



Royal Australasian College  
of Dental Surgeons  
*Let knowledge conquer disease*

# RISK MANAGEMENT POLICY

November 2018

### ***Document Information***

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Nature of Document	Policy
Contact Officer	CEO
Authoriser	Finance, Audit and Risk Committee
Approved	Board
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Related documents/policies	Special Consideration Policy

## 1. Purpose and Scope

The purpose of this policy is to assist embedding risk management throughout the Royal Australasian College of Dental Surgeons (College). This will assist the College to achieve its' strategic objectives and outcomes.

This Policy forms part of the College governance framework and must be read in conjunction with the RACDS Risk Management Framework.

The aim of the Risk Management Policy is to:

- Assist the Board and the College management staff in developing a culture of actively and effectively identifying and managing risk to mitigate challenges which may compromise operational activities and achievement of strategic objectives
- Promote employee, stakeholder and public safety
- Protect personnel, assets and intellectual property
- Encourage better quality service delivery
- Minimise loss and costs
- Improve contingency planning for dealing with risks and the associated potential impacts.

This policy applies to all the operations undertaken by and on behalf of the College.

## 2. Policy

The College promotes an organisational culture that supports our ability to achieve our strategic objectives while ensuring appropriate management of risks. We recognise that risk is inherent in all our College activities, and the College must continuously identify and take action to manage risks.

The College will maintain a risk management process that identifies and manages the risks associated with the operational activities and strategic objectives of the College.

College management staff will:

- Maintain a Risk Management Framework which reflects best practice principles of risk management
- Maintain a Risk Register that identifies risk events, consequences, likelihood, controls and risk level before and after controls are put in place;
- Regularly review the risk profile and risk management plans to ensure the information is contemporary and relevant; and
- Provide regular reports to the Finance, Audit and Risk Committee and the Board.
- Provide the Risk Register to each Board meeting for Board to consider risks and associated risk management

## 3. Responsibilities

All people in the College community have a role in the identification of risks and the application of effective risk management measures. Specific responsibilities include:

Board:

It is the responsibility of the Board to approve the College's risk strategy, monitor risk and risk mitigation. The Board is responsible for establishing the culture, risk

appetite and tolerances and the informed oversight risk, not the operational management of risk.

Chief Executive Officer (CEO):

The CEO is responsible for the identification and management of all risks. The CEO must design and implement the risk management and internal control systems to manage risks and report to Board on risk. The CEO will:

- identify and rank key risks using a recognised risk matrix
- assess the impact of risks on the College
- monitor the management of significant risks and the effectiveness of controls.
- implement a continuous improvement approach to risk management
- regularly report on risk management processes to the Board
- ensure staff are aware of risks and how to manage them;
- provide staff with the necessary tools to manage risks effectively
- embed risk management into all aspects of day-to-day operations;

Individual staff are responsible for the operational risks associated with their area, including identifying and managing risks.

It is the responsibility of all employees, Board members, Office bearers, Committee members, examiners and lecturers to identify and report risks and be involved in the management of risks.

#### *4. Procedure*

##### Operational Risks

- Once risks are identified the appropriate manager of that area of responsibility will document this for the CEO for discussion.
- In consultation with the manager a risk management strategy is developed and implemented. The CEO then updates the Risk Register

##### Strategic Risks:

- The CEO will identify strategic risks and prepare a risk management strategy for presentation to Board. Board will consider the risks and approve mitigation strategies including resources where applicable. The CEO will update the Risk Register

##### Reporting to Board

- Extreme risks when first identified must be immediately reported to the Board
- Extreme and high risks must be reported on to Board every 3 months

#### *5. Definitions*

**Risk** is about the “uncertainty” of an outcome or results which may either desirable or undesirable. Risk entails both judging the ‘consequences’ of each good or bad outcome; and the ‘likelihood’ of each positive and or negative outcome. Risk can be thought of managing the uncertainty of future events.

**Risk management** is an organisation's structured response to risk- whether to provide protection from adverse events or to ensure the organisation maximises potential upside in its pursuit of opportunities.

#### *6. Legislative and other References*

- AICD Company Directors Module 3: Risk: Issues for Boards 2008
- AS/NZS ISO 31000:2009 Risk management – Principles and guidelines
- FWK-030 Risk Management Framework
- RACDS Risk Management Framework
- RACDS Risk Register