

Measuring people risk

People risk, sometimes called human capital risk, refers to potential risks and challenges associated with managing and optimizing your workforce. By proactively identifying and addressing potential people risks, you can safeguard your organization's reputation, protect its assets and foster a positive and productive work environment. This checklist offers suggestions on how to evaluate various aspects of people risk within your organization.



Employee feedback

Conduct employee surveys

Employee surveys are a valuable tool to assess people risk within an organization. These surveys provide insights into employee experiences, satisfaction levels and potential areas of concern. They may also help you identify risk of burnout, which is a significant problem for talent retention and productivity.

When conducting employee surveys, it is important to cover various aspects of the employee experience, such as work environment, communication, workload and physical and emotional well-being.

- Ensure anonymity and encourage honest feedback.
- Analyze survey results to identify trends, areas of improvement and potential people risks.
- Use the findings to develop targeted action plans and initiatives to address identified issues. Check out the [Employee Engagement Survey Toolkit](#) for ideas on how to measure employee engagement.

Maintain lines of communication

Regular touch points, such as town hall style meetings or check-ins between employees and people managers, can allow you to maintain awareness of any issues or concerns that may arise. These interactions, whether formal or informal, can help monitor people risk at your organization.

Assess wellness program participation

If your company has implemented a wellness program, it can serve as a valuable tool for assessing the potential risks associated with employees' physical and mental well-being. A higher level of participation in the program indicates a positive culture of well-being, which can lead to reduced absenteeism, increased productivity and lower healthcare costs.



People processes

Evaluate performance management processes

Review your organization's performance management practices, including goal setting, feedback mechanisms and performance evaluations.

- Ensure that these processes are adequate, transparent and aligned with organizational objectives.
- Provide training and support to managers to enhance their ability to provide constructive feedback and support employee development.

Analyze absenteeism and leave patterns

Patterns of absenteeism and leave can indicate potential people risks, such as burnout, work-related stress or overall dissatisfaction.

- Analyze data to identify any trends or patterns.
- Address potential issues by promoting work-life balance, providing resources for stress management and fostering a supportive work environment.
- Encourage open communication and provide avenues for employees to seek support when needed.

Review employee relations and conflict resolution processes

Effective employee relations and conflict resolution processes will reduce people risk associated with a toxic work environment.

- Evaluate your organization's processes for addressing employee concerns and resolving conflicts.
- Ensure that these processes are accessible, reasonable and timely.
- Provide training to managers and employees on conflict resolution and promote a culture of open communication and respect.

Assess training and development programs

Training and development programs play a role in addressing people risks by enhancing employee skills and preventing potential skill gaps.

- Evaluate your organization's training initiatives to ensure they meet the needs of employees and align with organizational goals.
- Identify any gaps in training and development opportunities and build targeted programs to address these gaps.
- Regularly assess the effectiveness of training programs through feedback and evaluation.

Review diversity, equity and inclusion (DEI) initiatives

Diversity, equity and inclusion (DEI) initiatives can help you address and minimize the risks associated with discrimination, bias and exclusion.

- Evaluate your organization's DEI programs to ensure they promote a culture of inclusivity, fairness and equal opportunities for all employees.
- Review policies, practices and recruitment processes to identify areas for improvement.
- Foster a diverse and inclusive work environment through awareness campaigns, training and accountability measures.

Conduct technology impact assessment

A technology impact assessment involves evaluating the potential effects of technological advancements on job roles and skills required by employees.

- Analyze the impact of automation, artificial intelligence and other emerging technologies on the workforce.
- Use the technology impact assessment to identify potential skill gaps and areas where reskilling or redeployment of employees may be necessary.
- Mitigate people risk by ensuring that employees are equipped with the skills needed to adapt to technological changes, reducing the risk of job displacement and promoting workforce agility and resilience.



Turnover and retention

Review employee turnover and retention rates

High turnover and low retention rates can indicate underlying people risks within your organization.

- Analyze turnover data by department, role and tenure to identify patterns or trends.
- Use this information to identify potential issues and develop strategies to improve employee retention, such as enhancing career development opportunities or addressing work-life balance concerns.

Conduct exit interviews

Exit interviews provide valuable insights into potential people risks by identifying areas for improvement.

- Conduct structured exit interviews with departing employees to understand their reasons for leaving, identify any concerns or issues they may have encountered and gather suggestions for improvement.
- Analyze the feedback to identify recurring themes or patterns and take appropriate actions to address identified concerns.



Conclusion

This checklist serves as a valuable resource for assessing people risk within your organization. Armed with this knowledge, you can begin formulating a strategic plan to address the identified issues and mitigate the impact of people risk.

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LenAI helped draft this content before it was thoroughly fact-checked, reviewed and edited by a member of our content team.