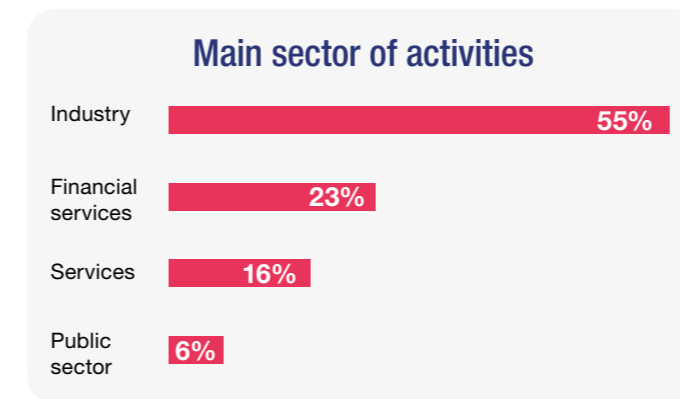
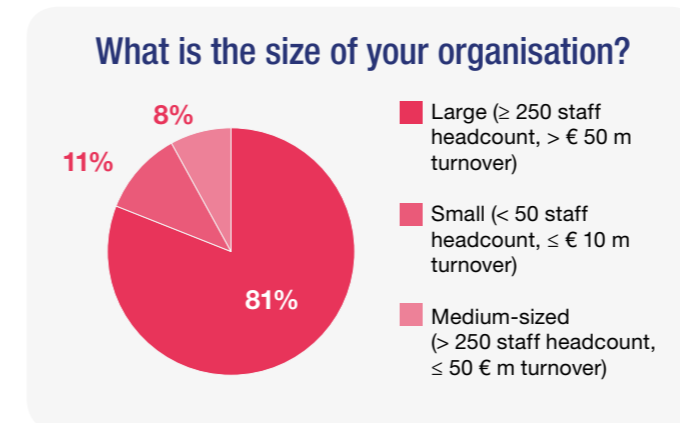


# Part I: European Risk Manager Profile

## Organisation



In Northern Europe, 73% of respondents work in the industrial sector compared to an average of 50% for the other two geographical areas. Financial services are more strongly represented in Central and Eastern Europe (33%) and in Western Europe (25%) than in Northern Europe (6%).



**50%** of risk managers interviewed work in a listed entity or a branch of a listed company.

The risk manager position exists mainly in large and listed firms. Indeed, in small companies, a manager who has other responsibilities, for example the CFO in small and medium sized organisations, usually conducts risk management.

Risk management teams consists of 1 full time equivalent people for 31% of ERM departments and 30% for insurance management departments and 2 to 3 full time equivalent people for 35% of ERM departments and 32% of insurance management departments.

The number of FTE people working in ERM departments is very similar in Western Europe and Central and Eastern

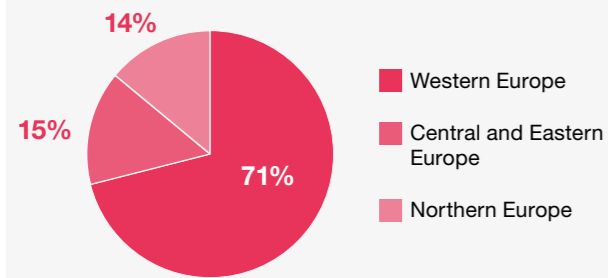
Europe. However, in Northern Europe, 51% of the ERM department consists of only one risk manager. In Northern Europe, 42% of insurance management departments are composed of one risk manager, 38% are composed of 2 or 3 FTE and 19% are composed at least of 4 FTE.

**84%** of risk managers interviewed work at a head office / corporate level.

The risk management function is usually located at head office level. This situation not only enables risk managers to have a global vision of the whole organisation, but also allows them to have access and interaction with other functions as required.

## Geographical distribution

Respondents by region

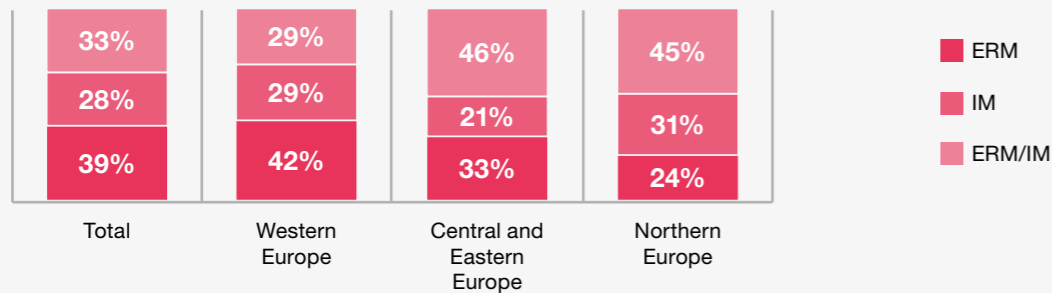


734 risk managers from 29 countries answered the survey.

**80%** of respondents (or their organisation) are members of a FERMA risk management association.



## ERM / IM Breakdown



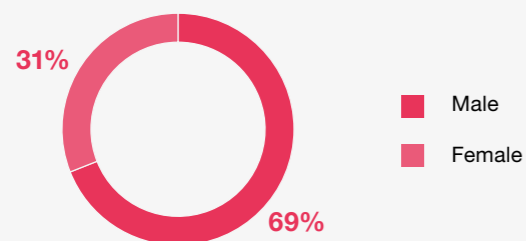
There are three types of risk management practiced within organisations:

- **An ERM profile:** oriented towards overall risk management of the organisation. Business risks are identified, analysed, engineered and reduced;
- **An IM profile:** oriented towards insurable risks, including loss prevention and risk transfer;
- **A mixed ERM / IM profile:** working on insurance, loss prevention and wider risk management issues.

ERM is gaining prominence. More risk managers define their work as ERM and their day-to-day responsibilities are changing.

In the 2016 FERMA Survey, « *insurance management and claims handling / insurable loss prevention* » were quoted as the primary day-to-day responsibilities and « *development of risk map: risk identification, analysis and evaluation, prioritisation and reporting* » was in second position.

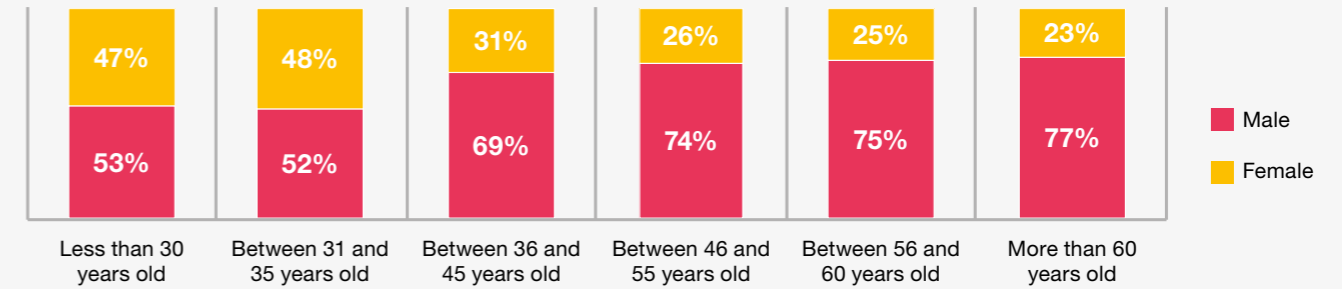
## Age and gender



The number of women risk managers has increased since 2016 (31% in 2018 versus 27% in 2016).

Women risk managers are slightly more common in Northern Europe with 37% of respondents against 31% in the rest of Europe.

Gender breakdown by age



**70%** of risk managers interviewed are between 36 and 55 years old (72% in 2016).

Risk management is still a profession for the experienced.

Risk managers are particularly young in Central and Eastern Europe with 76% of them who have less than 45 years old.

## Background

Do you have a specific qualification in risk and/or insurance management from any of the following?



The responses to the question above are similar from one geographical area to another, and there are no significant differences from an age perspective.

**7%** of respondents have a certification, which will include FERMA's RIMAP.

## Recognition of the importance of certification



**80%** say that a recognised certification matters in practicing risk management, even though 36% of the risk managers do not currently have a specific qualification. They agree that being trained in this field is important to their job.



Education is important as it allows you to learn and develop your skills and knowledge. It helps you to stay relevant in our changing world where things are evolving quickly because of the digital transformation. Unless you keep pace, you will not be able to handle the risks your organisation is facing.

Formal education and certification open doors. A certificate confirms your level of knowledge and senior executives are more likely to see you as an expert and bring you into conversations. Even though you do not have to go through formal study and certification to get knowledge, you hold a key if you do.

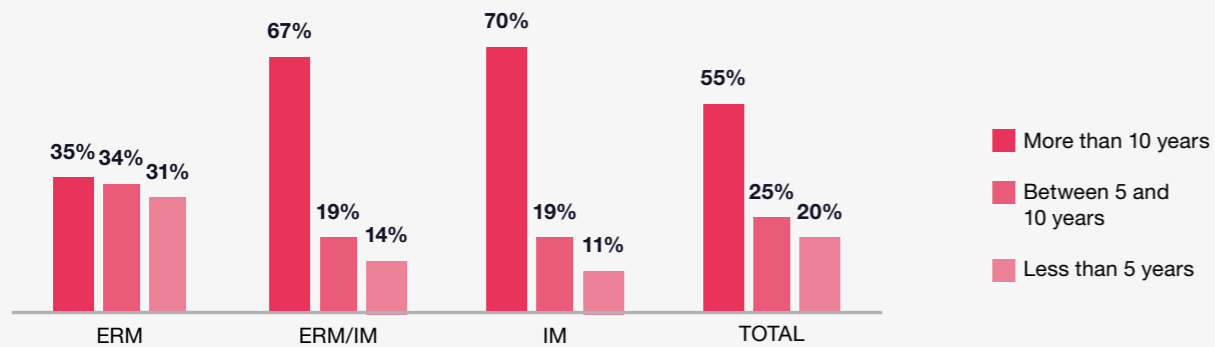
Additionally, certification gives you confidence, as it is an external confirmation of the level of your knowledge. I was promoted a couple of months after I completed the Chartered Insurance Institute (CII) Advanced Diploma. I had the knowledge earlier, but the confidence came after completing the studies.

Technical skills are not sufficient to become a risk leader. Interpersonal skills and the way you connect with people and deliver your messages are very important, too. »

**Nataliya Todorova BA ACII, Head of Insurance for Save the Children International**

## Professional experience in risk management

How many years of relevant professional experience in risk and/or insurance management do you have?

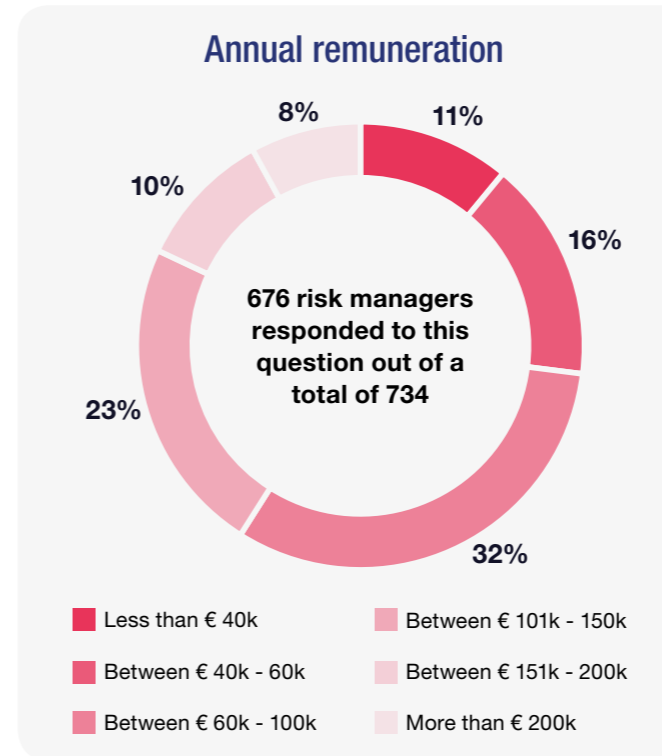


**55%**

of respondents have more than 10 years of experience in risk management.

The most experienced risk managers are the IM and ERM / IM profiles. For both, almost 70% of respondents have more than 10 years' experience. In 2016, 12% of respondents had less than 5 years of experience against 20% today.

## Risk and Insurance Managers' remuneration



A cross-analysis of remuneration with the risk manager's activities, years of experience and sector of activity does not show any significant correlation. In 2016, the survey stated that salaries were 65% higher for men than women. Today, the gap between men's and women's remuneration is narrowing but there is still a difference in favour of men. In Western and Northern Europe, risk managers' remuneration follows almost the same trend and breakdown. Most of respondents earn between € 60k and € 150k. However, in Central and Eastern Europe, risk managers' remuneration is, on average, lower than in the other areas. This observation is consistent with the fact that respondents from those countries are younger and less experienced in risk management.



Breakdown of remuneration by gender

