Types Of Risk Management Software: Scoping And Functionality

The role of risk management software is undoubtedly a key element of many modern-day businesses, with contemporary business organisations becoming increasingly dependent on technology. Risk management is required for any business to enable them to identify the potential risks and manage them to prevent any detrimental damage. With the increase in high-risk activities, due to the use of these high-tech applications, ‘questions are starting to arise about companies’ abilities to manage the inherent risk involved in doing so’ (1). Risk management software (XXX). Therefore, it can indefinitely be said that with the rise of technology and greater regulations, there is increasing demand for companies to transition from basic strategies to more sophisticated software.

Risk management software provides the users with many thriving and profitable benefits for the future, whilst simultaneously multiple managers still refuse to make the change. Firstly, the safety element of the software is a huge benefit as companies find their data to be more secure with password protection and more rigorous analysis to counter the enigmatic issues. However, this safety benefit can consequentially lead to ‘an extra level of complexity in setting the correct parameters, and further trainings are required’ (2). This is a huge disadvantage of the software and fundamentally leads to many managers rejecting the proposition of transitioning. There are also massive financial benefits of the software, as the software requires far less human attention and therefore ultimately proving far more productive and accurate, which in turn reduces the cost. The idea that the software reduces costs is counter intuitive according to some managers. This is because the software itself comes with the ‘costs of initialisation, support, licensing and configuration,’ (3) which many managers cannot justify the expenses. Moreover, the software provides the user with many administrative benefits which enables the employees to spend more time on other useful projects. Despite this, many managers may find it hard to motivate their employees to utilise the software, as employees are usually tentative about trying new things, this will often involve a cultural change in the organisation. Essentially risk management software has the potential to totally monopolise the risk management market provided it can demonstrate cost benefits and effective risk management. Many managers will need to fully understand the potential benefits and have the confidence that those benefits will be delivered, and the cultural changes required can be effectively managed. Provided certainty can be achieved on these issues it will be seen that the long-term benefits will out way the capital cost of the investment in software.

Risk management software is available with differing scopes to accommodate every businesses purpose or needs. Some types of risk management software which can be identified under alternative scopes include Environmental Resources Management (ERM), market risk, credit risk and oprisk. ERM software is used by enterprise managers to access their online data, an example of such software is Logicgate.

Types of risk management software can also work with different functionality.

Types of RMS: Compliance Risk Management, Safety Risk Management, and Operational Risk Management

Scope – parameters of it, what does it cover structure

To further investigate the statement, I am going to compare two contrasting risk management software applications from two different vendors. The two applications are Pelican and SecureWatch, with the former being produced by Vose and the latter made by RiskWatch. Pelican is an add-on of excel and can be easily integrated into any new or existing worksheet. Dissimilarly SecureWatch incorporates a web-based solution which ultimately enables the user to gain access to information anywhere and complete assessments offline. Pelican is a software aimed at ERM, which is a key feature in any management strategy, enabling risk management to work 'in line with the business' strategic and operational goals' (5). SecureWatch alternatively is appropriate for facility compliance and for any risk assessments which could be carried out. Both simulators can be found to be adaptable to all industries although SecureWatch focuses predominantly on processing and manufacturing companies, this is due to their focus on the dangers of environmental impacts. Furthermore, the two simulators were acquired by varying clients with SecureWatch being operated by major companies such as Puma. The guardian released a statement on Puma claiming them to be the 'world's first major company to put a value on its environmental impact (5).'

Moreover, the user interface of SecureWatch is clearly a notable design, with the tech company TE connectivity describing SecureWatch as 'very user friendly and not spreadsheet based.' Although spreadsheet-based software, like Pelican, can be introduced into a company with more ease due to previous knowledge of excel, many users would prefer the aesthetically pleasing design which in this case is SecureWatch. The technical support within the two simulators differs considerably. SecureWatch contains analytics which include heat maps and track mitigation using drill down capabilities, which enables the user to gain a more specific understanding of the risk rather than a generalised view. These analytics can then be accessed by any applicable employee via any device and risk assessment reports will be emailed within 20 minutes. On the other hand, Pelican gives the user numerous powerful risk analysis tools

1. (https://www.computerweekly.com/opinion/The-impact-of-technological-change-on-risk-management).
2. https://daoudisamir.com/risks-management-software-pros-and-cons/
3. https://daoudisamir.com/risks-management-software-pros-and-cons/
4. https://www.vosesoftware.com/Pelican_ERM_software_executive_overview.pdf
5. https://en.wikipedia.org/wiki/Puma_(brand)