

APPENDIX L ANALYSIS OF QD BOARD MEMBERS RESULTS TO ESTABLISH WHETHER THEY HAVE SIMILAR THOUGHTS  
 ABOUT THEIR LEVEL OF RISK READINESS  
 FRIEDMANS RANK TEST: NONPARAMETRIC ANALYSIS FOR THE RANDOMIZED BLOCK DESIGN

	Graeme		Graham		Philip		Gina		Gordon		Justin		Nick		Rob		$\sum F_j$	$\sum F_j^2$
History	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank		
1 To what extent has the risk and complexity of your business increased over the past 5 years	10	26	9	22.5	7	15	4	9	2	6	7	20.5	10	25.5	9	25.5	150	22500
2 To what extent has your business faced an operational surprise in the past 5 years	6	21	9	22.5	7	15	11	26	7	25	10	26	10	25.5	9	25.5	187	34782
How well does company manage its risk																		
3 What is the level of maturity of your organisations approach to a fully functioning ERM King III process	2	8	3	10.5	1	1	5	13	3	13.5	5	16	2	9.5	2	7.5	79	6241
4 How has the level of reporting and disclosure on risk issues increased over the past year	2	8	2	5	8	21	8	21.5	2	6	4	10.5	6	20.5	8	24	117	13572
5 Are you confident that the overall risks the organisation faces are being effectively managed	3	12	2	5	6	9	7	19	2	6	4	10.5	4	14.5	6	21	97	9409
6 Does the company maintain any risk inventories to counter supply line/ industrial disruption	2	8	4	13.5	6	9	4	9	4	17	3	4	1	4	1	3.5	68	4624
7 To what extent does the company formally assess supply side risks	2	8	2	5	7	15	6	16	2	6	8	24	1	4	1	3.5	82	6642
8 To what extent are top risk exposures formally discussed when the Board meets to discuss existing strategic plans	3	12	3	10.5	9	24	9	23	3	13.5	7	20.5	2	9.5	3	12	125	15625
9 Indicate extent to which existing risk exposures are considered when evaluation new strategies	5	19	7	18.5	9	24	8	21.5	6	21.5	8	24	6	20.5	3	12	161	25921
10 Indicate extent to which company has articulated its appetite for risks in the context of strategic planning	5	19	4	13.5	7	15	6	16	3	13.5	4	10.5	1	4	3	12	104	10712
11 Indicate extent to which organisation has carried out a formal assessment of market risk	1	3	2	5	7	15	3	4.5	2	6	4	10.5	7	22	4	17.5	84	6972
12 Indicate extent to which organisation has carried out a formal assessment of industry risk	1	3	2	5	7	15	4	9	2	6	3	4	5	17.5	4	17.5	77	5929
13 Indicate extent to which organisation has carried out a formal assessment of political risk	1	3	3	10.5	3	2.5	1	1	3	13.5	3	4	1	4	1	3.5	42	1764
14 Indicate extent to which organisation has carried out a formal assessment of regulatory/legal risk	1	3	2	5	9	24	10	24.5	2	6	4	10.5	5	17.5	4	17.5	108	11664
15 Indicate extent to which organisation has carried out a formal assessment of IT risk	1	3	6	17	8	21	6	16	6	21.5	6	18	2	9.5	2	7.5	114	12882
16 Indicate extent to which organisation uses qualitative means to assess risk	5	19	5	15.5	5	6	7	19	2	6	5	16	1	4	1	3.5	89	7921
17 Indicate extent to which organisation uses quantitative means to assess risk	4	15.5	3	10.5	4	4	4	9	3	13.5	7	20.5	1	4	1	3.5	81	6480
18 In assessing risk issues to what extent does the Board actively consider risk probabilities	3	12	1	1	5	6	5	13	1	1	5	16	4	14.5	5	20	84	6972
19 Indicate extent to which Board believes existing compensation arrangements contribute to excessive risk by management	2	8	2	5	7	15	5	13	2	6	2	1	3	12.5	4	17.5	78	6084
20 Indicate extent to which risk exposures are considered when making capital allocations to functional units	4	15.5	5	15.5	7	15	7	19	5	18	4	10.5	1	4	1	3.5	101	10201
Board attitude to risk																		
21 How would you describe your companies attitude to strategic risk (corporate activity, M and A etc) (1=intolerant)	7	22.5	10	25	3	2.5	3	4.5	6	21.5	7	20.5	5	17.5	3	12	126	15876
22 How would you describe your companies attitude to operational risk (1=intolerant)	4	15.5	8	20	8	21	3	4.5	8	26	3	4	5	17.5	3	12	121	14520
23 How would you describe your companies attitude to financial risk (1=intolerant)	4	15.5	7	18.5	10	26	4	9	3	13.5	3	4	8	23	7	22.5	132	17424
24 How would you describe your companies attitude to market risk (1=intolerant)	7	22.5	11	26	6	9	2	2	6	21.5	8	24	9	24	7	22.5	152	22952
Board attitude to risk aversion/tolerance																		
25 Does your company become more risk seeking when the company achieves its targets/budgets	8	24.5	9	22.5	7	15	3	4.5	6	21.5	4	10.5	2	9.5	3	12	120	14400
26 Does your company become more risk averse when the company underperforms its targets/budgets	8	24.5	9	22.5	5	6	10	24.5	6	21.5	4	10.5	3	12.5	3	12	134	17956
	3.88	351	5.00	351	6.46	351	5.58	351	3.73	351	5.08	351	4.04	351	3.77	351	2808	330028
														Check	r.c.(c+1)	2808		
														Members	r=	8		
														Questions	c=	26		
														Test Stat	Fr=	57.19		
															25df .005	46.93		