



How to Select Target Maturity States

2023 Comcover Risk Management Benchmarking Program

The Comcover Risk Management Capability Maturity Model has been designed to assist entities determine their current level of risk management maturity across each of the five areas of focus:

1. Risk governance
2. Risk culture
3. Risk capability
4. Risk management framework and practices
5. Organisational resilience and agility

The model also assists entities to identify a target level of risk management maturity across each area of focus, by providing high level descriptors of capability or competency for each level of the maturity model.

The maturity model has five levels:



It is the responsibility of the entity's accountable authority or senior management to determine the appropriate level of maturity or capability that their entity wishes to aspire to. This should also take into consideration whether it is investing appropriately in each of the five areas of focus.

What is a target maturity state?

A 'target maturity state' is the desired risk management capability that an entity aspires to achieve to support its operations and the achievement of its business objectives. Setting a target maturity state is designed to drive future investment in risk management capabilities.

Entities are required to select a target maturity state (or 'level') for each area of focus that has been agreed by the entity as its required level of maturity.

What is the benefit of selecting a target maturity state for each area of focus?

By comparing the target and current maturity state, entities will be able to compare their required level of maturity against their current level of maturity. In doing so, entities will be in a better position to make informed decisions on planning and resource allocation as well as identify opportunities for improvement. Entities are encouraged to adopt an appropriate risk maturity level which is reflective of their size and risk culture.

The survey questions are designed to show entities what actions they may take to achieve an optimal level of risk management maturity.

Following the completion of the survey, entities receive a current and target rating of maturity across the five maturity levels. Entities also receive a report which includes their survey results. These results should be used to inform an entity action plan to improve risk capability. In particular entities should focus on gaps between their current and target maturity state when looking where to focus their efforts.

How does my entity choose the target maturity state?

For each of the five areas of focus, an entity must select one level where they would like the entity to be in relation to risk maturity.

To select the target state, you are encouraged to discuss your entity's risk management requirements with senior management. This will provide an opportunity for the risk function to:

- engage with senior management;
- understand their risk management priorities; and
- understand how they align with the entity's overall objectives.

The process should also involve your accountable authority to ensure the interests and objectives align across all key internal stakeholders.

To assist in determining target maturity states, entities should consider their current level of maturity for each area of focus. Previous year's benchmarking results can be useful in assessing the current level of maturity. An entity then needs to determine where its risk management capabilities should sit on the risk management maturity model. It is important to note that the target state selected should be fit-for-purpose for your entity, taking into account factors such as your entity size, type, purpose, risk profile and operating context. For example, it may be inappropriate for smaller entities to select a target state of 'Advanced' given the nature of their operations.

To support this decision making process, the [Risk Management Capability Maturity Model](#) document with descriptive statements against each maturity state at each element level will be available on the Welcome page on the survey platform, or the Comcover website.

As risk is a contributor to the strategic planning process, the timing for achieving the target maturity state should align to the timing of the entity's strategic planning life cycle. This will enable entities to measure their progress in achieving their target maturity state in line with their organisational strategy.

For more information, please visit the [Finance website](#).