

## RISK MANAGEMENT POLICY

Revision 1.1 Nov 2017

### PURPOSE

MiTraining is committed to the ongoing identification, analysis and management of all risks to MiTraining staff, students/trainees/clients and stakeholders within the ongoing training and delivery services of MiTraining. The objectives of this policy are to:

- a) Framework the organisation's approach to risk management;
- b) Improve and direct decision-making, accountability and outcomes through the effective use of risk management;
- c) Integrate risk management into daily operations of the training organisation;
- d) Consider issues of risk in strategic and operational decision making and to be included in the continuous improvement process.

### SCOPE

All areas of the operations of MiTraining and applicable to management and staff and impacts on students/trainees or clients.

### POLICY STATEMENT

The effective management of risk is integral to the management and continued growth and success of the training organisation. For risk management to be suitable and effective, all the training operations are required to utilise the following principles in context to their area of operation of the business:

- a) Risk management must create and protect the value of the training organisation and its operations in line with regulatory compliance requirements;
- b) Risk management is integrated into all areas of organisational processes;
- c) Risk management helps the management make informed decision and drive continuous improvement;
- d) Risk management identifies and addresses sources of uncertainty around the achievement of objectives;
- e) Risk management is tailored to the context and needs and fit for purpose and responsive to change particularly in regard to regulatory compliance.

MiTraining identifies and controls all possible and potential risks associated with the operations of the organisations as a Registered Training Organisation and compliance requirements.

The identification and analysis of risks will be completed as set out in the accompanying principles, processes and procedures.

## DEFINITIONS

**Risk** is defined as 'actual' or 'likely' events or actions that may lead to the organisation's failure to meet regulatory compliance requirements.

**Risk assessment** is the process of risk identification, risk analysis and risk evaluation.

**Risk management** is the process effected by MiTraining management and other staff or contractors, applied across the training organisation, designed to identify potential events that may affect the entity, and manage risk to be within the risk appetite, to provide reasonable assurance regarding the achievement of objectives.

**Risk appetite** is the amount of risk MiTraining is willing to accept in pursuit of stakeholder services.

**Risk management plan/matrix** is the documented outcomes arising from the application of the risk management process.

**Auditing** is one of the processes used by MiTraining for the purpose of risk management and continuous improvement.

**Continuous Improvement** is the outcome from MiTraining identifying and acting on opportunities for service and operational improvement. Methods such as student/trainee or client and employer evaluation and feedback, self-assessment and review, validation, and strategic planning are used to gain information for continuous improvement.

**Corrective and protective action reports** are utilised to offset any inefficiencies in the quality system, or to rectify activities that risk the integrity of the services offered by MiTraining.

**Feedback** is information provided by a student, trainee, client, employer or stakeholder on any operations or activities of MiTraining.

**Significant function or activity** is any function or activity that has, or may have, a consequential impact on the achievement of strategic objectives.

**Unsolicited feedback** may be provided from a variety of sources and because of its unstructured nature may raise issues beyond the control of MiTraining.

## POLICY PRINCIPLES AND PROCEDURES

Best practice in business recognises that considered and structured risk management is essential in the achievement of strategic objectives. To that end, MiTraining has identified and implemented a risk management procedure to provide a systematic approach for risk management that is directed towards realising opportunities for the organisation whilst managing adverse affects on MiTraining and its services.

Staff and contractors with management responsibilities for a significant function or activity (including projects, major events, agreements and commercialisation activities) will also ensure that risk management is formally integrated into planning processes and management activities within that function or activity.

All staff and contractors should be aware of the need for the effective management of Risk in MiTraining operations and have a role to play in the identification and management of the risks facing the functions and/or activities with which they are involved.

The risk management process undertaken by the CEO and the management of MiTraining will include the following stages:

- a) Establish the context – criteria against which risk management efforts will be measured;
- b) Risk identification – risks relevant to context;
- c) Risk analysis – the evaluation of risk to identify the level of risk;
- d) Risk treatment – the assessment of existing treatments to identify the level of risk ;
- e) Monitoring and reviewing – the monitoring and reviewing of the effectiveness of all steps of the risk management process

The procedure supports the commitment of the organisation to manage risks in accordance with a systematic risk management process including:

- a) The identification of potential risks to the organisation;
- b) The analysis of potential risks to the organisation;
- c) The assessment and prioritisation of potential risks to the organisation;
- d) The development and update of a risk management matrix to recognise risks in particular to compliance risk;
- e) The monitoring of risks and review of risk management strategies for the organisation;
- f) The provision of feedback to improve risk management for the organisation;
- g) The integration of risk management into our business planning and monitoring processes for the organisation.

The CEO recognises the need to prioritise the identification and treatment of risk, to focus on the risks that have the greater probability of occurrence and/or the more severe consequences when they may occur.

The risk management processes of MiTraining will be reviewed by key staff and shared with staff and stakeholders where necessary via email or short meetings. This will ensure that the risk management matrix is kept up-to-date and those new areas of risk identified by staff or stakeholders are implemented in a timely manner and that all relevant persons are involved within the entire risk management process.

At any management meetings or discussions identified risks can be reviewed and reassessed to ensure that the risks are managed in a continuous manner and to ensure that all staff and stakeholders are aware of the risk.

The risk management and identification procedures will include:

- a) All staff inductions will include discussion on the MiTraining Risk Management Policy and accompanying procedures.
- b) The CEO, Finance Manager and RTO Training Manager will discuss on a regular basis continuous improvement items.
- c) All MiTraining staff are provided access to Stakeholder feedback forms. Stakeholder feedback forms will be utilised in the identification and management of all risks and risk management.
- d) All MiTraining staff or contractors identifying areas of risk to staff. Contractors, students/trainees/clients or the delivery of MiTraining's training and assessment services shall inform the CEO and the RTO Training Manager as soon as possible.
- e) Risk management meetings will be conducted for all staff including trainers and assessors at least annually.
- f) All records of risk management and identification analysis shall be recorded and stored appropriately and archived when necessary.

Risks will be reviewed based upon their category of risk, as detailed in the following matrix that has been derived from the Australian Standard for Risk Management and outlines the management action within MiTraining to address the categories of risk:

Likelihood	Consequences				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost certain	High risk	High risk	Extreme risk	Extreme risk	Extreme risk
Likely	Moderate risk	High risk	High risk	Extreme risk	Extreme risk
Possible	Low risk	Moderate risk	High risk	Extreme risk	Extreme risk
Unlikely	Low risk	Low risk	Moderate risk	High risk	Extreme risk
Rare	Low risk	Low risk	Moderate risk	High risk	High risk

All risks are reviewed based on their category of risk, as detailed in the matrix. Risks are reviewed on the following schedule:

- a) All extreme risks are reviewed every three months
- b) High risks are reviewed every four months
- c) Moderate risks are reviewed every six months
- d) Low risks are reviewed annually

**Extreme Risk** – all possible action is taken to avoid and insure against these risks

**High Risk** – management is accountable and responsible for ensuring that these risks are managed effectively

**Moderate Risk** – accountability and responsibility for effective management of these risks is delegated to staff and contractors at an appropriate level

**Low Risk** – these risks are managed through routine procedures, with regular discussions, review and reporting through general management processes.

## RECORDS MANAGEMENT

All documentation from Risk Management processes is maintained in accordance with Records Management Policy. (See Records Management Policy).

## MONITORING AND IMPROVEMENT

All Risk Management practices are monitored by the CEO and senior management and areas for improvement identified and acted upon. (See Continuous Improvement Policy).

## CONTINUOUS IMPROVEMENT AND REVIEW OF POLICY

The Risk Management Policy and accompanying procedures will be continuously implemented and assessed for areas of improvement and will be formally reviewed annually as part of the general continuous improvement process.

## POLICY PUBLICATION

All policies and procedures that are applicable to prospective students/trainees and enrolled students/trainees and all relevant organisation staff/contractors are made available on request at all times, and form part of the induction and orientation for staff and students and are made available, via the website (where appropriate), student administration/management system and internal electronic systems.

## NOTES

<i>Related Policies/Procedures:</i>	<i>Continuous Improvement Policy Management of RTO Policy</i>
<i>Related Documents/Forms:</i>	<i>Risk Management Matrix Risk Assessment Form</i>
<i>Related Legislation:</i>	<i>N/A</i>
<i>Guidelines:</i>	<i>Australian/New Zealand Joint Standard on Risk Management (AS/NZS ISO 31000:2009)</i>
<i>Approved By:</i>	<i>Chief Executive Officer</i>
<i>Date of Next Review:</i>	