



## Risk Management – Why, What and How?

### Risk Management – Why?

Organisations should develop risk management plan/s to protect the organisation, its membership and any clients/users.

Incorporated associations have a duty of care to their membership and any people who participate in their meetings, services, projects and/or events.  
Duty of care = every effort is made to prevent harm, damage or injury.

### What is involved?

Risk Assessment = assessing the likelihood something will happen and the consequences.

Question – What could go wrong?

Risk Management = a formal and structured process to identify and manage risk. It involves assessing, then actively managing an organisation's potential exposure to loss, damage or litigation.

Question – What can we do to prevent something going wrong?

Question - What do we do if something does go wrong?

### Basic risk management steps

Establish the context	What type of risk are we talking about? Is the risk management plan for an event, the organisation, for a project?
Identify the risks	Brainstorm scenarios that pose a risk. Identify each risk individually.
Assess the risks	Assess the balance between the likelihood of a risk occurring against the potential consequences. Develop a Risk Register – refer to the Risk Register template.
Treat the risks	How can you manage the identified risks. What can be done to reduce the likelihood of a risk occurring? What should be done if the risk actualises? Develop a Risk Treatment Schedule – refer to the Risk Treatment template.
Monitor and review the risks	Regularly review the risks and the treatments.

For further information:

Risk Management Checklists visit <http://www.ourcommunity.com.au/insurance/>

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