end of the year at the latest. An independent risk management organisational structure with an institutional form of a risk management committee, a risks' coordinator, owners and analysts of risks should create a matrix structure together with linear management. An "inventory" of potential risks will subsequently follow which will focus (besides issues mentioned above) also on risks arising while achieving strategic goals (high-speed lines development, interoperability), on the field of ethics, environment or reputation loss. When the analysis, evaluation and a risks' map is completed, it will be possible to focus on key risks, to prepare tactics for their handling, to attribute responsibility to specific linear managers and to start a continual process of evaluating, handling, monitoring and regular reporting with a timely waring function.

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