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OPERATIONAL AND RESOURCE RISK MANAGEMENT ANALYSIS HUMANS IN INCREASING ORGANIZATIONAL STABILITY

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ABSTRACT: This study aims to analyze the forms of operational risk and human resource (HR) risk and how their management can improve organizational stability. The method used is a descriptive qualitative approach with a literature study technique on various scientific sources, including journals, books, and academic documents. The results of the study indicate that operational risk includes internal process errors, failed technology systems, and weak supervision, while HR risks include high turnover, low job satisfaction, and inconsistent performance. Systematic risk management can reduce potential losses and improve overall organizational efficiency.

Keywords: Risk management, operational risk, human resources, risk measurement

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INTRODUCTION

In a dynamic and competitive business environment, every organization is required to be able to adapt to changes and minimize various forms of threats that can disrupt its operational stability. One of the efforts made to maintain this continuity is to implement comprehensive risk management. Risk management is not only limited to identifying potential hazards, but also includes the process of measurement, control, and evaluation to prevent losses or disruptions to organizational goals.

Among the various forms of risk faced by organizations, operational risk and human resource (HR) risk occupy crucial positions. Operational risk includes any form of internal process failure, human error, or technological disruption that has the potential to cause direct or indirect losses. Meanwhile, HR risk is rooted in factors such as low competence, high turnover rates, internal conflict, and lack of work motivation. Both types of risk are closely correlated with organizational performance and often influence each other simultaneously.

The importance of managing operational risk and Human Resources synergistically lies in its ability to create a stable, safe, and productive work environment. Without a good risk management system, organizations are vulnerable to inefficiency, decreased productivity, and even reputational losses that are difficult to recover. Therefore, a deep understanding of the characteristics, sources, and measurement methods of operational risk and Human Resources is an urgent need in modern organizational governance.

Based on this background, this article is written to analyze in depth how operational and HR risks arise, how to measure them, and how appropriate management strategies can improve organizational effectiveness and stability. The approach used is qualitative descriptive with a literature study method as the basis for analysis, in order to provide a comprehensive picture that is theoretically and practically relevant to the dynamics of risk management in organizations.

LITERATURE REVIEW

1. Definition of Operational Risk

Etymologically, risk comes from the Italian word "risico" which means danger or potential loss. Meanwhile, in terminology, operational risk is defined as the risk of loss arising from inadequate or failed internal processes, human error, system failure, or external events. Operational risk is the potential for deviation from expected results due to the failure of a system, human resources, technology, procedures, policies, and organizational structure. Operational risk can occur at two levels: technical and organizational. At the technical level, operational risk can occur if the information system, errors recording, inadequate information, and

inaccurate and inadequate risk measurement. At the organizational level, operational risk can arise because the monitoring and reporting system, systems and procedures, and policies do not run as they should (Kountur, 2020). Operational risk can cause direct or indirect financial losses, as well as potential losses in the form of lost opportunities to make a profit. In addition, operational risk can also cause losses that cannot or are difficult to calculate quantitatively, such as the company's good name or reputation, the impact of losses related to reputation can ultimately result in financial losses. Losses arising from operational risks that have been estimated (expected loss) should be charged to the pricing component of the asset, while operational losses that have not been calculated (unexpected loss) must be anticipated with capital. It is difficult to completely eliminate every potential operational risk, and it is indeed impossible and unnecessary. However, operational risk management that is carried out proactively and adequately can be used to mitigate risks for operational risks..

2. Definition of Human Resources (HR)

In macro terms, human resources (HR) are all humans or as residents or as citizens of a country within a certain territorial boundary who have entered the workforce age, both those who have or are working or who have not yet obtained a job or are still looking for work, in other words, the population who are of productive age. And in micro terms, human resources (HR) are humans or people who work or become members of an organization called personnel, employees, workers, labor and others (Alfi et al., 2024). Human resources (HR) are a very important aspect in an organization or company and human resources are the most important resource in determining the growth and development of an organization or company. Therefore, human resources (HR) employed in an organization or company must have the ability and expertise in their fields, have qualified qualities so that they can carry out activities well and productively. Some of the functions of human resources (HR) are as follows:

a. As Laborer

Human resources (HR) function as labor (Labor). Because human resources function as labor, humans must be able to provide services through their abilities.

b. As Leader

Human resources (HR) have a very important function and role for the progress of an organization or company. Therefore, humans can be used as leaders. As Experts Labor (Experts) As human resources (HR), also have a function as experts in an organization or company. Ability Human resources in several fields, especially technology and marketing, are very important to support and build a company.

c. Functions as an evaluation

Competent human resources (HR) become the evaluation resources of an organization or company. Evaluation needs to be done to determine the level of quality and performance, and for those

whose quality or performance is poor, coaching will be carried out through empowerment by providing education or training.

d. As a Relationship Builder

As a resource of an organization or company, the position of human resources is highly regarded, this is due to their ability to build relationships and negotiate to establish cooperation with various parties. This is one of the most important functions of human resources.

3. Operational Risk Measurement

Operational risk measurement is an important step to determine the potential losses that can occur due to unwanted events. There are two approaches that can be used to measure operational risk, namely the qualitative approach and the quantitative approach. The qualitative approach is used for risks that are difficult to model statistically, such as security incidents or internal fraud, with tools such as internal audits, incident reports, and employee interviews. While the quantitative approach is used to calculate losses from incidents that occur frequently with measurable patterns, using historical data, probabilistic models, and risk indicators. Both approaches need to be used simultaneously to get a complete picture of the organization's risk profile. For example, in the banking industry, the risk of settlement errors can be analyzed statistically based on their frequency and impact. However, threats such as natural disasters or cyber attacks require a qualitative approach because they are highly variable and difficult to predict. Therefore, the use of hybrid methods or a combination of qualitative and quantitative is the most widely recommended method in operational risk management practices (Nurapih, 2020).

4. Human Resources Measurement

In addition, the measurement of Human Resource risk can also be converted into rupiah. For example, loss of income due to key employees resigning, training costs for replacement recruitment, or work accident insurance premiums. This provides a concrete picture of how much financial loss can be caused by poor Human Resource management. Therefore, organizations need to implement a systematic, data-based, and long-term prevention-oriented Human Resource risk measurement system (Pradana, 2023)

METHODOLOGY

This study uses a descriptive qualitative approach, which is a method that aims to provide a systematic, factual, and accurate description of the facts and characteristics of the object being studied. The data collection method used is library research. This technique is carried out by reviewing various sources of scientific literature such as journals, books, and previous research articles that are relevant to the research theme. Literature studies allow researchers to examine theories and previous research results that form the basis for building theoretical analysis and arguments (Sugiyono, 2021). The data analysis procedure is carried out using the content analysis method. This technique is used to identify, group, and draw meaning from the information contained in

the documents being analyzed. Researchers highlight thematic patterns such as forms of risk, causes of risk, impacts of risk, and mitigation strategies found in the literature. The analysis is carried out inductively, namely drawing conclusions based on observations of qualitative data.

RESEARCH RESULT

1. Identifying Operational Risks in an Organization

Operational risk in an organization is one of the most difficult risks to control because it is often invisible until it causes a significant impact. Based on literature review, this risk includes various forms of internal disruption such as recording errors, inefficient processes, information technology system failures, and weak supervision of work procedures. A concrete example occurs in the banking and financial sector, where a transaction system failure can stop all daily operations and cause major reputational losses.

Research also shows that the more complex the organizational structure, the higher the level of exposure to operational risk. Large organizations with many branches and work units often face obstacles in standardizing work procedures. As a result, each unit tends to carry out work processes in a different way, which ultimately opens up gaps for the risk of errors, duplication of work, or even fraud. To overcome this, a strong operational risk governance policy is needed, including the implementation of internal control based on a management information system (Miradji, . M., Rizaldyy, A. R., & Prayuda, 2024).

2. Existence of Human Resource Risks and Their Impact on Organizational Performance

Human resource (HR) risk is one of the most critical forms of non-financial risk in the long term. Studies have found that this risk comes not only from individual employees, but also from an ineffective HR management system.

Failure to select, train, and retain quality employees leads to high turnover rates, low morale, and inconsistent productivity.

Furthermore, Human Resources risk is also closely related to organizational culture. In organizations that have a rigid work culture, are not open to feedback, or have minimal psychosocial support, levels of work stress and burnout tend to be high. This will have a negative impact on loyalty, creativity, and the courage to innovate. While in organizations that support a culture of open and collaborative communication, the risk of internal conflict can be minimized.

3. Impact of Risk on Organizational Stability and Reputation

One of the important findings in this study is that operational and HR risks not only have a direct impact on productivity or operational costs, but also have a long-term effect on the organization's reputation. In today's digital era, a single procedural error that is widely shared on social media can affect public perception and reduce customer trust in a short time.

Therefore, organizations need to implement a reputation management system that is in synergy with the risk management system.

The study also noted that organizations with mature risk management are better able to control the public narrative when an incident occurs, compared to organizations that do not have a risk communication protocol. This proves that risk management is not only a technical mitigation tool, but also an overall communication and corporate governance strategy (Santoso, A., & Wulandari, 2022).

4. Proactive Strategy in Strengthening Risk Management System

Organizations that are successful in managing risk generally apply a proactive approach, namely preventing risks before they cause losses. This strategy includes preventive training, crisis simulations, periodic internal audits, and policy adjustments based on actual risk data. In addition, the organization also forms a risk committee tasked with formulating policies and ensuring that each work unit is involved in risk management.

Involvement of all levels of the organization, from leaders to staff. operational, is an absolute requirement so that the risk management system is not just administrative documentation, but is truly integrated into the daily work culture. The concept of risk ownership is crucial, namely that every employee feels responsible for the risks in their work environment.

DISCUSSION

1. Synergy of Operational Risk and HR Risk in the

In managerial practice, operational risk and Human Resource risk do not only occur separately, but often reinforce each other's impact. For example, an information technology system that repeatedly errors can cause employee frustration, reduce work efficiency, and trigger job dissatisfaction. This dissatisfaction then has an impact on the decline in the quality of customer service, which directly affects the company's reputation. Thus, operational risk triggers Human Resource risk, and vice versa (Kountur, 2020).

This phenomenon emphasizes the need for a systemic approach to risk management. A systemic approach means that organizations must view risk as a cause-and-effect network that cannot be handled sectorally. If only one source of risk is handled – for example, only the operational side – then the root of the problem from the Human Resources side can still cause failure.

Therefore, the integration between Human Resources risk management and operational risk management needs to be made into a system that strengthens each other in organizational planning and control. This approach is in line with the principles of risk management in the ISO 31000 standard which emphasizes that risk must be managed in an integrated, systemic, and strategic decision-based manner. One important principle is that risk management must be directly linked to the values and objectives of the organization, so that each type of risk that arises can be assessed based on its impact on long-term operational sustainability.

2. Evaluation of Proactive Based Risk Management System

One of the main problems in implementing risk management in Indonesia is the dominance of a reactive approach, namely that organizations only act after experiencing a loss. A proactive approach, on the other hand, requires organizations to systematically identify risks before they have a real impact. This process includes identifying latent (potential) risks, assessing their probability and impact, and developing preventive internal controls. This approach has proven effective in various sectors. For example, in the aviation sector, a proactive risk management system has become a global standard. Airlines implement regular emergency training, internal safety audits, and flight data monitoring to anticipate potential accidents before they occur. This can be used as a model by organizations in other sectors, especially the banking, health, and education sectors, which all have high risks to the continuity of public services.

Organizations also need to develop Key Risk Indicators (KRI) as a measuring tool that can provide early signals of increased risk exposure. For example, increased employee absenteeism can be an early indicator of increased Human Resources risk, while increased transaction recording errors can be an indicator of increased risk operational. Properly developed KRI can strengthen the role of risk management as a strategic decision-making tool (Asir et al, 2023).

3. Risk Culture as a Pillar of Organizational Resilience

Risk culture is an integral part of the risk management system. Without a strong risk culture, all systems and procedures built will be ineffective. This culture is formed from the collective awareness that every decision, action, and process carries potential risks that must be considered. The formation of a healthy risk culture requires:

- a. Leadership by example: Organizational leaders must demonstrate a commitment to risk through transparency and the courage to admit mistakes.
- b. Transparency and open reporting: Employees must feel safe to report errors and incidents without fear of sanctions.
- c. Integrity-based reward system: Rewards are given not only for work results, but also for behavior that reflects risk awareness.

For example, a global technology company like Google encourages a culture of blameless postmortems as a learning tool, not punishment. This model allows the organization to learn from failures and continuously strengthen its systems.

CONCLUSION AND RECOMMENDATIONS

Based on the results of the study, it can be concluded that operational risk and human resource (HR) risk are two interrelated components that have a significant impact on the stability and sustainability of the organization. Operational risks such as system failures and inefficient work procedures are often triggered by weaknesses in human resource management, while human

resource risks such as low work motivation or high turnover can also worsen operational performance. Therefore, organizations need to develop an integrated, proactive-based risk management system supported by a strong risk culture. As a suggestion, management needs to strengthen human resource capacity through continuous training, develop key risk indicators (KRI) for early detection, and ensure the involvement of all levels of the organization in the risk mitigation process so that long-term resilience and competitiveness can be achieved optimally.

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