

# RISK MANAGEMENT

What? Why? When? How?

## What is Risk Management?

Risk is inherent in everything we do, whether it is crossing the road, working with children, participating in activities outside the workplace, dealing with contractors, employing staff, purchasing new systems and equipment, making decisions about the future or deciding to take no action at all.

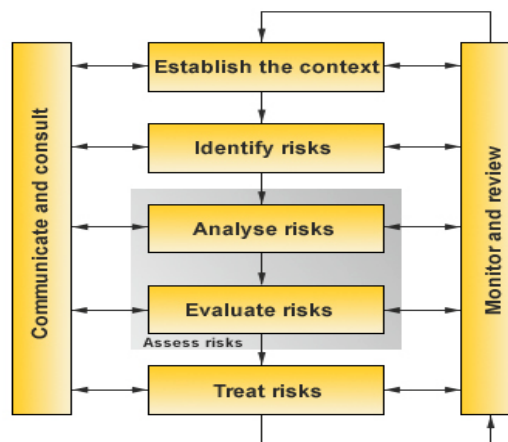
We manage risks continuously, sometimes consciously and sometimes without realising it, but often they are not managed systematically. The need to manage risk systematically applies to all levels within the institution or organisation. Risk management should therefore be recognised as being of fundamental importance by all executive and staff.

Risk management is the term applied to the structured approach to risk. It is a logical and systematic method of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process in a way that will enable an institution to minimise losses and maximise opportunities. Risk Management is as much about identifying opportunities as avoiding or mitigating losses, damage or injury.



## The Risk Management Framework

The Australian Standard AS/NZS 4360 shows the complete risk management process as:



Replacing an intuitive approach with the above structured risk approach provides the following benefits:

- ❑ A tool for encouraging personnel to think about risk in a proactive and cost effective manner
- ❑ A framework to enable an institution to anticipate and respond to risks effectively and to reduce unwelcome surprises
- ❑ Prevent harm and injury to staff, students and visitors
- ❑ Support for schools adopting the National Safe Schools Framework (NSSF)
- ❑ Safeguard critical assets you require to operate efficiently
- ❑ Direct focus to critical risks and practical strategies to address risk
- ❑ Opportunities to promote a more risk aware organisational culture and provide a better understanding of an acceptable level of risk.

## How can we help your institution?

### *Do you have a documented, structured approach to managing risks?*

A Boughey Pty Ltd is available to provide customised assistance to any institution seeking help to address risk management issues. We have had over 10 years experience in the application of risk assessment and management techniques.

### *Have you considered the following areas where there is always some element of risk involved?*

- ❑ Computer system failure
- ❑ Destruction of equipment and or buildings caused by fire or water
- ❑ Loss of equipment or funds due to break and enter
- ❑ Playground safety issues
- ❑ Overnight and day excursions
- ❑ Bullying, harassment, violence, and child abuse
- ❑ Medical emergencies

***National Safe Schools Framework strongly points out that schools must ensure that, “risk assessment procedures, within and outside school, are in place” (p7).***

Our extensive experience in risk management training has been incorporated into an easy to use Risk Information Management System (**RIMSYS**). We have designed an indispensable database tool for institutions that need to identify, analyse, evaluate and treat risks. Our **RIMSYS** database is an excellent solution to the sometimes-daunting task of assessing and managing risks.

## What is RIMSYS?

**RIMSYS** is a simple to use, comprehensive risk management database that will assist you in identifying, recording, analysing and managing risks.

### **RIMSYS Features**

In this package we have included a free demonstration disk to illustrate the following **RIMSYS** features:

- ❑ Provides user friendly worksheets facilitating risk identification, assessment and preparation of treatment plans
- ❑ Documents the process followed, decisions made and actions planned
- ❑ Integrates risk management across an entire organisation/institution or can be applied successfully to individual departments, processes or activities/projects
- ❑ Provides a profile giving the user a graphical representation of the relative risk at a glance
- ❑ Allows user to keep running reports of risk status and produces summary reports of the risks
- ❑ Based on Australian Standard for Risk Management AS/NZS 4360
- ❑ Operates on Windows and Macintosh platforms as a stand-alone product.

**RIMSYS** incorporates a series of simple, user-friendly screens for the entry of risk information and the analysis of each risk.

Entry screens are included for:

- ❑ Risk Identification
- ❑ Consequence Rating
- ❑ Likelihood Rating
- ❑ Evaluation
- ❑ Treatment Planning
- ❑ Activities Planning
- ❑ Status Reporting

Each screen is easily accessed from the tabbed interface across the page.

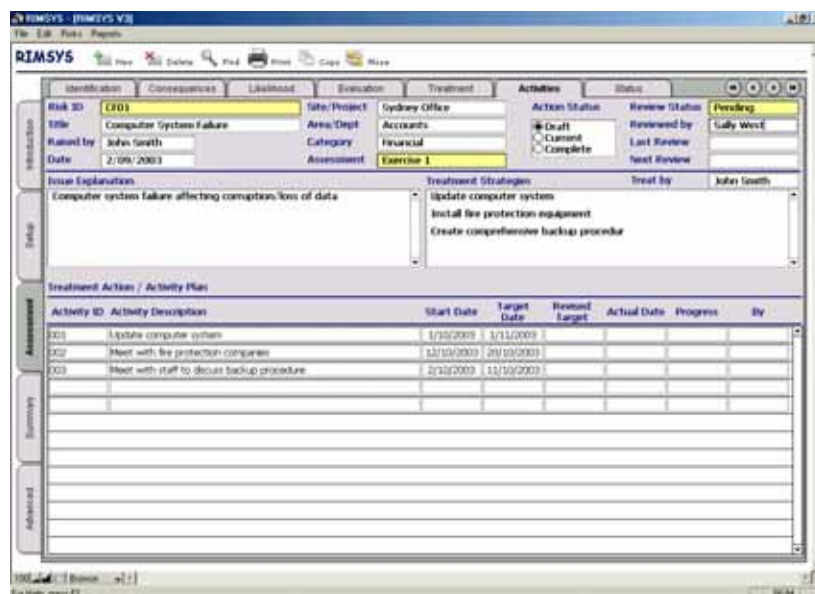
The screenshot displays the RIMSYS V3 application window. The interface is organized into several sections:

- Introduction:** Contains fields for Risk ID (CFD1), Title (Computer System Failure), Date (2/09/2003), Site/Project (Sydney Office), Area/Dept (Accounts), Category (Financial), and Assessment (Exercise 1). It also includes Action Status (Draft, Current, Complete) and Review Status (Pending).
- Setup:** Features an Issue Explanation field with the text 'Computer system failure affecting corruption/loss of data' and an Additional Comments field.
- Assessment:** Divided into Contributing Factors (Power loss, Fire, Outdated equipment) and Consequences (Loss of accounting data, Unable to invoice, update accounting information, Unable to prepare up to date financial reports).
- Summary:** Divided into Control Strengths (Backup power supply) and Control Weaknesses (Lack of comprehensive backup procedure).

The bottom of the window shows a status bar with '100%' zoom, a 'Browse' button, and the text 'For Help, press F1'.

A detailed activity plan can be assessed at a glance. Here you can create a list of specific activities to treat a risk.

**RIMSYS** gives you the ability to target and reduce any risks within your institution and will allow you to manage your risks in an efficient, easy to manage manner.



### What other services does A Boughey Pty Ltd offer?

- ❑ On-site Risk Management training courses by consultants who have many years experience as qualified teachers and trainers.
- ❑ Facilitation of Risk Assessment Workshops to help institutions identify their risks.
- ❑ Risk Management Consulting
- ❑ Reporting and Assessment Solutions
- ❑ Custom database solutions to meet any of your institution's needs.

For more information on how A Boughey Pty Ltd can help you cope with the constantly changing expectations of your institution please contact us at:

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**To order your RIMSYS database simply use the order form in this package, or call us on 02 9790 2177**