Political Risk

What do Risk Analysts do?
Political risk analysts examine the political climate and social conditions of a particular country, region, or market to determine the level of political risk. They provide information pertaining to government stability, crime levels, currency convertibility, land rights issues, as well as other factors that would affect return on investment.
Typically, analysts gather information pertaining to the area of interest, determine the causes, sources, and level of risk, and forward their findings to decision-makers. This might include providing solutions or offer recommendations for overcoming these risks.
Work in political risk management can be quite varied. If you pursue this field, you may find yourself working for international organisations, financial companies, rating services, oil companies, consumer businesses or companies that sell political risk information. You can also work in the political risk divisions of large consulting and insurance companies or within Credit, Fixed Income, or Equities in large banks.

How to get experience?
If you're interested in this field, it's helpful to develop accounting and financial skills as well as an understanding of the political process. Internships are strongly recommended for a career in political risk analysis so try to arrange work shadowing and longer placements; these can help you to decide on your career choice and are a real advantage when applying for jobs. You can adopt a speculative approach in seeking these.
Many individuals interested in political risk analysis see the need to focus on a particular angle that will create a pathway to their career. If you're interested in the Equity Department, take courses in Economics. If you would like to specialise in a particular region, work hard to become an expert on its politics, culture, and economy. If you know that your languages are rusty then think about experience that will help you brush up. You will probably need to be proactive and make speculative applications to organisations that you are interested in and network in order to get that first role.

Essential reading
St Andrews Guide to Political Risk Careers
http://www.st-andrews.ac.uk/careers/wiki/Political_Risk_Analysis

What skills are needed?
As you will have seen, obtaining a job in political risk analysis is by no means a straightforward undertaking. Whatever you choose, you will likely need to create the building blocks of your career through a careful mix of postgraduate training, experience, skills and networking. Successful analysts are people who can apply their knowledge to understand new and complex situations. They come from all sorts of backgrounds. Analysts usually have degrees in business or international relations or have worked in intelligence, law, journalism or law enforcement. Furthermore, banking experience is useful to those seeking employment at a financial institution. All applicants must have strong research and analytical skills. They need to be good decision-makers and able to communicate well. Potential employers are looking for 'intelligent risk takers' who are well-informed and keep abreast of current events. They also want individuals who can write concise and coherent reports.
Language skills are an asset but not a requirement in the field. Some positions may expect you to know a particular region inside and out so you are able to decipher a balance sheet, understand a country’s economic workings or provide insight into its politics. However, other positions will focus on several areas of the world and therefore do not expect you to be a specialist.
Sample Employers:

- Aegis: London-based with offices in Afghanistan, Bahrain, Iraq and the US
- AKE Group: London-based with offices in Aberdeen, Australia, Bagdad and Kabul
- Aon Corporation: 500 offices in 120 countries
- The Cohen Group: Offices in Washington, Beijing and Tianjin
- Control Risks Group: 34 offices on 5 continents
- Deloitte: Offices in over 140 countries
- Exclusive Analysis: Headquarters in London, offices in Singapore, Brazil, Germany and South Africa
- IHS Energy: Colorado-based with offices worldwide
- FTI Consulting: Headquarters in Hong Kong, offices in China, Singapore, Indonesia, Philippines, Japan, India and Australia
- Frontier Horizons: UK-based, with focus on MENA region.
- Fronteira Global: Offices in Athens and Ohio
- Harmattan Associates: based in London
- Inkerman Group: Ashford-based with offices in London and Köln, Germany
- International Resources Group: Headquarters in Washington, corporate and representational offices in India and 20 project-dedicated offices around the world
- International Risk Limited: Offices in Hong Kong, Beijing, Guangzhou, Shanghai, Singapore and Tokyo.
- Kreller: Ohio based but performs projects worldwide
- Kroll Associates: US based with offices in 27 countries
- Kuranga & Associates: US based with a focus on Africa
- Maple Croft: Leading global risks company based in Bath.
- Medley Global Advisors: Offices in New York, Washington, London and Tokyo
- Political & Economic Risk Consultancy, Ltd. (PERC): Offices in Hong Kong
- Political Risk Analysis Ltd: Virtual Company with freelance analyst’s worldwide
- PwC Political Risk Consulting Group: Offices in 150 countries
- Risk.Net: Offices in 24 countries
- Riskline: Offices in Copenhagen
- Smith Brandon International Inc.: Offices in Washington
- International Institute for Strategic Studies (IISS): London-based with offices in Singapore, Bahrain, and Washington
- OECD: The Organization for Economic Co-operation and Development - Offices in Paris
- Olive Group: Political Risk, Safety & Security. 19 regional offices, headquartered in the Middle East.
- Private Sector OPIC (The Overseas Private Investment Corporation): US based (must be a U.S. citizen to apply)
- Rand Corporation: Offices in Santa Monica, CA; Arlington, VA and Pittsburgh, PA

Research:

- Bloomberg Financial News: Most openings in New York, London, Singapore, Hong Kong and Tokyo but offices in 140 countries
- Business Monitor International: London-based with offices in Singapore, New York, and South Africa
- CountryWatch.com: Offices in Houston
- Economist Intelligence Unit: Analysts based in London, New York, Singapore, Shanghai, Beijing, Tokyo and Hong Kong
- International Relations and Security Network (ISN): Offices in Zurich
• IHS Jane’s Defense & Security Intelligence & Analysis: Colorado-based with employees worldwide
• Newlink Business Intelligence: Offices in Toronto
• The PRS Group: Headquartered in Syracuse, NY with sales offices in Dubai, Australia, Tokyo and Milan
• Stratfor: Offices in Austin, TX
• World Security Institute: Washington-based

Banks and Financial Institutions:
• Fitch Ratings: Dual-headquartered in New York and London with 50 offices worldwide
• JPMorgan: Offices worldwide
• MasterCard: Offices worldwide
• Moody’s Investors Services: Offices in San Francisco, New York, London, Singapore, Tokyo, Beijing, Hong Kong, and Shenzhen
• Morgan Stanley: Offices worldwide
• Standard & Poor’s: Offices in 23 countries

Insurance:
• Chartis Insurance: Offices worldwide
• Chubb: 120 offices in 28 countries
• XL Group: Dublin-headquartered with offices in 27 countries
• Zurich Re: Headquarters in Zurich with offices in over 170 countries

Energy:
• AES: Offices in 28 countries on 5 continents
• BP: Offices worldwide
• Chevron Texaco: Opportunities worldwide
• Duke Energy: Based in Charlotte, NC
• Energy Security Analysis Inc.: A global firm headquartered outside of Boston, MA
• Evolution Markets: Offices in New York, San Francisco, London and Beijing
• ExxonMobil: Offices worldwide
• GenOn Energy, Inc.: Headquarters in Houston, TX with offices in 12 other US states
• Nexant Energy Consulting: Headquarters in San Francisco with 30 offices around the world
• Nuclear Research and Consultancy Group: Offices in Petten and Arnhem, Netherlands
• Shell: Offices in over 90 countries

Further Information:
• Country Risk
• Federation of European Risk Management Associations (FERMA)
• Global Association of Risk Professionals (GARP)
• GRA Research Hotlinks
• PRS Group
• Public Risk Management Association (PRIMA)
• Risk World
• Society for Risk Analysis (SRA)

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