



Welcome to our next edition of **The Uncertain Times** – Mondial Consultants’ newsletter bringing you snippets from the Business and Risk Management Industry.

We wish you all the best for 2020! There certainly are some “interesting”, “challenging”, “daunting”, “exciting” prospects facing us as South African’s already, and as risk managers we need to be proactively mitigating the risks while harnessing the opportunities, and being part of the solution.

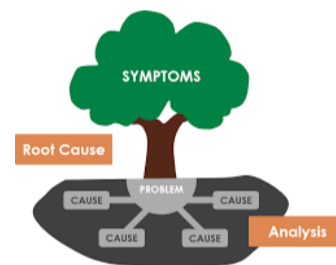
And as we know, South African’s have the wonderful ability to laugh at ourselves, especially when we have the cartoonists we do. As the Zapiro cartoon suggests, Jonathan Shapiro is certainly not without material!!  
\*Source: Daily Maverick



## In Risk Management Correlation is not Causation | Written by Oliver Laloux

Very often in the field of risk management, risk managers and others who have a role to play in identifying and analysing risk can easily fall into what we call the **correlation vs. causation** trap.

As human beings we are all heavily influenced by our own outlook and perceptions of the world, that is, in itself also influenced by recent experiences. If you’ve recently experienced an injury, financial loss, or other event, invariably the human mind then tends to increase its belief that the probability of such experiences is higher, given such experiences. Although this latter phenomenon is called cognitive bias, the relationships between cognitive bias and correlation, itself a correlation, is a trap that risk analyst need to be cautious of. Because certain things are related does not in itself imply that one is a cause of another. Sometimes it can be, but not always.



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## We can assist you in the following areas:

- Enterprise Risk Management
- Emergency and Business Continuity Management
- Governance and Compliance
- Risk Management Software Solutions
- Internal Audit
- Corporate Secretarial
- Environmental Risk Management
- Sustainability Risk Management
- Human Failure Analysis

Our approach is practical and pragmatic and tailored to your needs.

## Risk Appetite and Tolerance – The Essentials | Written by Vanessa Thurlwell

Decisions around Risk Appetite and Tolerance (RAT) could potentially have far-reaching consequences for any organisation. The level at which the RAT debate should take place is therefore of critical importance as are the decisions that will eventually be taken. Ultimately an organisation should determine if any specific activity fits within its risk appetite or not. This will be answered at a level commensurate with the level of risk in question.

The setting and implementation of Risk Appetite and Tolerance need not be a daunting and complex task. A systematic process is to be followed to establish the framework and set and approve the parameters and the implementation thereof will follow. The most important consideration being that it is fit for purpose for the organisation and adds the value that is expected.



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## Mondial Knowledge Solutions



You can also contact us for training programmes and mentoring / coaching options

- All levels of Risk Management
- Risk Champions
- Risk Committees
- Risk Appetite and Tolerance
- Conducting Risk Assessments and Control Reviews
- Conducting Bow Ties for Risk Assessment
- Facilitation techniques
- Business Continuity Management Training
- Crisis Management Team / Emergency Team / Business Continuity Team Simulation Training
- Combined Assurance

We are also proud facilitators of training for the Institute of Risk Management South Africa.

## 6 planned laws for South Africa you should know about in 2020

We have all been hearing about new pieces of legislation that will affect us both personally and professionally and present both risk and opportunity.



These include:

- Land expropriation without compensation
- National Climate Change Bill
- Nationalisation of South Africa’s Reserve Bank
- New law around sports clubs and gyms in South Africa
- AARTO Demerit system
- National Health Insurance Bill

Click [here](#) for the full article in BusinessTech.

## Environmental risks zoom to the fore at the World Economic Forum



For years, the World Economic Forum has conducted a survey among its members and associates to assess the main risks that face the world at that moment. This year, environmental issues climbed to the top of the agenda and all five of the long-term risks the group specified are environmental, something that has never happened since the survey began 14 years ago.

Click [here](#) for the full article in Daily Maverick