

RESEARCH ARTICLE

Investigation of Risks and Risk Management Practices in The Fast-Moving Consumer Goods Sector in Turkey with an Interview Study

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Abstract

In this study, it is aimed to examine the risks and risk management practices in the fast-moving consumer goods sector in Turkey through an interview study. In the study, semi-structured interviews were conducted with managers of businesses that produce and market fast-moving consumer goods. Five participants were interviewed from the audit unit, 15 from the finance-financial affairs unit, 10 from the general responsibility unit, three from the risk management, six from sales and one from the production unit. The risks that are considered critical for companies, the management of these risks, the risks posed by the pandemic, and the positions taken by companies regarding insurance, which is a risk management tool, were analyzed. 23 company officials who participated in the research stated that they had no risks that were not insured and that the necessary insurance was made for all risks. 29 company officials participating in the research stated that they received insurance brokerage services. 18 of those who receive insurance services work with one or more agencies, and 11 companies receive brokerage services. Representatives of 8 companies participating in the study stated that they did not know whether intermediary services were received or did not want to answer.

Keywords: Fast moving consumer goods, risk factors, risk management

Öz

Bu çalışmada, Türkiye’de hızlı tüketim ürünleri sektöründeki riskler ve risk yönetimi uygulamalarının mülakat çalışması ile incelenmesi amaçlanmıştır. Çalışmada, hızlı tüketim ürünleri üreten ve pazarlayan işletmelerin yöneticileri ile yarı yapılandırılmış mülakat yapılmıştır. Mülakata denetim biriminden 5, finans-mali işler biriminden 15, genel sorumluluk biriminden 10, risk yönetiminden 3, satıştan 6 ve üretim biriminden bir katılımcı alınmıştır. Firmalar için kritik önemde görülen riskler, bu risklerin yönetimi, pandeminin oluşturduğu riskler, bir risk yönetim aracı olan sigorta ile ilgili firmaların aldıkları pozisyonlar analiz edilmiştir. Araştırmaya katılan 23 firma yetkilisi sigorta ettirilmeyen riskleri olmadığını ve tüm riskleri için gerekli sigortaların yapıldığını ifade etmiştir. Araştırmaya katılan 29 firma yetkilisi sigortacılık aracılık hizmeti aldıklarını belirtmişlerdir. Sigortacılık hizmeti alanların 18’si bir ya da birden çok acente ile çalışmakta olup, 11 firma brokerlik hizmeti almaktadır. Çalışmaya katılan 8 firmanın yetkilisi aracılık hizmeti alınıp alınmadığını bilmediklerini ya da cevap vermek istemediklerini belirtmişlerdir.

Anahtar Kelimeler: Hızlı tüketim ürünleri, risk faktörleri, risk yönetimi

Introduction

Risk is the probability of encountering an incident that could lead to detriment to operations, cause loss or disruption. Risk is measured in terms of probability and impact on the organization. Probability in terms of risk is the occurrence likelihood of an incident. The term impact refers to the effect of an incident on an organization (Chakabva et al, 2021; Ellegaard, 2008; Bodicha, 2015). On the other hand, limits must be well defined and understood in order to manage risks.

From this perspective, it is essential to establish time limits when dealing with the concept of risk specifically for companies. The matter to be paid attention here is defined as the goals set by the companies. Hence, companies ensure the continuity of their businesses in line with the goals they have set. The clarification of the risks that will have a positive or negative impact on the goals of the companies demonstrates another aspect of the risk concept (Pham et al, 2023; Chodokufa, 2016; Çobanoğlu and Sevil, 2013). Thus, it may be argued that risks are directly related with aims of organizations.

In the general, organizations aim to minimize compliance risks, mitigate hazard risks, manage control risks and embrace opportunity risks. However, it is important to point out that there are no subdivisions of risks as "right" or "wrong". The most important matter is that an organization adopts the risk classification system that best suits its circumstances regardless of the theoretical debates. (Hopkin, 2018; Dubihlela and Nqala, 2017). For this reason, it may be argued that adaptation of an organization to risk management in all parts of the organization including marketing and production has vital role for companies.

Although there have been studies in the literature on the risk management concept and fast moving consumer goods, no sufficient studies that examine risk management in the production and marketing of fast moving consumer goods and compile information in the field were found. Therefore, in this study, it is aimed to examine the risks and risk management practices in the fast moving consumer goods sector in Turkey through an interview study.

In a book originally published in French in 1916, Henry Fayol defined risk management as a safety function among the six basic functions of a business enterprise. The American Society for Insurance Management (ASIM), founded in the United States in 1955, changed its name to Risk and Insurance Management Society in 1975. It was rediscovered by multinational companies in the United States of America after the Second World War. It can be argued that the general trend in the current use of risk management have started in the early 1950s. One of the earliest references to the risk management concept in the literature was made in an article by Russel Callagher in the Harvard Business Review in 1956. In October 1988, world risk management congress organized for the first time was supported by the International Federation of Risk and Insurance Management Associations (IFRIMA) (Hillson, 2023; Outreville, 2021). The increasing number of these structures has helped develop an international perception and awareness about risk management. As a result, it may be argued that a more complex structure, the risk matrix, has developed in risk assessment.

The risk matrix is one of the most important tools in risk management. Risk matrices may be found in different forms. Risks may be graded and decision may be made to implement the necessary risk management method thanks to risk matrices, where the probability, impact and magnitude of the risk are assessed (Ricardianto et al, 2023; Hopkin, 2018). The most important components of the risk matrix are different types of risks. For this, the factors and risk types with perspectives that affect the risk must be known.

It is noted that perspectives on risks vary, encompassing both personal and organizational viewpoints. As a matter of fact, it is indicated that while some perceive risks only negatively, others perceive risks positively. However, risks involve characteristics from both perspectives (Sen, 2023; Hermanson and Rittenberg, 2003). In order to understand, measure and manage risk at the organizational level, a coordinated risk management and successfully created risk matrix is needed.

This is a model that exhibits the probability of the occurrence of the risk, the impact after the occurrence of the risk and the relationship between these two. It is necessary to analyze risks in order to conduct risk management. A risk matrices analysis is a process of calculating the probability of an incident and its outcome if it occurs. The process of exhibiting the probability and impact of risk is Risk Rating (Yun, 2023; Dey, 2002).

In the fast moving consumer goods sector, there are generally three types of risks that are most emphasized in the literature and come to the fore in the field. These are market risk, reinvestment risk and translation risk. Market risk is the risk associated with movements in security prices, particularly stock prices (Zhu et al, 2023; Mayo, 2001). Reinvestment risk arises because the effective rate of return calculation implicitly assumes that all coupon cash flows will be reinvested until the promised maturity (Borio et al, 2023; Olson and Wu, 2023; Yim et al, 2014). Comparing the financial performance of subsidiaries becomes simple if exchange rates remain constant. However, disruption becomes an inevitable consequence in case of change in exchange rates. In this context, translation risk involves two elements (Ylönen and Aven, 2023; Arnold, 2013):

Balance sheet impact: Assets and liabilities denominated in foreign currency have the quality of fluctuating in terms of value in local currency due to changes in the forex market.

Profit and loss account impact: Changes in exchange rates can have a negative impact on the group's profit due to the translation of profits of foreign affiliates.

Although there are many studies on risk management, the number of studies that deal with risk management in fast-moving consumer goods qualitatively and quantitatively is very limited. Some of these are given below.

Kamakela et al (2023) evaluated risk management in digital media in fast moving consumer goods sector in Mauritius. In the research, 14 fast moving consumer goods firms were subjected to the study. results showed that although digital opportunities have high potential

in risk management in fast moving consumer goods sector, there is a lack of knowledge in firms.

Dubihlela et al (2021) analyzed risk management for fast moving consumer goods sector in South Africa. In the research, authors applied survey to 320 Small and Medium Sized Enterprises (SME). Results showed that risk management is misunderstood in South Africa fast moving consumer goods sector.

Chakabva and Dubihlela (2020) evaluated role of risk management on sustainability in fast moving consumer goods sector in South Africa. 320 SMEs were subjected to survey, and 2 risk experts evaluated data. Results showed that risk management has survival role in fast moving consumer goods sector.

Nemtajela and Mbohwa (2017) evaluated demand risk with uncertainty and inventory management in fast moving consumer goods sector. A total of 255 firm managers were subjected to the study. Results showed that inventory management has vital role for uncertain demand risks.

Diehl and Spinler (2013) analyzed supply chain management risk in fast moving consumer goods sector. In their research, authors used intense interview and case study. According to results, supply chain risk management has vital role in fast moving consumer goods sector. However, managers have lack of knowledge about these risks.

Methodology

The present study focuses on the risks and risk management of companies that produce and market fast moving consumer goods.

The declared risks and risk management methods of many companies ranking the top in terms of turnover size and market capitalization were analyzed prior to the study. The top 5 largest companies are discussed in more detail in the study rather than making a lengthy discussion of similar risks and risk management models. It was observed that companies are exposed to different risks or prioritize different risks in terms of the products they produce. Discussion on this subject was included in the chapter evaluation section. As

different approaches to insurance as one of the risk management tools of the companies exist, this matter was discussed separately.

According to the top 13 companies with a turnover of over USD 20 billion, 7 of the top 13 companies are US companies. However, it may be argued that Johnson & Johnson has not become the 2nd company despite its total turnover of 82 Billion Dollars. The reason for this is that only about 20% of the company's revenues were derived from FMCG products. 50% of the company's turnover is derived from pharmaceuticals and 30% from medical device sales. Also, the turnover of PepsiCo, which ranks 2nd in terms of turnover, involves both Pepsi's soft drink turnovers and the turnover of the world's largest chip snack products such as Lay's.

Long-term interaction

Long-term interaction was ensured with the data source to minimize the possible influence of subjective perception on the data source during this process. The participants were informed about the subject and purpose of the research before the interview, voluntary consent forms were prepared and presented to them, and long-term communication was realized based on that the participants had confidence and consciousness in their natural state over time.

Expert review

Advisor opinions were resorted to at all stage from the development of data collection tools to the reporting of data analysis results.

Detailed explanation

Findings were explained in detail, emerging issues were organized by code, and direct quotations were included in terms of the strategy.

In this research, interviews were conducted with the officials in companies operating in the fast moving consumer goods sector, who are familiar with risk management and able to access the most information and data on risk management directly or indirectly.

A set of questions was prepared to obtain data such as the current risk perceptions in the interviewed companies, the major risks considered important, the risk management studies and models currently in practice, the risk groups they are most affected by, the risks they cannot have control over and the effects of these risks, and the financial size of the companies. Some explanatory information on the management of risks, especially on the management of risks through insurance was conveyed to the participants verbally and in writing again within this question set, and it was also ensured that some unknown technical terms are explained too. Additionally, a risk title table consisting of risk titles prepared by leading organizations in Turkey and the world was also shared with the participants, considering whether the interviewees were prepared for the subject or not.

Semi-structured interview technique was employed in this research, which is conducted using with qualitative data collection techniques . Qualitative research mostly deals with the process rather than products or outputs. Therefore, meanings are have importance in qualitative researches.

Semi-structured observations are observations intended to test in a natural environment the data obtained during unstructured studies, usually using a data collection tool. Semi-structured interviews have a standard that is not too strict but also have some flexibility. Therefore, they are not limited and closed-ended as in the case of write-and-complete tests and surveys. It is also made possible to obtain in-depth information for the topic under study in this way. Semi-structured interviews were preferred in the study due to such flexibility and the possibility to obtain in-depth information.

It was aimed during the qualitative research phase to provide a rich risk and risk management study that can cover different areas of the sector by interviewing fast moving consumer goods companies that sell and produce in different categories such as foodstuff, cleaning and personal care. In this context, interviews were conducted with the risk officials of a total of 40 companies in these different categories. Following 41 interviews

which was primarily conducted in the study, since 2 companies were actually subject to the same risk management model under the same group, instead of these 2 companies, risk management of a single umbrella company was taken into consideration and the answers received from different companies of that company were merged and evaluated as the answers of a single company, and therefore the total number of companies interviewed was reflected in the study as 40.

Data Collection Method

Attempt was made to conduct remote interviews with people who are knowledgeable, experienced and competent executives in companies on risk in order to prevent possible health issues during the Covid-19 pandemic within the scope of qualitative research. Generally, online interview method was implemented by means of TEAMS, Zoom and Skype systems, as it is also convenient for remote interviews and data sharing. However, the interviews were continued via phone, e-mail and WhatsApp application in certain cases as the participants' intensive work and unexpected emergencies affected the interviews.

Data Analysis

Data analyses were carried out with Microsoft Excel and MaxQda programs used for qualitative data analysis. The companies are coded as F1, F2, F3 as the names of the interviewee companies will not be included in the study. Transcripts were created based on one-to-one note-taking interviews and the answers received from the audio-recorded interviews during the interviews. Semiotic analysis methods have been used for linguistic expressions due to linearization deviations in the quantification and analysis of linguistic expressions (Yılmaz and Turanlı, 2023). The data were dismantled into meaningful parts and coded through the transcripts. Subsequently, the necessary codes were added to the code list based on the statements of the participants according to the type of coding based on the conceptual framework obtained. Finally, the findings were systematically explained.

Evaluation of Qualitative Analysis Findings

A total of 22 questions were asked to the officials of the 40 companies interviewed. The companies selected in the research were selected through simple random sampling and participation was voluntary. For this reason, companies' information on financial openness or market share was not collected in the study as part of company-specific information and in accordance with the ethics committee permission. During the preparation of the research questions, basic literature sources and studies in the fast-moving consumer goods sector were taken as basis, and then they were given their final shape with expert opinions (Hillson, 2023; Outreville, 2021; Sen, 2023; Hopkin, 2018; Dubihlela and Nqala, 2017; Hermanson and Rittenberg, 2003). Interview questions also do not contain enough specific information to require validity and reliability analysis. The last 6 questions of these 22 questions consist of questions which can be considered demographic, such as learning the production and sales area of the company, the duration of the interviewed official's experience in the sector. Questions through 7 to 14 are questions about the company's risk management activities carried out with the insurer, which is a risk management tool, and insurance awareness. Questions 1 through 7 are questions about the key risks that are critical for the company and the sector in which it operates and how these risks are managed. Written and verbal explanations were provided before the questions since some of the questions may fall within the expertise of the interviewees.

Findings

Demographic Findings

Certain demographic information of the executives participating in the study is given in Table 1.

It was learnt that, among the 40 executives interviewed and recommended by the company to participate in the interview as being knowledgeable and responsible for risk, 6 were C-Level managers, 18 were GM-Assistant General

Manager-Directors, and 16 were mid-level managers.

Table 1. Certain demographic information of the executives participating in the study

	Number of persons (n)	Percentage (%)
Management level		
C-level	6	15
GM/Assistant GM/director	18	45
Mid Level Executive	16	40
Relevant unit		
Audit	5	13
Finance-financial affairs	15	38
General responsibility	10	25
Risk management	3	8
Sales	6	15
Production	1	3
Employment scale		
1 -5 years	10	25
6 -10 years	9	23
11 years and more	21	53
Sector seniority		
1 -10 years	3	8
11 -20 years	20	50
21 years and more	17	43

The units to which the interview participants report are Audit (5 people), Finance - Financial Affairs (15 people), General Responsibility (10 people), Risk Management (3 people), Sales (6 people), Production (1 person). The employment seniority of the people included in the interview sample, in their current companies is as 10 people between 1-5 years, 9 people between 6-10 years, and 21 people 11 years and above. When we take a look at the total seniority of the participants in the sector, it is seen that there are 3 people between 1-10 years, 20 people between 11-20 years and 17 people over 21 years.

Distribution Depending on Company Profile Characteristics

When the category-based breakdown of the products produced and/or sold by the companies included in the sample is taken into consideration, it is seen that 22 companies sell foodstuff, 6 companies sell beverages, 5 companies sell both food and beverages, 4 companies produce personal care and cleaning products, 2 companies conduct mixed sales of all product groups, and 1 company each produces and/or sells category of OTC products and Cooking and Storage Aids.

It is aimed to learn the duties of these company officials in the company, the unit they are reporting to, their experience in the company and the sector since there is no need in the study to associate demographic information such as their age and gender with their risk expertise. The distribution according to the sample codes is as shown in Appendice 1.

Qualitative Analyses Pertaining to Fast Moving Consumer Goods Sector Companies

The risks considered being critically important for companies, the management of such risks, the risks posed by the pandemic, and the positions taken by companies in terms of insurance as a risk management tool are the main elements that were made subject to analysis.

Additionally, it was aimed to carry out certain qualitative assessments such as whether there is a relationship between the turnover and profitability magnitude of the companies, the country of the main shareholder, being a local or international company, and risk management. Also, attempt was made to find out whether the companies listed have similar or different risk perspectives and risk management models with other companies since it is known that companies traded on Borsa İstanbul have company risks and risk management approaches that must be assessed by independent audit companies and disclosed to the public as an obligation.

Which country/countries is the origin of the main shareholder of your company?

It has been learnt that the main shareholder and origin of 32 (80%) of the 40 sampled companies are domestic, while the main shareholders of 8 companies are from foreign countries. It was learnt that 6 out of 8 companies are globally active, while 2 companies possess a narrower scope.

Is your company listed on the İstanbul Stock Exchange?

It was learned that the shares of 6 interviewees (15%) are traded on Borsa İstanbul (F3, F23, F27, F29, F33, F34).

What is your company's turnover and EBITDA for 2022 (EBITDA: Interest and Profits Before Taxes)

Recognizing the fact that evaluating the sample size subject to the interview on the basis of turnover and EBITDA is an important metric, this information was requested from the interviewees in the pre-interview forms and during the interview. 24 companies communicated both their turnover and EBITDA details (F1, F2, F3, F4, F5, F7, F8, F9, F10, F12, F13, F14, F15, F16, F17, F23, F24, F26, F27, F29, F31, F33, F34, F35), 6 companies communicated only their turnover figures (F11, F18, F21, F32, F36, F39), and the officials of the remaining 10 companies did not communicate their turnover and EBITDA details for reasons such as not being able to share numerical data or being able to provide figures later (F6, F19, F20, F22, F23, F25, F30, F37, F38, F40).

It was considered that averaging 24 companies that shared both turnover and EBITDA information could shed light on the general framework in the light of the information obtained. Accordingly, it was seen that the total turnover of 24 companies is TL 73,045,000,000 and the total EBITDA is TL 11,118,100,000. It was seen that the turnover per company is TL 1.96 Billion and the EBITDA is TL 255 Million when the largest and smallest 2 values are removed and the data of 22 companies are taken as basis.

How much insurance cost (premium payment) do you have in TL for how much risk in total?

The executives of 8 companies among the 40 companies interviewed stated that they did not know the figures and 11 companies stated that they could not share information. It was learned that the remaining 21 companies make premium payments of TL 125,480,311 for their total coverage of TL 15,780,690,000.

It was learned that vehicles of many of the companies interviewed particularly in the sales channel are leased or distributor's vehicles and that they do not assume the traffic and car insurance obligations of these vehicles.

*What are the reasons for not insuring risks if you have uninsured risks? (*High premium, *The risk having a small impact, *The relevant risk not being an insurance product, etc.).*

23 company officials who participated in the research stated that they had no uninsured risks and that the necessary insurances were taken out for all risks. (F1, F2, F3, F6, F7, F12, F13, F14, F15, F16, F17, F18, F19, F20, F21, F22, F23, F24, F25, F27, F29, F30, F36). However, 16 of these companies did not provide an answer that they have taken out insurance for products such as executive liability, environmental liability, cyber liability. Similarly, it has been observed that there are company officials who do not have ownership information on receivables insurance, which is one of the important requirements of the sector.

It was seen that five companies participating in the research did not answer the question on insurance products, 1 of the officials of these 5 companies stated that they did not want to answer questions about insurance (F10), 1 official stated that they did not want to share numerical data (F38), and 3 company officials stated that they had no information on the subject (F28, F32, F40).

It was understood from the answers given by the other Samples that trade receivables insurance (F4, F35, F39) due to its high cost and/or pressure from insurance companies on the category of customers related to receivables (pressure to have all large and small-scale customers insured); cyber liability (F33) due to the failure of the insurance company to provide complete and timely information, and uninsured risks as the impact or probability of the risks being small (F8, F11, F26, F31, F34, F35).

What is the amount of your insurance claim payments and uninsured claims in the last year?

The answer to this question is evaluated over 21 companies that communicated numerical data (F1, F2, F3, F5, F9, F11, F12, F14, F16, F17, F23, F24, F27, F29, F31, F33, F34, F35, F36, F37, F39). It was learned that 7 of the 21 companies did not receive any claim payments from the insurance (F9, F11, F24, F27, F34, F35, F36, F37), while 14 companies received a total payment of TL 3,975,000 (F1, F2, F3, F5, F12, F14, F16, F17, F23, F29, F31, F33, F39). It is seen that the companies that received claim payments received an average claim payment of TL 283,929 if this figure is divided by the total 21 companies that provided information, it is TL 189,286 per company; if this figure is divided by

the number of companies that received only claim payments, which is 14,

Do you have your own insurance agency?

It was learned that one of the companies participating in the research has an agency within the holding structure to which they are affiliated (F33), while another company, which carries out production and sales on a global scale, has its own insurance company abroad (F18). It was learned that the remaining 38 companies did not have any insurance company, brokerage firm or agency.

Do you receive insurance brokerage services?

29 company officials participating in the research stated that they receive insurance brokerage services, 18 of these companies work with one or more agencies (F5, F7, F10, F12, F15, F17, F19, F22, F23, F24, F27, F29, F30, F31, F33, F34, F35, F37), 11 companies receive brokerage services (F1, F2, F3, F4, F9, F14, F16, F18, F21, F25, F39), 2 of these 11 companies also have insurance units in their holding companies (F1, F3), and the officials of 8 companies stated that they did not know or did not want to answer whether they received brokerage services (F8, F11, F20, F26, F28, F32, F38, F40).

3 companies stated that they did not receive brokerage services (F6, F13, F36). Information indicating that insurance purchases were made directly from the companies when these 3 companies were asked about the channels through which they purchased it. However, as far as is known, insurance companies conduct their sales, including internet sales, not directly but through brokerage companies. For example, the answer of the sample coded F6: "We negotiate directly with the relevant companies, we do not use brokers."

Is there any provision for potential damages that your company spares internally other than insurance?

Of the 40 companies interviewed, 26 (65%) did not have any provisions other than insurance for potential damages (F1, F2, F3, F4, F6, F8, F9, F10, F11, F15, F17, F19, F21, F23, F24, F25, F26, F27, F28, F29, F30, F33, F36, F37, F39, F40), while 7 (18%) were learned to have a provision (F5, F14, F16, F18, F22, F31, F34); 7 interviewees (18%) had no information on the subject (F7, F12, F13, F20, F32, F35, F38). It was learned from the participants that

the captive system has been applied in 2 of the 7 companies (F16, F31). Also, the officials of 2 global companies stated that their headquarters abroad have provision accumulation and accumulation appraisal systems through the captive system (F14, F22).

Who is/are responsible for risk management in your company?

Based on the answers to the interview question, it is possible to categorize the units accountable for risk management in the fast moving consumer goods companies into 10 groups. Accordingly, while it is understood that risk management is carried out by a single unit in certain companies, information was received that more than one unit is accountable for risk management in some others. Accountable units: a. Finance - Financial Affairs Unit Finance - Financial Affairs and Risk Management Unit, c. Global Management, ç. Each Unit Separately, d. Internal Audit, e. Internal Audit and Finance - Financial Affairs, f. Internal Audit and Risk Management Unit, g. Risk Management Unit, ğ. Senior Management, h. Senior Management and Each Unit

It was learned that the unit named Finance and Accounting, which is mainly accountable for the financial affairs and processes of the company, is accountable for risk management in case of 17 samples, while the Internal Audit unit is responsible for risk management in case of 7 samples. The graph for distribution of risk management between the units is as follows.

Discussion and Conclusion

In this study, it is aimed to analyze the risk and risk management practices of companies operating in the Fast-Moving Consumer Goods sector in Turkey from the perspectives of company executives through use of the interview method. In this context, the participants were provided with semi-structured in-depth interview questions and it was aimed to analyze their views on risk structure and management.

Risk, is not possible to talk about a clearly marked out definition or elements of risk as well as the lack of a clear definition and framework of risk. Risk and risk structure change according to time,

circumstances, conditions or perceptions. Therefore, it is not possible to make definitions and determinations on risk management directly based on quantitative data (Kamakela et al, 2023; Schulte and Knuts, 2022; Diehl and Spinler, 2013). Instead of that, predicting past experiences can be characterized as a more common method in risk structure and risk management.

Although being highly profitable fast moving consumer goods can be defined as a separate field that involves customer structure, consumer decision-making processes and experiences, where fast decisions need to be made in the management process due to the pace of consumption. Risk management in this area will also be more variable than in other areas due to these characteristics of fast-moving consumer goods and many different areas and issues such as competition, product development and product supply chain, household preferences and banking will come to the forefront (Yuliawati and Brilliana, 2022; Yılmaz and Turanlı, 2022; Zulfikar and Mayvita, 2018; Nemtajela and Mbohwa, 2017).

Insurance involves measures taken in risk management and expenditures realized in respect of the potential occurrence of the risk. Therefore, insurance expenditures are closely related to current risk management (Diehl, 2012; Bottani and Rizzi, 2008). According to the analyses conducted in this framework, the executives of 8 companies among the 40 companies interviewed stated that they did not know the figures spent for risk management and insurance and 11 companies stated that they could not share information. It was learned that the remaining 21 companies make premium payments of TL 125,480,311 for their total coverage of TL 15,780,690,000. In fact, although risk management is of vital importance in fast moving consumer goods, the fact that 20% of the executives do not know the figures spent on risk management can be defined as a critical shortcoming.

23 company officials who participated in the research about insurance stated that they had no uninsured risks and that the necessary insurances were taken out for all risks. 29 company officials who participated in the research stated that they received insurance brokerage services. Of those

who receive insurance services, 18 companies work with one or more agencies and 11 companies receive brokerage services.

The officials of 8 companies, who have participated in the study, stated that they did not know whether they receive brokerage services or did not want to provide any answer. It was learnt that the unit named Finance and Accounting, which is mainly accountable for the financial affairs and processes of the company, is accountable for risk management in case of 17 samples, while the Internal Audit unit is responsible for risk management in case of 7 samples. Overall, these figures indicate that insurance plays an important role in the risk management of leading companies in the fast-moving consumer goods sector in Turkey, however, that there is no tailored and professional risk management strategy, and that it is necessary to develop new and specific risk models unique to the field.

The results obtained in the research show that the risk perceptions and risk severity levels of senior managers in the Turkish fast-moving consumer goods industry are low. In order to increase this perception, in-sector projects can be developed and additional studies can be carried out in cooperation with public and educational institutions. In addition to these, more comprehensive advanced and academic studies that evaluate qualitative studies and findings together with quantitative findings can be included. It would be beneficial to conduct studies with larger samples and measurement tools that allow cross-comparisons.

Limitations of the Research

The most important limitation of the research conducted is the lack of a specific conceptual framework for tailored risk management and structure in fast moving consumer goods and the uncertainties arising from the inherent conceptual structure of risk management. Additionally, the data shared by companies about the risk structure in fast moving consumer goods and expenditures being limited is one of the most important factors

in the presence of limitation in the conceptual framework.

Another important limitation of the research is the lack of measurement tools for comprehensive and quantitative evaluation processes that are based on unified and quantitative data as a result of the company sizes and structural differences in risk management. Therefore, qualitative methods were employed in the research.

Contributions of the Research to the Literature

The most significant contribution of the research to the literature is that it exhibits the perspectives and views of the executives of the companies on risk management and its structure in a way that it serves as a reference for future studies in the fast-moving consumer goods sector.

In this context, the research also reveals the level of knowledge of risk and implementation of risk management in management by evaluating and comparing the views of executives at different levels.

Additionally, another significant contribution of the research is that it exhibits the shortcomings related to risk management from the measurement tool to the implementation phase. In this respect, in-depth interviews and similar studies in risk management can be a guide for quantitative measurement tools to be established in the future.

Conflicts of Interest

The authors state no conflict of interest.

Ethical Statement

Permission was obtained from the Ethics Committee of the University of Commerce for the in-depth interview and data collection process in the research, and a voluntary consent form was issued to the executives for their participation and voluntary participation was ensured.

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Appendice 1. Distribution according to sample codes

Sample Answers	Sample Management level	The Unit Sample Reporting to	Sample Code
CFO	C-Level	Finance-Financial Affairs	F1
Financial Affairs Director	GM/Assistant GM/Director	Finance-Financial Affairs	F2
Financial Affairs Director	GM/Assistant GM/Director	Finance-Financial Affairs	F3
Head of Audit	C-Level	Audit	F4
General Coordinator	GM/Assistant GM/Director	General Responsibility	F5
CEO	C-Level	General Responsibility	F6
Turkey Sales General Manager	GM/Assistant GM/Director	Sales	F7
General Director	GM/Assistant GM/Director	General Responsibility	F8
Internal Audit Manager	Mid Level Executive	Audit	F9
Sales Director of	GM/Assistant GM/Director	Sales	F10
Production Manager	Mid Level Executive	Production	F11
Assistant General Manager	GM/Assistant GM/Director	General Responsibility	F12
Administrative Affairs Manager	Mid Level Executive	General Responsibility	F13
Sales Director of	GM/Assistant GM/Director	Sales	F14
Finance Manager	Mid Level Executive	Finance-Financial Affairs	F15
Risk Group Manager	GM/Assistant GM/Director	Risk Management	F16
Receivable risk management manager / Loan Risks and Customer Collections Manager	Mid Level Executive	Finance-Financial Affairs	F17
Internal Audit Director	Mid Level Executive	Audit	F18
Finance Risk Manager	Mid Level Executive	Finance-Financial Affairs	F19
Administrative Affairs Manager	Mid Level Executive	General Responsibility	F20
Sales Director of	GM/Assistant GM/Director	Sales	F21
Risk Manager (Reporting to Internal Audit)	Mid Level Executive	Risk Management	F22
Assistant Head of Audit	C-Level	Audit	F23
Assistant General Manager Responsible for Sales and Purchasing	GM/Assistant GM/Director	Sales	F24
Financial Affairs Director	Mid Level Executive	Finans - Mali İşler	F25
CEO	C-Level	General Responsibility	F26
Risk Manager	Mid Level Executive	Risk Management	F27
General Manager Responsible for Domestic Sales and Marketing	GM/Assistant GM/Director	Sales	F28
Internal Audit Director	Mid Level Executive	Audit	F29
Financial Affairs Director	Mid Level Executive	Finance-Financial Affairs	F30
Finance director	GM/Assistant GM/Director	Finance-Financial Affairs	F31
Finance director	GM/Assistant GM/Director	Finance-Financial Affairs	F32
Assistant General Manager	GM/Assistant GM/Director	General Responsibility	F33
Financial Affairs Director	Mid Level Executive	Finance-Financial Affairs	F34
Accountant manager-financial advisor	Mid Level Executive	Finance-Financial Affairs	F35
Financial Affairs Director	Mid Level Executive	Finance-Financial Affairs	F36
Chairperson of the Board of Director	C-Level	General Responsibility	F37
Senior Finance Manager	GM/Assistant GM/Director	Finance-Financial Affairs	F38
Finance Director	GM/Assistant GM/Director	Finance-Financial Affairs	F39
GM	GM/Assistant GM/Director	General Responsibility	F40