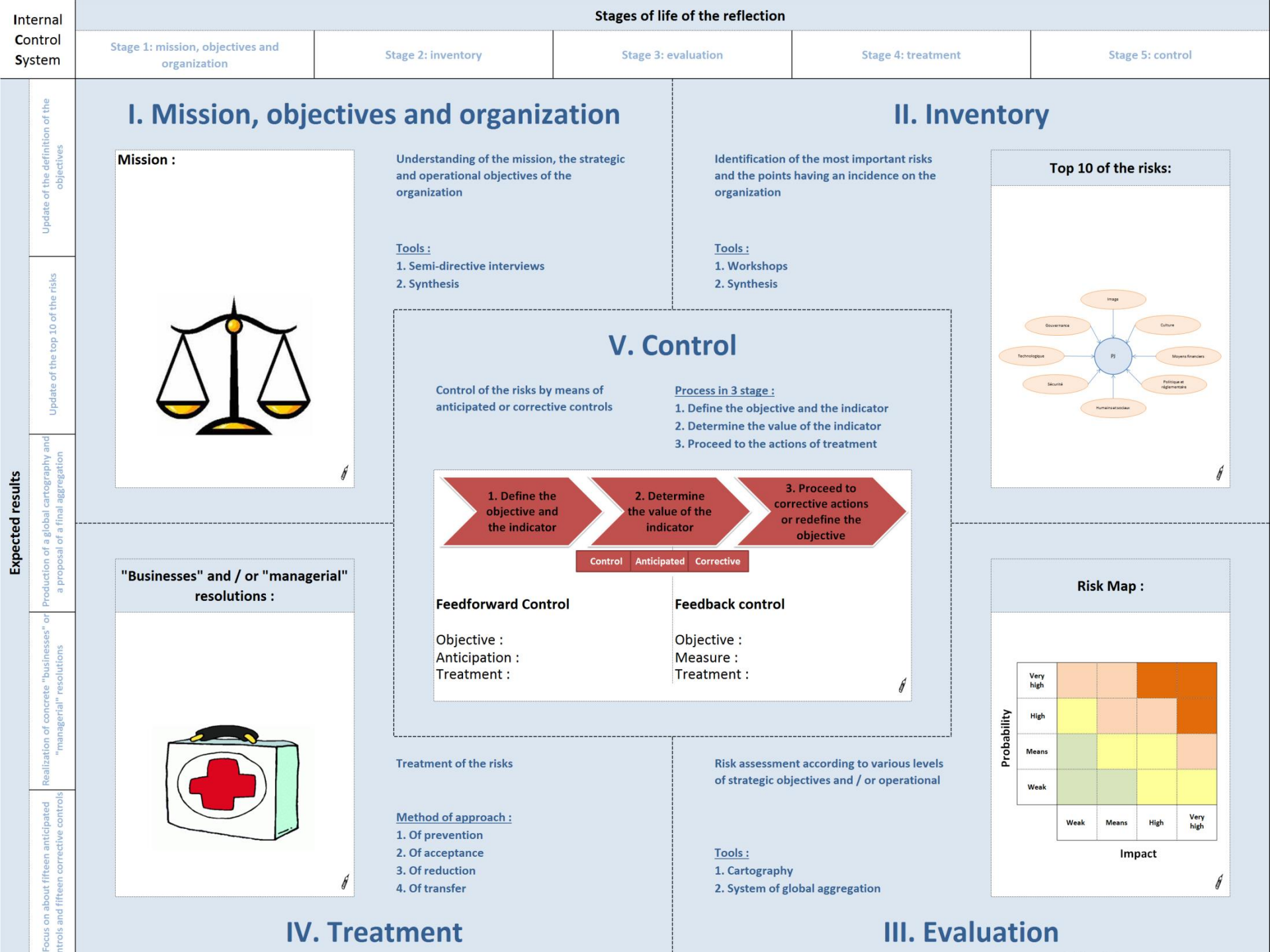


When the main risk comes from the management process itself

• • •

Dr Emmanuel Fragnière, CIA
Hes-so School of Management Sierre

10th Annual GRC Summit 2016 - London



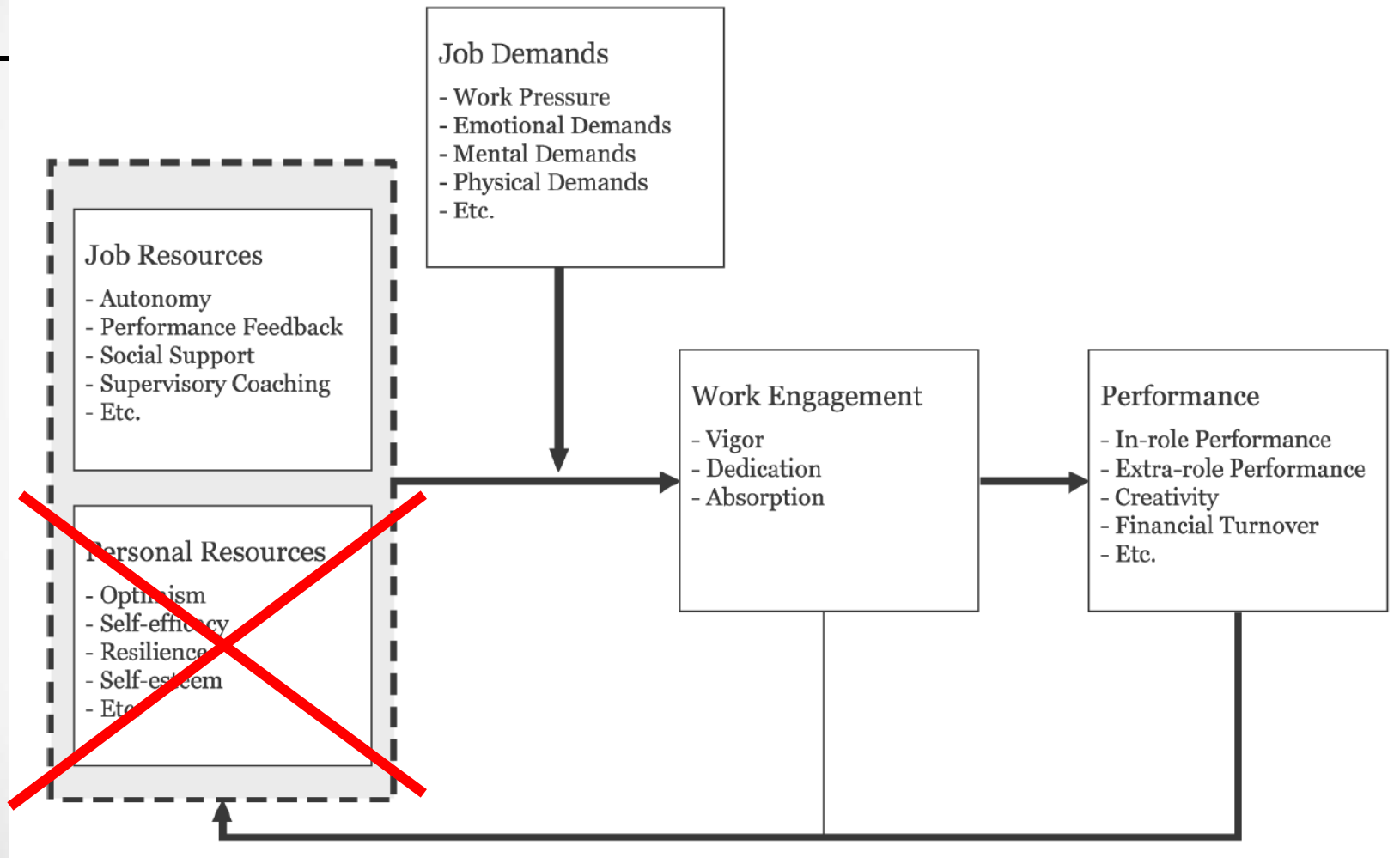
As with every service activity, human resources play a key role in the banking industry.

In these hectic times, collaborators may have lost their bearings.

Methodology

- Literature review
- A priori hypotheses.
- 35 semi-directed interviews.
- Content analysis (with the help of RQDA)
- New theoretical framework

Dubosson M., Fragnière E., Pasquier M. and Reynard C., “How human risk could lead to value destruction in services: an exploratory study about occupational stress in the Swiss wealth management sector”, XXVI. International RESER Conference, pp. 492-511, 2016.

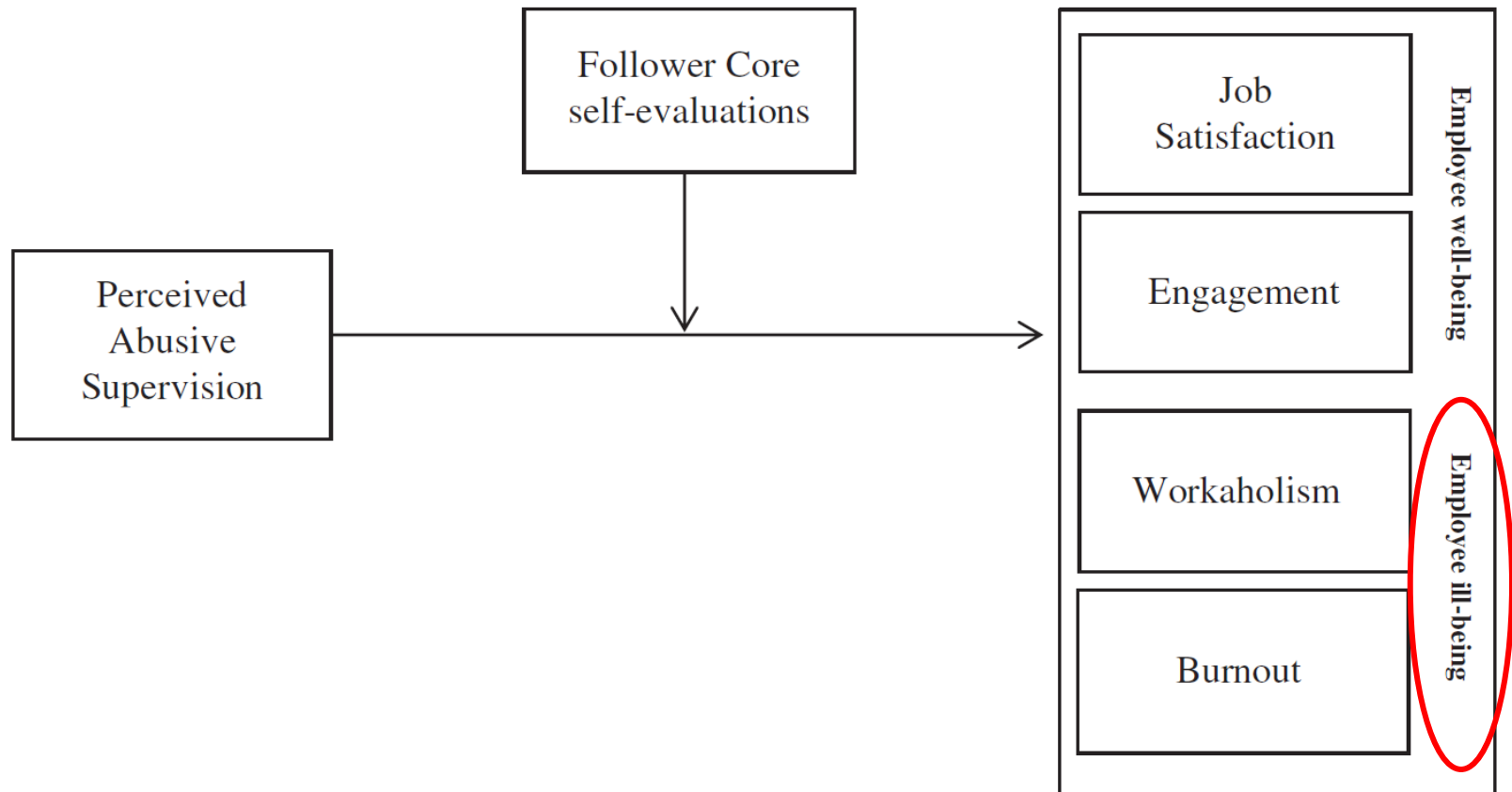


Job demands–resources model (Bakker; Demerouti, 2008, 218)

Leader Perceptions

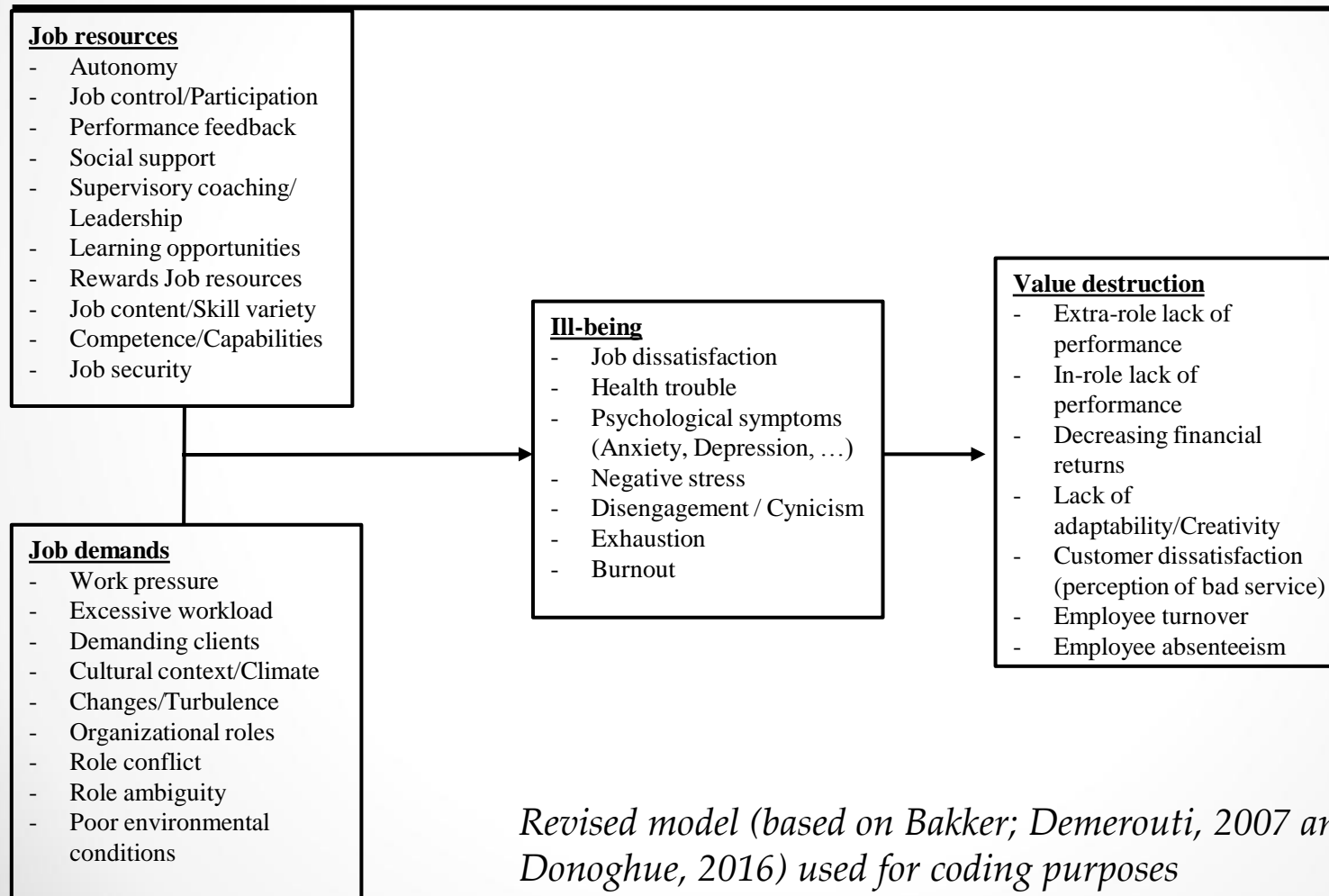
Follower personality

Follower Well-being



Research model developed by O'Donoghue et al. (2016) considering both employee well-being and employee ill-being

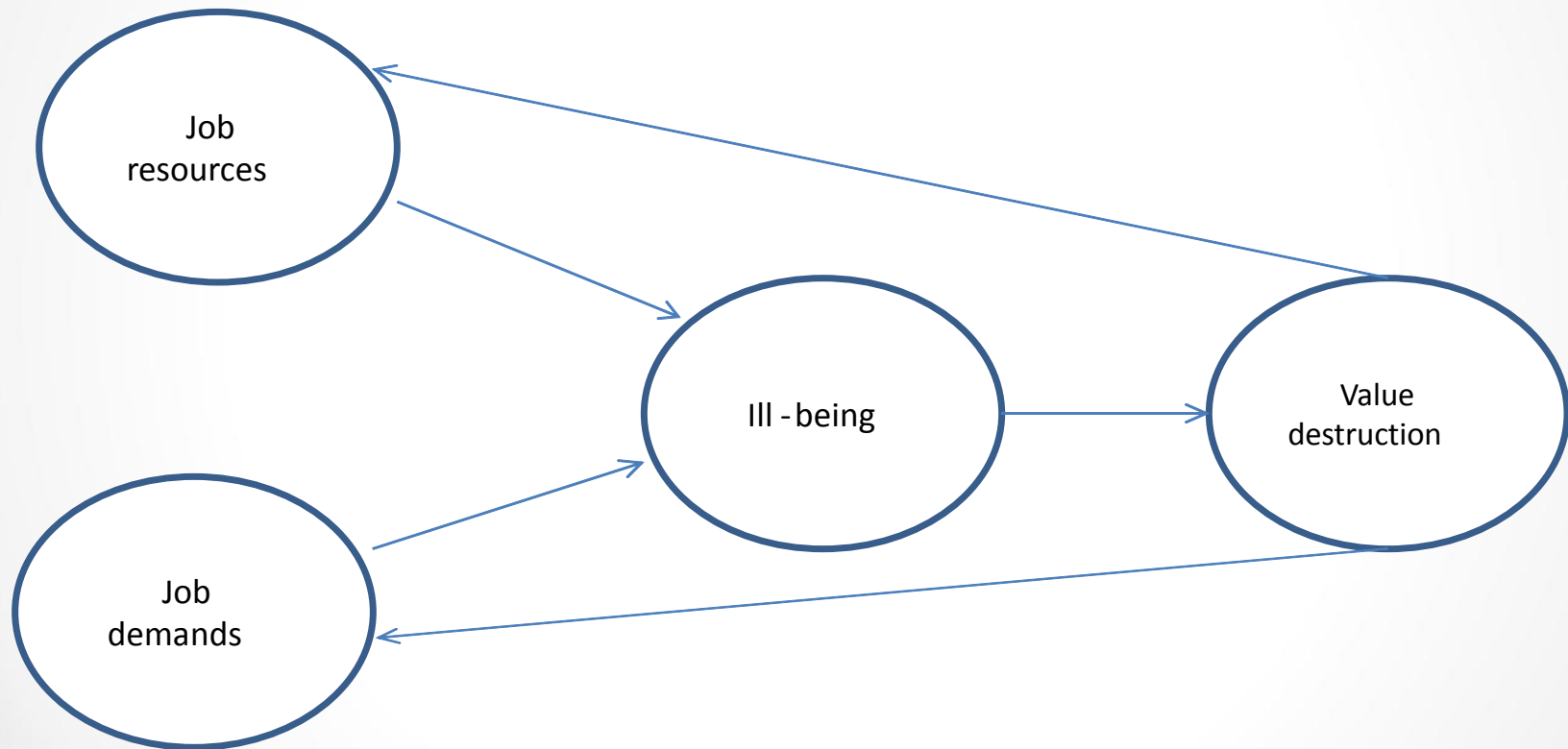
Hypotheses



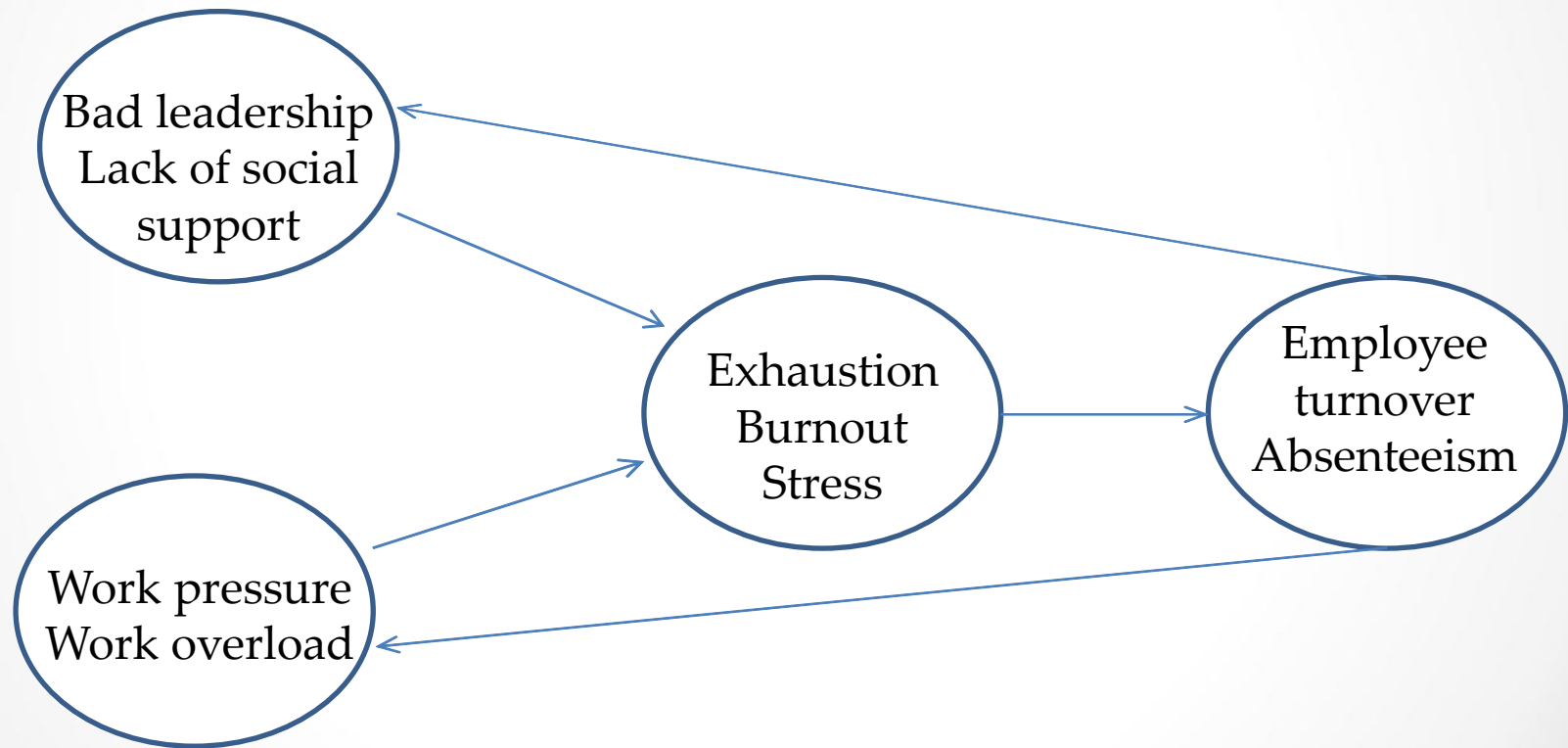
It's like Foreign Legion. You come with your weapons and equipment. You don't care about your employer. Employees are like mercenaries.

(Interview 9 – chief security officer)

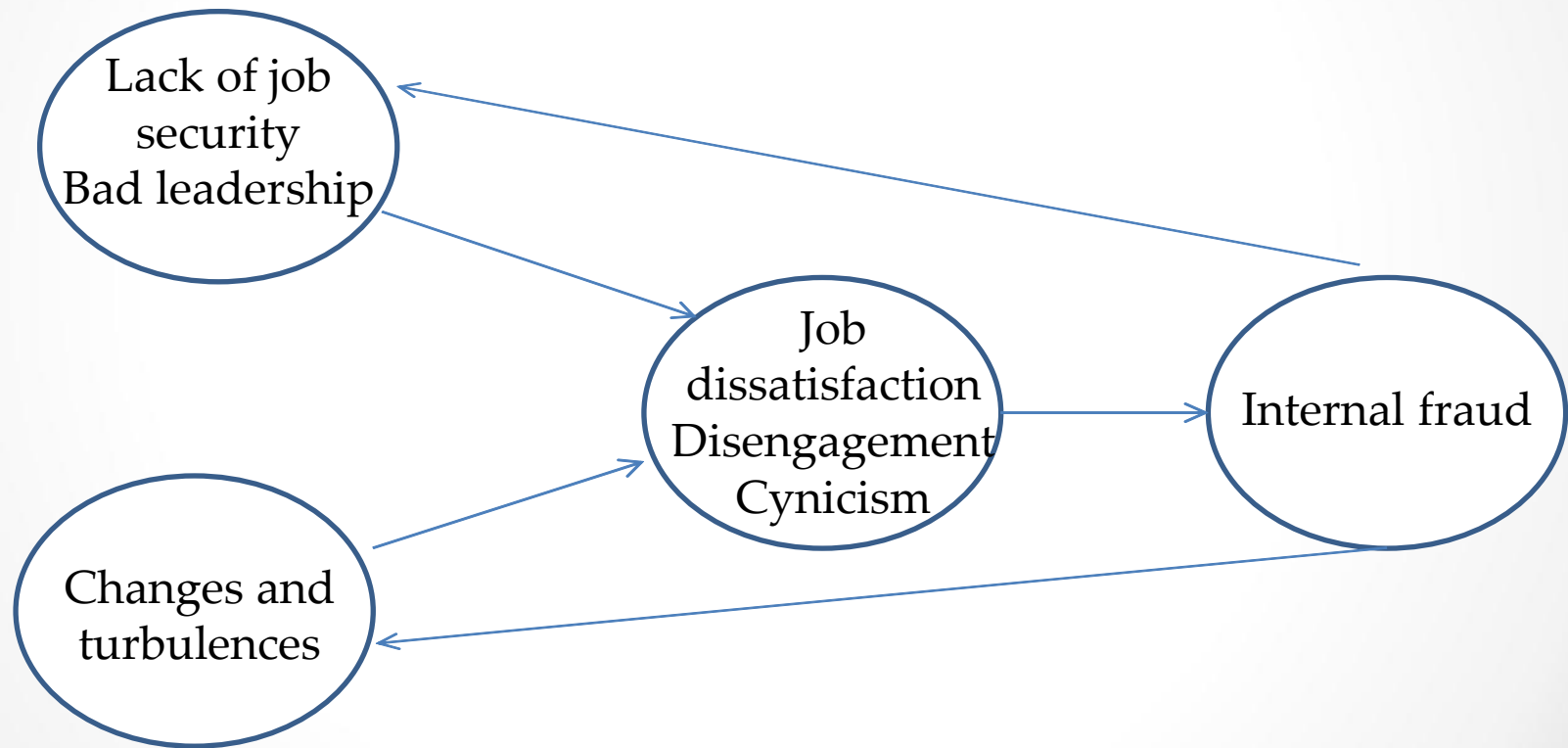
Human risk – Value destruction loop



Human risk – Value destruction loop



Human risk – Value destruction loop



Concluding comments

- Value destruction reinforces stressors as part of a vicious circle (human risk – value destruction loop)
- There is a contagion effect
- Address the causes at the origin of the risks rather than its consequences – development of new methods
- Need for more proximity, direct communication and trust
- Test reliability in different industries
- Further quantitative research

Our bank is like a steamer. We regularly increase the heat. We don't know when it's going to explode. But when it will, damages will be huge.

(Interview 7 – private wealth advisor)

Including the human factor in risk software

- We have been collaborating over the last ten years with OXIAL to integrate our applied research on risk management in a real risk software
- We continue to work with OXIAL engineers to build on the notion of human risk in their software
- OXIAL GRC Solutions are unique in this respect



Thank you for your attention !

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