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Despite the importance of aligning risk with their core business strategy, only 25 percent of financial leaders feel they are able to execute a proper response to risk, and almost 60 percent feel they are too late in recognizing the key risks imperiling their businesses.

These distressing findings are part of a new report from the Financial Executives

with third parties that understand how to manage risk, and it urges them to adopt a shared risk-analysis approach across their leadership structures to foster strategic communication and improve decision-making.

"Risks are growing and increasing in speed; they're both multi-dimensional and multi-directional," said Bailey Jordan, Risk Advisory Services partner at Grant Thornton. "Leaders can help their organizations reduce risk by looking not only at financial indicators, but at other metrics that measure business health. Risk can even drive opportunity."

Report findings point to an organization's workforce as a good place to start. It explains that 95 percent of executives believe an organization must encourage its employees to be vigilant in identifying emerging risks, going on to stress the importance of building a risk culture through employee training and a focus on improving skill sets.

Finally, the report recommends that leaders keep their board members aware of efforts to control the risks that impact critical items such as business objectives, competitive positioning and, ultimately, success.

"Organizations of all kinds face new risks from the fast rate of change in regulation, competition, technology and other factors," said Andrej Suskavcevic, CAE, President and CEO of Financial Executives International and Financial Executives Research Foundation. "CFOs and financial executives are integral to advising CEOs and Boards of Directors on these changes, and partnering across their organizations to help identify and manage these risks. Our report helps empower CFOs and financial executives to lead forward-thinking and strategic finance departments."