

ANNEXURE “A”
THE QUESTIONNAIRE



ANNEXURE “A” THE QUESTIONNAIRE

UJ
 DEPARTMENT OF BUSINESS MANAGEMENT
 SURVEY ON HOLISTIC RISK MANAGEMENT
 QUESTIONNAIRE
 (STRICTLY CONFIDENTIAL)

The objectives of this survey are:

- 1) To determine the culture and existing strategy used by South African banks to manage risk
- 2) To establish whether the holistic risk concept can be used by South African banks as a strategy to manage risk management
- 3) To develop a FRAMEWORK to be used in the management of risk in the banking industry

This questionnaire will not be analyzed individually. Your response should be based only upon your perception of your bank.

SECTION A: ORGANIZATIOAL CULTURE

For office
use only

ID

CARD NO				

1. Answer all questions by ENCIRCLING the number of your choice.

	Strongly agree	Agree	Neural	Disagree	Strongly disagree		
a) There is a great deal of contact and interaction among employees at your bank	5	4	3	2	1		6
b) The decision making climate at your bank is participative	5	4	3	2	1		7
c) Your bank is open to new ideas	5	4	3	2	1		8
d) In your bank, dishonesty among employees is the norm (-)	5	4	3	2	1		9
e) In your bank employees need not always look busy, but can relax when there is no work	5	4	3	2	1		10
f) Employees in your bank are judged on performance when rated for increases and promotion	5	4	3	2	1		11
g) There is a clear and a definite kind of responsibility fixed at each level in your bank	5	4	3	2	1		12
h) Your bank is characterized by reactive crisis management (-)	5	4	3	2	1		13
i) Employees receive gains from their increased productivity	5	4	3	2	1		14
j) Employees are encouraged to take risks as playing it safe is not rewarded	5	4	3	2	1		15
k) Management sets a good example by practicing what they preach	5	4	3	2	1		16
l) Your bank is willing to engage in introspection and is thus self-analytical	5	4	3	2	1		17
m) Your bank's performance is measured by quality or effectiveness of product or service	5	4	3	2	1		18
n) There is a great deal of emphasis on the amount of work done at your bank	5	4	3	2	1		19
o) There is a great deal of attention to work quality at your bank	5	4	3	2	1		20

	Strongly agree	Agree	Neural	Disagree	Strongly disagree	
p) In your bank there exist many opportunities for employees to improve themselves	5	4	3	2	1	21
q) The choice of working conditions (e.g. working hours) are flexible in your bank	5	4	3	2	1	22
r) Jobs are designed to stimulate individual initiative and to reduce routine	5	4	3	2	1	23
s) Employees get quick and clear feedback on their performance	5	4	3	2	1	24
t) Your bank is involved with the welfare of the local community	5	4	3	2	1	25
u) Your bank is customer oriented	5	4	3	2	1	26
v) Your bank is candid and open to criticism from outside	5	4	3	2	1	27
w) Your bank is always ethical in its attempt to increase profits	5	4	3	2	1	28

SECTION B: RISK MANAGEMENT

1. Answer all questions by ENCIRCLING the number of your choice.

<u>Analysis</u>	Strongly agree	Agree	Neural	Disagree	Strongly disagree	
a) Your bank tend to define risk primarily in terms of new credit given, new services or new processes (-)	5	4	3	2	1	29
b) Your bank effectively analyzes risk management failures	5	4	3	2	1	30
c) Your bank could be more objective in assessing strengths and weaknesses (-)	5	4	3	2	1	31
d) Your bank has reasonably good managerial processes to encourage proactive risk management	5	4	3	2	1	32
e) In your bank specific risk management objectives are set for each operating unit	5	4	3	2	1	33
f) In your bank their exist systems to utilize market and consumer research in order to stimulate risk management	5	4	3	2	1	34
g) Your major competitors tend to be more proactive in managing risk than your bank (-)	5	4	3	2	1	35

<u>Strategy</u>	Strongly agree	Agree	Neural	Disagree	Strongly disagree	
a) The concept of risk management features strongly in your bank's corporate mission/strategy	5	4	3	2	1	36
b) You tend to view your bank as a producer of innovative risk management	5	4	3	2	1	37
c) Your bank collects data from the external environment and converts it into relevant information	5	4	3	2	1	38
d) Your bank believes in shareholders wealth maximization	5	4	3	2	1	39

<u>Planning</u>	Strongly agree	Agree	Neural	Disagree	Strongly disagree	
a) Your bank does not have a separate, comprehensive, and written strategy for managing risk (-)	5	4	3	2	1	40
b) Your bank effectively reviews how management's decisions will influence risk management	5	4	3	2	1	41
c) In your bank there exist no distinction between the creation of innovative risk versus the implementation of innovative risk	5	4	3	2	1	42
d) The annual budget of your bank makes provision for innovative risk management-related expenditures	5 233	4	3	2	1	43

Implementation, motivation and control

a)	Your bank tends to be weaker in implementation of innovative risk management than in generating innovative risk management ideas (-)	5	4	3	2	1		44
b)	Your bank has clear risk management guidelines, specific objectives, and a sharp focus on all risk management activities	5	4	3	2	1		45
c)	Your bank has more disincentives than incentives for risk management (-)	5	4	3	2	1		46
d)	Your bank is effective in market research and customer needs analysis	5	4	3	2	1		47
e)	Your bank does little training in the managing of risk and holistic risk management leadership (-)	5	4	3	2	1		48
f)	Senior management in your bank should devote more time to holistic risk strategy and overall risk management	5	4	3	2	1		49
g)	In your bank it is not easy to provide continuity of management's interest and commitment to specific risk projects (-)	5	4	3	2	1		50

Review of results

a)	Your bank effectively evaluates successful holistic risk management	5	4	3	2	1		51
b)	Your bank measures risk management in terms of increased turnover	5	4	3	2	1		52
c)	Your bank would innovate more effectively if it could work out a better, more accurate system for tracking risk management performance on specific projects	5	4	3	2	1		53
d)	Your bank needs to find additional ways to track and understands progress or delays in risk management projects in a systematic, effective, and objective manner	5	4	3	2	1		54

Evaluation and Plan Modification

a)	Your bank has a variety of financial tests (ROI, ROE, ROA, IRR, DCF and others) that it applies in evaluating risk management projects	5	4	3	2	1		55
b)	Your bank generally uses the same financial analysis systems to evaluate both risk management and traditional proposals and projects	5	4	3	2	1		56
c)	When a risk management project fails in your bank, its champion is more than likely to be penalized sooner or later in terms of promotion and compensation	5	4	3	2	1		57

SECTION C: GENERAL

Answer all questions, marking with a cross in the relevant block.

1) Your bank can be characterized as being

- a) A young bank
- b) A growing bank
- c) A mature bank

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

2) How many departments in your bank can you identify as being responsible for initiating holistic risk management activity?

- a) All
- b) 2 or more
- c) 1 (one)
- d) None

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

3) How many people are employed full-time in your bank?

- a) 0-999
- b) 1000 and above

<input type="checkbox"/>
<input type="checkbox"/>

4) What is the annual turnover of your bank

- a) R0 – R 9 999 999
- b) Above R10 million

<input type="checkbox"/>
<input type="checkbox"/>

5) Designation of respondent

<input type="checkbox"/>	58
<input type="checkbox"/>	59
<input type="checkbox"/>	60
<input type="checkbox"/>	61
<input type="checkbox"/>	62



ANNEXURE “B”
DESCRIPTIVE STATISTICS OF THE RESULTS
OBTAINED



ANNEXURE “B”

DESCRIPTIVE STATISTICS OF THE RESULTS OBTAINED

THE FREQUENCY
DISTRIBUTION OF
THE RESULTS
OBTAINED IN THE
SURVEY

SECTION A: ORGANISATIONAL CULTURE

NUMBER AND PERCENTAGE OF RESPONSE

	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Missing Values
A1 There is a greater deal of contact and interaction among employees at your bank	87 18,8%	269 58,2%	71 15,4%	31 6,7%	4 0,9%	0 0,0%
A2 The decision - making climate at your bank is participative	49 10,6%	222 48,1%	108 23,4%	74 16,0%	9 1,9%	0 0,0%
A3 Your bank is open to new ideas	165 35,7%	239 51,7%	42 9,1%	8 1,7%	1 0,2%	7 1,5%
A4 In your bank, dishonesty among employees is the norm	176 38,1%	182 39,4%	66 14,3%	27 5,8%	9 1,9%	2 0,4%
A5 In your bank employees need not always look busy, but can relax when there is no work	28 6,1%	160 35,1%	139 30,1%	96 20,8%	38 8,2%	1 0,2%
A6 Employee in your bank are judged on performance when rated for increases and promotion	129 27,9%	260 56,3%	45 9,7%	20 4,7%	7 1,5%	1 0,2%
A7 There is a clear and definite kind of responsibility fixed at each level in your bank	67 14,5%	256 55,4%	94 20,3%	38 8,2%	6 1,3%	1 0,2%
A8 Your bank is characterized by reactive crisis management	37 8,0%	175 37,9%	115 24,9%	104 22,5%	27 5,8%	4 0,9%
A9 Employees receive gains from their increased productivity	49 10,6%	232 50,2%	109 23,6%	62 13,4%	10 2,2%	0 0,0%
A10 Employees are encouraged to take risks as playing it safe is not rewarded	10 2,2%	88 19,0%	157 34,0%	160 34,6%	47 10,2%	0 0,0%

A11	Management sets a good example by practicing what they preach	86 18,6%	278 60,2%	68 14,7%	24 5,2%	6 1,3%	0 0,0%
A12	Your bank is willing to engage in introspection and is thus self analytical	87 18,8%	264 57,1%	78 16,9%	27 5,8%	3 0,6%	3 0,6%
A13	Your bank's performance is measured by quality or effectiveness of product or services	168 36,4%	244 54,8%	33 7,1%	16 3,5%	1 0,2%	0 0,0%
A14	There is a great deal of emphasis on the amount of work done at your bank	64 13,9%	220 47,6%	132 28,6%	43 9,3%	2 0,47%	1 0,2%
A15	There is a great deal of attention to work quality at your bank	138 29,9%	249 53,9%	56 12,1%	18 3,9%	1 0,2%	0 0,0%
A16	In your bank there exists many opportunities for employees to improve themselves	67 14,5%	255 55,2%	103 22,3%	35 7,6%	2 0,47%	0 0,0%
A17	The choice of working conditions (e.g. working hours) are flexible in your bank	12 2,6%	56 12,1%	90 19,5%	249 53,9%	54 11,7%	1 0,2%
A18	Jobs are designed to stimulate individuals initiative and to reduce routine	10 2,2%	124 26,8%	197 42,6%	122 26,4%	9 1,9%	0 0,0%
A19	Employees get quick and clear feedback on their performance	23 5,0%	181 39,2%	162 35,1%	85 18,4%	11 2,4%	0 0,0%
A20	Your bank is involved with the welfare of the local community	35 7,6%	171 37,0%	144 31,2%	93 20,1%	19 4,1%	0 0,0%
A21	Your bank is customer - orientated	228 49,4%	188 40,7%	37 8,0%	8 1,7%	1 0,2%	0 0,0%
A22	Your bank is candid and open to criticism from outside	83 18,0%	268 58,0%	82 17,7%	14 3,0%	15 3,2%	0 0,0%
A23	Your bank is always ethical in its attempt to increase profits	197 42,6%	221 47,8%	32 6,9%	8 1,7%	2 0,4%	2 0,4%

SECTION B: RISK MANAGEMENT

ANALYSIS

B1 Your bank tends to define risk primarily in terms of new credit given, new services, or new processes

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Missing Values
4 0,9%	60 13,0%	82 17,7%	266 57,6%	50 10,8%	0 0,0%

B2	Your bank effectively analyses risk management failures	25 5,4%	188 40,7%	161 34,8%	80 17,3%	8 1,7%	0 0,0%
B3	Your bank could be more objective in assessing strengths and weaknesses	7 1,5%	65 14,1%	89 19,3%	258 55,8%	43 9,3%	0 0,0%
B4	Your bank has reasonably good managerial processes to encourage risk management	37 8,0%	299 64,7%	95 20,6%	29 6,3%	2 0,4%	0 0,0%
B5	In your bank specific risk management objectives are set for each operating unit	20 4,3%	117 25,3%	160 34,6%	147 31,8%	16 3,5%	2 0,4%
B6	In your bank there exist systems to utilize market and consumer research in order to stimulate risk management	31 6,7%	160 34,6%	135 29,2%	112 24,2%	23 5,0%	1 0,2%
B7	Your major competitors tends to be more proactive in managing risk than your bank	71 15,4%	218 47,2%	120 26,2%	44 9,5%	8 1,7%	1 0,2%

STRATEGY

B8	The concept of risk management features strongly in your bank's corporate mission / strategy	57 12,3%	174 37,7%	140 30,3%	83 18,0%	7 1,5%	1 0,2%
B9	You tend to view your bank as a producer of innovative risk management	28 6,1%	165 35,7%	163 35,3%	91 19,7%	15 3,2%	0 0,0%
B10	Your bank collect data from the external environment and converts it into relevant information	44 9,5%	251 54,3%	100 21,6%	54 11,7%	13 2,8%	0 0,0%
B11	Your bank believes in shareholders wealth maximization	124 26,8%	214 46,3%	82 17,7%	32 6,9%	8 1,7%	2 0,4%

REVIEW OF RESULT

PLANNING

	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Missing Values	
B12	Your bank does not have a separate, comprehensive, and written strategy for managing risk	15 3,2%	85 18,4%	95 20,6%	227 49,1%	39 8,4%	1 0,2%
B13	Your bank effectively review how management's decisions will influence risk management	11 2,4%	150 32,5%	175 37,9%	114 24,7%	10 2,2%	2 0,4%
B14	In your bank there exists no distinction between the creation of innovative risk versus the implementation of innovative risk	18 3,9%	97 21,0%	159 34,4%	176 38,1%	12 2,6%	0 0,0%
B15	The annual budget of your bank makes provision for innovation risk management - related expenditures	19 4,1%	183 39,6%	84 18,2%	148 32,0%	28 6,1%	0 0,0%

Implementation, Motivation and control

B16	Your bank tends to be weaker in implementation of innovative risk management than in generating innovative risk management ideas	15 3,2%	151 32,7%	122 26,4%	159 34,4%	15 3,2%	0 0,0%
B17	Your bank has clear risk management guidelines, specific objective, and a sharp focus on all risk management activities	12 2,6%	113 24,5%	163 35,3%	156 33,8%	18 3,9%	0 0,0%
B18	Your bank has more disincentives than incentives for risk management	35 7,6%	249 53,9%	134 29,0%	36 7,8%	8 1,7%	0 0,0%
B19	Your bank is effective in market research and customer needs analysis	26 5,6%	207 44,8%	131 28,4%	84 18,2%	12 2,6%	2 0,4%
B20	Your bank does little training in the managing of risk and holistic risk management leadership	22 4,8%	103 22,3%	106 22,9%	201 43,5%	30 6,5%	0 0,0%
B21	Senior management in your bank should devote more time to holistic risk strategy and overall risk management	48 10,4%	252 54,5%	87 18,8%	65 14,1%	10 2,2%	0 0,0%
B22	In your bank it is not easy to provide continuity of management's interest and commitment to specific risk projects	17 3,7%	136 29,4%	122 26,4%	169 36,6%	15 3,2%	3 0,6%

Review of Result

		Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Missing Values
B23	Your bank effectively evaluates successful holistic risk management	21 4,5%	219 47,4%	144 31,2%	69 14,9%	9 1,9%	0 0,0%
B24	Your bank measures risk management in terms of increased turnover	30 6,5%	221 47,8%	100 21,6%	98 21,2%	13 2,8%	0 0,0%
B25	Your bank would innovate more effectively if it could work out a tracking risk management performance on specific projects	38 8,2%	261 56,5%	93 20,1%	62 13,4%	7 1,5%	1 0,2%
B26	Your bank needs to find additional ways to track and understand progress or delays in risk management projects in a systematic, effective, and objective manner	42 9,1%	263 56,9%	104 22,5%	49 10,6%	4 0,9%	0 0,0%

Evaluation and Plan Modification

		Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Missing Values
B27	Your bank has a variety of financial tests (ROI, ROE, ROA, IRR, DCF, and others) that it applies in evaluating risk management projects	43 9,3%	181 39,2%	90 19,5%	122 26,4%	26 5,6%	0 0,0%
B28	Your bank generally uses the same financial analysis systems to evaluate both risk management and traditional proposals and projects	28 6,1%	293 63,4%	83 18,0%	49 10,6%	7 1,5%	2 0,4%

B29	When a risk management project fails in your bank, its "Champion" is more than likely to be penalised sooner or later in terms of promotion compensation	54 11,7%	232 50,2%	122 26,4%	43 9,3%	10 2,2%	1 0,2%
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SECTION C: GENERAL

C1	Your bank can be characterised as being	
	(a) A young bank	32 6,9%
	(b) A growing bank	247 53,5%
	(c) A mature bank	177 38,3%
	(d) Missing values	6 1,3%
C2	How many department in your bank can you identify as being responsible for initiating holistic risk management activity	
	(a) All	158 34,2%
	(b) 2 or more	185 40,0%
	(c) 1 (one)	75 16,2%
	(d) None	38 8,2%
	(e) Missing values	6 1,3%
C3	How many people are employed full - time in your bank?	
	(a) 0 - 999	319 69,0%
	(b) 1 000 and above	141 30,5%
	(c) Missing values	2 0,4%
C4	What is the annual turnover of your bank?	
	(a) R0 - R9 999 999	98 21,2%
	(b) R10 million and above	362 78,4%
	(c) Missing Values	2 0,4%

**ANNEXURE “C”
LIST OF BANKS LICENSED TO OPERATE IN SOUTH
AFRICA**



ANNEXURE “C”

LIST OF BANKS LICENSED TO OPERATE IN SOUTH AFRICA

LOCAL CONTROLLED BANKS

ABN AMRO BANK

ABSA BANK

AFRICAN BANK

CALYON SOUTH AFRICA

CAPITEC BANK

CITIBANK SOUTH AFRICA

COMMERZ BANK AG

DEUTCHE BANK

DEVELOPMENT BANK OF SOUTHERN AFRICA

FIRST NATIONAL BANK

FIRSTSTRAND

GRINROD BANK

HSBC BANK

IMPERIAL BANK

INVESTEC BANK

LAND BANK

MARRIOTT MERCHANT BANK

MEEG BANK

NEDBANK

POSTBANK

RAND MERCHANT BANK

RENNIES BANK

SASFIN BANK

SOCIETE GENERALE BANK

STANDARD BANK

STANDARD BANK OF SOUTH AFRICA



STARNDARD CHARTERED BANK
TEBA BANK
WESTLB

FOREIGN BANKS REPRESENTATIVE OFFICES

AMERICAN EXPRESS BANK
BANCO BPI
BANCO ESPIRITO SANTO
BANCO PRIVADO PORTUGES SA
BANCO TOTTA SA
BANK LEUMI LE-ISRAEL
BANK OF CYPRUS GROUP
THE BANK OF NEW YORK
THE BANK OF TOKYO-MITSUBISHI
BAERISCHE HYPO
BNP PARIBAS
CREDIT INDUSTRIEL ET COMMERCIAL
CREDIT SUISSE SA
DRESDNER BANK AG
DRESDNER KLEINWORT
THE EXPORT-IMPORT BANK OF CHINA
FAIRBAIRN PRIVATE BANK
FIRST BANK OF NIGERIA
FORTIS BANK
HELLENIC BANK
ICICI BANK
ING BANK
LAIKI BANKING GROUP
MILLENUM BCP
NATEXIS BANQUES
NATIONAL BANK OF EGYPT

ROYAL BANK OF CANADA
THE ROYAL BANK OF SCOTLAND
SUMITOMO BANK
UBS AG
UNION BANK OF NIGERIA

FOREIGN CONTROLLED BANKS

AIBARAKA BANK
HABIB BANK
HBZ BANK
MERCANTILE BANK
THE SOUTH AFRICAN BANK OF ATHENS

REGISTERED BRANCHES OF FOREIGN BANKS

BANK OF BARODA
BANK OF CHINA
BANK OF TAIWAN
CHINA CONSTRUCTION BANK
PJ MORGAN CHASE BANK
STATE BANK OF INDIA



MUTUAL BANKS

GBS MUTUAL BANK
VBS MUTUAL BANK

**ANNEXURE “D”
A COPY OF THE COVERING LETTER**



ANNEXURE "D"

A COPY OF THE COVERING LETTER

P O BOX 55265
Wierda park
0149
Fax 012 653 4778
Email address: johnjc@telkomsa.net
April 4 2002

Dear Sir/Madam

THE APPLICATION OF HOLISTIC RISK MANAGEMENT IN THE BANKING INDUSTRY

Risk management and holistic risk management in particular are two important issues that cannot be ignored in the South African banking industry today. However, the survival of the bank in this turbulent environment is reliant upon its prudent management of risk and holistic risk management in particular.

To address this problem, a research project has been launched by the department of Business Management at UJ.

Your name was provided to us by the South African Banking Council as a prominent risk practitioner in the South African banking industry. Your help is therefore requested to complete the research.

Attached please find a questionnaire which at first glance might seem long. It should, however, not take more than fifteen minutes to complete. You are assured that, although a control number is allocated to each questionnaire for follow-up purposes, respondents will remain anonymous. The identity of any bank will furthermore, neither be disclosed nor linked to any results and/or conclusions.

The results of this project will be available to you on request.

Thanking you in anticipation.

.....
J CHIBAYAMBUYA
RESEARCHER: UJ

.....
Dr D J THERON
PROMOTER: UJ

**ANNEXURE “E”
A COPY OF THE FOLLOW UP LETTER USED IN THE
SECOND MAILING**



ANNEXURE “E”
A COPY OF THE FOLLOW UP LETTER USED IN THE
SECOND MAILING

P O BOX 55265
Wierda park
0149
Fax 012 653 4778
Email address: johnjc@telkomsa.net
April 10 2002

Dear Sir/Madam

THE APPLICATION OF HOLISTIC RISK MANAGEMENT IN THE BANKING INDUSTRY

Risk management and holistic risk management in particular are two important issues that cannot be ignored in the South African banking industry today. However, the survival of the bank in this turbulent environment is reliant upon its prudent management of risk and holistic risk management in particular.

To address this problem, a research project has been launched by the department of Business Management at UJ.

Your name was provided to us by the South African Banking Council as a prominent risk practitioner in the South African banking industry. Your help is therefore requested to complete the research.

We earnestly appeal for your co-operation in this project. The previous questionnaire posted to you April has probably got lost and we've taken the liberty to send you one again. Kindly complete the attached questionnaire and return it in the reply paid envelope at your earliest convenience before the end of April.

The results of this project will be available to you on request.

Thanking you in anticipation.

.....

J CHIBAYAMBUYA
RESEARCHER: UJ

.....

Dr D J THERON
PROMOTER: UJ

**ANNEXURE “F”
A COPY OF THE FOLLOW UP**



ANNEXURE “F”
A COPY OF THE FOLLOW UP LETTER

P O BOX 55265
Wierda park
0149
Fax 012 653 4778
Email address: johnjc@telkomsa.net
April 21 2002

Dear Sir/Madam

THE APPLICATION OF HOLISTIC RISK MANAGEMENT IN THE BANKING INDUSTRY

A questionnaire regarding the above project was just recently posted to you. As your insights and opinions are valued greatly, your co-operation would be much appreciated.

Would you please be so kind as to complete the questionnaire as requested.

Thanking you in anticipation.

.....
JOHN CHIBAYAMBUYA
RESEARCHER: UJ



.....
Dr D J THERON
PROMOTER: UJ

**ANNEXURE “G”
FREQUENCY TABLE INDICATING THE POSITION OF
THE RESPONDENTS**



ANNEXURE “G”

FREQUENCY TABLE INDICATING THE POSITION OF THE RESPONDENTS

DESIGNATIONS OF RESPONDENTS		
POSITION	FREQUENCY	PERCENTAGE
Board Member	30	6,5
Chief Executive Officer	139	30,1
Chief Risk Officer	70	15,2
Chief Financial Officer	41	8,9
Director	16	3,5
Financial Director	48	10,4
Divisional Director	11	2,4
General Manager	9	1,9
Regional General Manager	1	0,2
Regional Manager	2	0,4
Risk Manager	30	6,5
Risk Specialist	7	1,5
Branch Manager	10	2,2
Dealer	1	0,2
Not Specified	47	10,1
TOTAL	462	100,0%

**ANNEXURE “H”
A SUMMARY OF THE ASPECTS CONTAINED IN
SECTION A OF THE
QUESTIONNAIRE**



ANNEXURE “H”

A SUMMARY OF THE ASPECTS CONTAINED IN SECTION A OF THE QUESTIONNAIRE

Culture
There is a great deal of contact and interaction among employees at your bank
The decision making climate at your bank is participative
Your bank is open to new ideas
In your bank, dishonesty among employees is the norm (-)
In your bank employees need not always look busy, but can relax when there is no work
Employees in your bank are judged on performance when rated for increases and promotion
There is a clear and a definite kind of responsibility fixed at each level in your bank
Your bank is characterized by reactive crisis management (-)
Employees receive gains from their increased productivity
Employees are encouraged to take risks as playing it safe is not rewarded
Management sets a good example by practicing what they preach
Your bank is willing to engage in introspection and is thus self-analytical
Your bank's performance is measured by quality or effectiveness of product or service
There is a great deal of emphasis on the amount of work done at your bank
In your bank there exist many opportunities for employees to improve themselves
The choice of working conditions (e.g. working hours) are flexible in your bank
Jobs are designed to stimulate individual initiative and to reduce routine
Employees get quick and clear feedback on their performance
Your bank is involved with the welfare of the local community
Your bank is customer oriented
Your bank is candid and open to criticism from outside
Your bank is always ethical in its attempt to increase profits

**ANNEXURE “I”
A SUMMARY OF THE ASPECTS CONTAINED IN
SECTION B OF THE QUESTIONNAIRE**



ANNEXURE “I”

A SUMMARY OF THE ASPECTS CONTAINED IN SECTION B OF THE QUESTIONNAIRE

<u>Analysis</u>
Your bank tend to define risk primarily in terms of new credit given, new services or new processes (-)?
Your bank effectively analyzes risk management failures?
Your bank could be more objective in assessing strengths and weaknesses (-)?
Your bank has reasonably good managerial processes to encourage proactive risk management?
In your bank specific risk management objectives are set for each operating unit?
In your bank their exist systems to utilize market and consumer research in order to stimulate risk management?
<u>Strategy</u>
The concept of risk management features strongly in your bank's corporate mission/strategy?
You tend to view your bank as a producer of innovative risk management?
Your bank collects data from the external environment and converts it into relevant information?
<u>Planning</u>
Your bank does not have a separate, comprehensive, and written strategy for managing risk (-)?
Your bank effectively reviews how management's decisions will influence risk management?
In your bank there exist no distinction between the creation of innovative risk versus the implementation of innovative risk?
<u>Implementation, motivation and control</u>
Your bank tends to be weaker in implementation of innovative risk management than in generating innovative risk management ideas (-)?
Your bank has clear risk management guidelines, specific objectives, and a sharp focus on all risk management activities?
Your bank has more disincentives than incentives for risk management (-)?
Your bank is effective in market research and customer needs analysis?
Your bank does little training in the managing of risk and holistic risk management leadership (-)?
Senior management in your bank should devote more time to holistic risk strategy and overall risk management?
<u>Review of results</u>
Your bank effectively evaluates successful holistic risk management?
Your bank measures risk management in terms of increased turnover
Your bank would innovate more effectively if it could work out a better, more accurate system for tracking risk management performance on specific projects?
<u>Evaluation and Plan Modification</u>
Your bank has a variety of financial tests (ROI, ROE, ROA, IRR, DCF and others) that it applies in evaluating risk management projects?
Your bank generally uses the same financial analysis systems to evaluate both risk management and traditional proposals and projects?
When a risk management project fails in your bank, its champion is more than likely to be penalized sooner or later in terms of promotion and compensation?

ANNEXURE “J”
A SUMMARY OF THE ASPECTS CONTAINED IN
SECTION “C” OF THE QUESTIONNAIRE



ANNEXURE “J”

A SUMMARY OF THE ASPECTS CONTAINED IN SECTION C OF THE QUESTIONNAIRE

Your bank can be characterized as being

- a) A young bank
- b) A growing bank
- b) A mature bank

How many departments in your bank can you identify as being responsible for initiating holistic risk management activity?

- a) All
- b) 2 or more
- e) 1 (one)
- f) None

How many people are employed full-time in your bank?

- a) 0-999
- b) 1000 and above

What is the annual turnover of your bank

- a) R0 – R 9 999 999
- b) Above R10 million

Designation of respondent:



ANNEXURE “K”

INTERVIEW SCHEDULE / DISCUSSION GUIDE



ANNEXURE “K”
THE APPLICATION OF HOLISTIC RISK MANAGEMENT
IN THE BANKING INDUSTRY

DISCUSSION GUIDE

1.	Does your bank have a formalised risk culture, can you elaborate?
2.	Analysis of current position: Does your bank do an analysis of the current position regarding holistic risk management?

3.	Formulation of holistic risk management strategies: Do you have a formalized formulation of holistic risk management strategies in your bank?
4.	Establish a plan for holistic risk management: In your view how do you establish a plan for holistic risk management in your bank?
5.	Implementation: Regarding implementation of holistic risk management does your bank formally implement and follow-through on its risk strategies?

6.	Review of results: How often do you review the results of your risk management programmes and what measurements do you use?
7.	Evaluation and plan modification: Does your bank do a proper evaluation and plan modification of the risk management activities?
8.	Systems review: Do you perform systems review on a continuous basis?



9.	Motivation and control: At strategic level how do you motivate and control the risk management function and its people?
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