

Half of S'pore charities weak in risk management: Report

Lack of experience, human and financial resources among challenges for institutions

SINGAPORE – About one in two, or 50.9 per cent, of the charities and institutions of a public character (IPCs) here do not have a defined policy or way to manage risk, or are unsure if such a policy exists.

In this area, the top three chal-

lenges they face are a lack of experience or expertise in risk management (79.3 per cent), human resources to carry out risk-management activities (70.3 per cent), and financial resources to put in place risk-management practices (59 per cent).

These are the findings of a survey conducted by the Charity Council, audit firm KPMG in Singapore, and the National University of Singapore (NUS) Business School.

The report, released yesterday,

places these charities and institutions under the “emergent” stage when it comes to their attitudes towards risk management.

Also launched yesterday was a new Enterprise Risk Management Toolkit to guide them towards a more robust system of risk management, and to provide practical insights and best practices.

Both the report and toolkit will be made available online for free.

Apart from this, training programmes and workshops are being organised to support charities in adopting the recommendations in the toolkit.

Mr Gerard Ee, chairman of the Charity Council, said at the launch that good risk management is “part and parcel of good stewardship, and serves to protect the interest of the beneficiaries, employees and volunteers”.

Senior lecturer Susan See Tho, from the Department of Accounting at

NUS Business School, said that more has to be done by charities “to set the tone and inculcate a stronger risk governance culture throughout all levels of staff and management”.

“Education will play a vital role in enabling charity-sector employees to better understand the benefits of risk management, so that they are motivated and empowered in making it a priority in their day-to-day work,” she said.

In recent years, steps have been taken to improve the corporate capabilities and governance among voluntary welfare organisations (VWOs), such as the Corporate Development Funding Scheme rolled out in 2015.

Under the scheme, each VWO would be awarded S\$150,000 to S\$300,000 a year to hire three to five qualified professionals in finance, information technology and human resources to help it comply with corporate governance requirements.