This manual provides a simple guide to identify and manage risks.
# How To Use This Manual

## Purpose Of Manual

This risk management manual has been created to simplify RMIT’s risk management process and aligns to the ISO 31000:2018 standards.

It is not expected that the manual will provide an answer to every question or situation, but will give you a good understanding of the overall process. The manual comprises 5 key stages and provides a guide of the steps and tools you will need, as you progress through each stage.

## Target Audience

This manual is for the use across all of RMIT, and has been designed to provide an overview of the risk management process.

## Key Sections

To help you assess a risk follow ‘Stages 1 to 4’ then progress to ‘Stage 5 Monitor and Communicate’. The other sections provide information and further detail that you may find useful.

## Tools and Guides

Appropriate tools and guides will be provided at each stage of the risk management process within the manual.

## Feedback

We will be updating and refining the manual on a continuous basis and we welcome your feedback to help us continually improve the manual.
Risk Management Introduction

What Is Risk Management?

Risk management is the coordination of activities to direct and control an organisation with regard to risk.

Why Do We Need Risk Management?

Risk Management has a wide variety of benefits, some of these are:

- Increasing the range of opportunities you effectively manage, to secure positive outcomes;
- Improved management and increased outcomes of your projects;
- Better management of contracts;
- Reduction in performance variability;
- Focused and effective use of resources;
- Greater confidence on delivering successful initiatives;
- Proactive approach to risk management and how it supports RMIT’s strategic objectives;
- Business sustainability, supporting a sustainable growth approach to business; and
- Identification and management of our enterprise risks.

Risk Management at RMIT

One of our key objectives is that risk management must be pragmatic and practical. To support this objective this manual has been developed to help you in the process of risk management. To gain an overview of risk management you can also review our risk management policy (refer to ‘Useful Links’ section for location) which provides guidance into RMIT’s key risk principles and expectations.

Who Is Responsible?

All employees, researchers, council members and contractors have a responsibility in risk management. Further guidance of the responsibilities of these groups is provided in the risk management policy.

Some Key Questions

- **Why is it important to identify risks?** – So RMIT can effectively manage its business activities protecting it against any undue circumstances which would affect RMIT.
- **What will trigger a risk?** – Any change or new event that exposes RMIT to any unforeseen risk.
- **What level of risk should we be considering?** – This depends on the activity, and you should use the risk management policy as a guide to inform you on this.
- **What if someone else has identified it?** – Due to the size and complex nature of RMIT there will be instances where multiple people will be involved, in this situation it is important for all teams to collaborate and share information.

Risk Categories

- Research, Teaching and Learning
- Health, Safety and Environment
- People and Culture
- Political and Market
- Strategy and Governance
- Finance & Economics
- Legal, Regulatory and Compliance
- Infrastructure and Property
- Students
- Technology, Data and Cyber
- Social and Ethical
- Third Parties

Risk Types

- School or Group
- College or Portfolio
- RMIT Key University Risks

Who Can help?

- Risk management team; and
- Risk champion network

(Access this network via our risk management website link shown below or refer to the ‘Useful Links’ section)

rmit.edu.au/staff/services-and-tools/professional-services/risk-management/faqs
Risk Management Process

1 - Identify
2 - Analyse
3 - Evaluate
4 - Treat
5 - Monitor & Communicate
Risk Management Process

The risk management process comprises of the following components:

1. Identify
   The identification stage focuses on identifying the risk and what you need to consider in this process. Clearly defining and describing the risk is the most critical stage as all following stages build on this foundation.

2. Analyse
   Once we have identified the risks, we need to analyse them, such as what measures are already in place to manage the risk, the effect and reliability, how does the risk align with RMIT's policy and any other data available.

3. Evaluate
   After you have a better understanding of the risk and the potential impact positively and/or negatively to RMIT, it's now time to decide if further treatments are needed. If no further treatments are needed then proceed to monitor and communicate.

4. Treat
   If you decide to further manage the risk, it's now time to develop the risk management action plan and treatments that you have identified to mitigate or eliminate the risk. In this process you also need to identify your review and monitoring schedule to ensure the risk is continually managed.

5. Monitor and Communicate
   The purpose of the Monitor component is to improve on the quality and effectiveness of each risk but also, to ensure that each risk is known and accounted for. The Communicate component is to assist relevant stakeholders in understanding risks and ensuring relevant stakeholders are involved in the decision-making process.
Stage 1 - Identify

Identifying The Risk

We identify risks so RMIT can find, recognise and respond to potential situations that might prevent RMIT from achieving its objectives.

Tip!

“A useful way of describing a risk is to describe an event or situation in terms of what could happen or not happen, or what is present and what it could lead to regarding the organisation’s objectives. The following is a general approach to describing risk:

[Something might occur or not occur or is present], which leads to [Consequences with reference to particular objectives].

The description can be extended to say what causes the event or situation, and how the consequences might come about.”

Guide To Identifying The Risk

Key questions:
- Where are we experiencing loss today?
- What keeps you up at night?
- What are the most critical activities being undertaken, and what could happen to them, which would lead to a potential negative impact to RMIT if the risk was not managed?
- Are you starting a new project and haven’t conducted a risk review?
- Have you reviewed existing risks?
- Is there a clear owner of the risk?
- What areas of RMIT will the risk impact?
- Can you define the causes and consequences? i.e. provide detail not just overview or statements.

We have provided the ‘Risk Assessment Template’ as a simple and convenient way to identify and record the different risks associated with the activities you are undertaking.

Using The Risk Assessment Template

You can follow the steps below as a guide to help you identify and record your risk/s.

Step 1 to 3 Context - Provide the background/summary of the identified risk.
Step 4 Risk Description - Provide a brief but clear description of the risk. You can use the ‘Risk Description Cause & Consequence Guide’ to help you with this.
Step 5 Consequences - Provide information as to ‘why do we care?’ Again you can use the ‘Risk Description Cause & Consequence Guide’ to help you with this.

Available Tools and Guides

- RMIT Risk Management Policy
- Risk Assessment Template (Sample on next page)
- Risk Description Cause & Consequence Guide
# Risk Assessment Template

<table>
<thead>
<tr>
<th>Context</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Risk Identified:</td>
<td>Enter date</td>
<td>Risk Owner:</td>
<td>Input the stakeholder accountable for the risk</td>
</tr>
<tr>
<td>Business Area/s:</td>
<td>Provide the primary affected business area</td>
<td>Risk Type:</td>
<td>Choose an item.</td>
</tr>
<tr>
<td>Risk Category:</td>
<td>Choose an item.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commentary / Summary</td>
<td>Input any details that may provide useful background/context in understanding the risk.</td>
<td></td>
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</tr>
</tbody>
</table>

## 1 – Identify

<table>
<thead>
<tr>
<th>Risk No.</th>
<th>Step 4. Risk Description (What could go wrong?)</th>
<th>Step 5. Consequences (Why do we care?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - Provide a brief but clear description of the risk.</td>
<td>Type here - The consequences need to provide the description of what impact the risk will result in.</td>
<td></td>
</tr>
</tbody>
</table>

| Sample | Poor Partner Management - Risk that an ad-hoc approach is taken in developing RMIT’s global presence | This risk may negatively impact RMIT brand and position in different countries whilst also negatively impacting financial performance |
Stage 2 - Analyse

Analysing The Risk

Once you have identified the risk you need to analyse it. Risk analysis investigates and draws upon:

- The information on risk generated during risk identification;
- The consequences of the risk;
- Additional information from the statement of context; and
- Supporting statistical data.

At this stage you need to detail this information within the ‘Step 6 - Cause’ section using the risk assessment template.

Guide To Analysing Risk - The Cause

The risk cause needs to link to the identified risk title and description, providing a good insight of the cause/s (remember there can be more than one cause). We have provided you with two examples below based on a simple and complex cause.

Simple Example (Risk and Cause)

**Changing Industry Compliance** – Due to the royal commission significant changes are expected in the financial services industry potentially impacting course/program relevance.

1. **Program not relevant to industry** – Change in education levels within the financial services sector; shift in skill needed in financial services focusing on more customer centric needs.

Complex Example (Risk and Cause)

**Revenue** – Inability to effectively anticipate and respond to changes in the market and environment resulting in unsustainable declines to our revenue.

1. **Downturn in international students** – Onshore students dropping off; international market forecasting not conducted; and pricing strategy of offshore campuses not competitive.
2. **Inadequate monitoring of external factors** - No well defined, regularly reviewed and communicated, environmental analysis (such as a PESTLE*) completed from an international and institutional perspective
3. **Increasing disruption to RMIT** - Shifting demands from employers not represented in how we teach; technology disruption changing the world of work and skills needed.

Collaborating Across RMIT

Many RMIT risks may affect multiple parts of the school/college and/or portfolios across RMIT. Because of this it is important to collaborate across all potentially affected areas of RMIT.

If you’re unsure of who to speak to or how best to approach raising the risk you can:

1. Consult with your college/portfolio risk champion; or
2. Contact the Central Risk Management Team.

Using The Risk Assessment Template

**Step 6 Cause/s** - Provide information as to why you believe this risk might occur. You can use the Risk Description, Cause & Consequence Guide to assist with this.

Available Tools and Guides

- Risk Champion List
- Risk Assessment Template (Sample on next page)
- Risk Description, Cause & Consequence Guide

*PESTLE Analysis - Political, Economic, Social, Technological, Legal & Environmental
**Risk Assessment Template - Continued**

<table>
<thead>
<tr>
<th>Context</th>
<th>Date Risk Identified:</th>
<th>Risk Owner:</th>
<th>Business Area/s:</th>
<th>Risk Type:</th>
<th>Risk Category:</th>
<th>Risk Description, Cause &amp; Consequence Guide</th>
<th>Consequences</th>
<th>Cause</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commentary / Summary</td>
<td>Enter date</td>
<td>Input the stakeholder accountable for the risk</td>
<td>Provide the primary affected business area</td>
<td>Choose an item</td>
<td>Input any details that may provide useful background/context in understanding the risk</td>
<td>Type here - Provide a brief but clear description of the risk.</td>
<td>Type here - The consequences need to provide the description of what impact the risk will result in.</td>
<td>Type here - Input the key drivers that will result in the risk occurring.</td>
</tr>
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</table>

**Sample**

**Poor Partner Management** - Risk that an ad-hoc approach is taken in developing RMIT’s global presence

This risk may negatively impact RMIT brand and position in different countries whilst also negatively impacting financial performance.

Strategy and drive to grow international revenue but without clear partner management process and policies, causing an ad-hoc approach to expand global presence.
Stage 3 - Evaluate

Evaluating The Risk

The evaluation of the risk is about understanding what current actions, activities, processes etc. are in place that will help mitigate or remove the identified risk.

This process is referred to as control. Control is the measure that is modifying the risk, this includes any process, policy, practice, or other actions which modify risk. Some examples of types of controls are:

- **Quality** - The risk of poor reviews of a new product is reduced with a quality control process that tests each course/program.
- **Policies** - Risks can be reduced by enforcing a policy that requires proper processes, activity and communications are followed.
- **Due Diligence** - Trainer certification risk is reduced by carefully validating qualifications and certificates regularly.
- **Audits** - Compliance risks such as attendance risk are reduced with regular internal audits and reports.
- **Training** - The risk of student and partner service failures is reduced with soft skills training for student and partner interfacing staff.

A control may or may not be required, typical options you may consider are:

- Do nothing further;
- Consider risk treatment options (further detail in **Stage 4 - Treat**);
- Undertake further analysis to better understand the risk;
- Maintain existing controls; and
- Reconsider objectives.

Assessing Current Risk (Rating with current controls)

**Selecting the Likelihood.**

1. Use the Likelihood Rating Tool to help you, select the appropriate Likelihood rating of the Risk.
2. Identify closest rating using the qualitative, percentage and/or timeframe as a guide.
3. Consider any current controls that are in place when identifying the likelihood.

**Selecting the Consequence**

For the given risk event select the relevant Consequence categories (using the ‘Risk Consequence Rating Tool’) and apply a rating. The ratings are determined with the existing controls in place. Where there are multiple categories for a risk, the highest rating is taken as the final rating (do not average out the ratings).

Collaborating Across RMIT

Many RMIT risks may affect multiple parts of the school/college and/or portfolios across RMIT. Because of this it is important to collaborate across all potentially affected areas of RMIT.

If you’re unsure of who to speak to or how best to approach raising the risk you can:

1. Consult with your college/portfolio risk champion; or
2. Contact the central risk management team.

Using The Risk Assessment Template

**Step 7 Controls** - Detail the controls you have identified for this risk, if none exist record this.

**Step 8 Current Risk Rating** - Use the ‘Risk Exposure Rating Tool’ supported with the Consequence and Likelihood Rating Tools to assist you in identifying the risk level (i.e. Low, Medium, High, or Critical).

Available Tools and Guides

- Risk Assessment Template (Sample on next page)
- Risk Consequence Rating Tool
- Risk Likelihood Rating Tool
- Risk Exposure Rating Tool
## Risk Assessment Template - Continued

### Context
- **Date Risk Identified:** Enter date
- **Business Area/s:** Provide the primary affected business area
- **Risk Category:** Choose an item.
- **Risk Owner:** Input the stakeholder accountable for the risk
- **Risk Type:** Choose an item.
- **Commentary / Summary:** Input any details that may provide useful background/context in understanding the risk.

### Step 1 to 3

<table>
<thead>
<tr>
<th>Step 1 to 3</th>
<th>Context</th>
<th>Commentary / Summary</th>
</tr>
</thead>
<tbody>
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<td>Input the stakeholder accountable for the risk</td>
<td></td>
</tr>
<tr>
<td><strong>Risk Type:</strong></td>
<td>Choose an item.</td>
<td></td>
</tr>
</tbody>
</table>

### Step 4.

#### Risk Description
- **Type here:** Provide a brief but clear description of the risk.

### Step 5.

#### Consequences
- **Type here:** The consequences need to provide the description of what impact the risk will result in.

### Step 6.

#### Cause
- **Type here:** Input the key drivers that will result in the risk occurring.

### Step 7.

#### Controls
- **Type here:** Input the key drivers that will result in the risk occurring.

### Step 8.

#### Current Risk Rating
- **Type here:** Use the Risk Exposure Matrix supported with the Consequence and Likelihood Criteria to assist you in identifying the risk level. These ratings should be done after taking into account the controls currently in place.

---

### Sample

**Risk No.**

<table>
<thead>
<tr>
<th>#</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type here -</strong> Poor Partner Management - Risk that an ad-hoc approach is taken in developing RMIT’s global presence</td>
<td></td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th><strong>Step 4.</strong> Risk Description (What could go wrong?)</th>
<th><strong>Step 5.</strong> Consequences (Why do we care?)</th>
<th><strong>Step 6.</strong> Cause (Why would this risk occur?)</th>
<th><strong>Step 7.</strong> Controls</th>
<th><strong>Step 8.</strong> Current Risk Rating</th>
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<td><strong>Type here -</strong> Use the Risk Exposure Matrix supported with the Consequence and Likelihood Criteria to assist you in identifying the risk level. These ratings should be done after taking into account the controls currently in place.</td>
</tr>
</tbody>
</table>

**Consequence:** 3

**Likelihood:** C

**High**
Stage 4 - Treat

Deciding On The Risk

After you have a better understanding of the risk and the potential impact positively and/or negatively to RMIT, it’s time to decide to proceed or not. Depending on the scale of the risk consider whether the risk needs to be escalated or not.

You should decide to “go/no-go” after considering and evaluating what further treatments can be in place and the true cost benefit of it, if you decide to proceed with;

- **No further treatments** – You feel that the existing controls and their effectiveness are adequate, and you have decided to accept the risk, you will proceed to Monitor and Communicate; or
- **New and/or additional treatments** – You decide to further manage the risk with new and/or additional treatments, you will proceed to the 4th stage ‘Treat’.

You will need to re-evaluate the risk rating with any new treatment options you have decided to implement, this will involve comparing the cause and consequences you have identified in previous stages ‘1 - Identify’ and ‘2 - Analyse’ and assess this against RMIT’s risk criteria (Risk Consequence criteria and Risk Likelihood criteria).

Identifying Risk Treatments

**Risk Treatments** - These are planned steps/actions or projects that are being considered that will remove or reduce the likelihood of the risk occurring.

Some examples of treatment options are:

- Avoiding the risk by deciding not to start or continue the activity that gives rise to the risk;
- Accepting the risk as it stands;
- Removing the risk source;
- Changing the likelihood;
- Changing the consequence;
- Sharing the risk with another party; and
- Retaining the risk by informed decision.

Assessing Target Risk Rating - Assess the target risk rating by again using the consequence and likelihood guides. As the treatments are planned and not yet in place you will need to assess the risk predicting the potential impact.

Risk Treatment Checklist

<table>
<thead>
<tr>
<th>Item</th>
<th>Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have stakeholders been consulted and involved in developing and evaluating treatment plans?</td>
<td></td>
</tr>
<tr>
<td>Have you consulted with your risk champion?</td>
<td></td>
</tr>
<tr>
<td>Has someone with the appropriate authority approved the treatment plan?</td>
<td></td>
</tr>
<tr>
<td>Has an owner been allocated to the treatment plans?</td>
<td></td>
</tr>
</tbody>
</table>

Using The Risk Assessment Template

- **Step 9 Treatment Option** - Record if you are going to treat or accept the risk.
- **Step 10 Treatment Plan** - Provide a brief outline of the proposed treatment plan (i.e. purpose/measure/time frame/owner of activity).
- **Step 11 Treatment Due/Review Date/s & Owner** - It is really important you record the review and/or due dates for each treatment and associated owner.
- **Step 12 Target Risk Rating** - Use the ‘Risk Exposure Rating Tool’ supported with the Consequence and Likelihood Rating Tools to assist you in identifying the risk level (i.e. Low, Medium, High, or Critical).

Available Tools and Guides

- Risk Assessment Template (Sample on next page)
- Risk Consequence Rating Tool
- Risk Likelihood Rating Tool
- Risk Exposure Rating Tool
## Risk Assessment Template - Continued

### Context

<table>
<thead>
<tr>
<th>Date Risk Identified:</th>
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<td>Business Area/s:</td>
<td>Provide the primary affected business area</td>
</tr>
<tr>
<td>Risk Category:</td>
<td>Choose an item.</td>
</tr>
</tbody>
</table>

### Commentary / Summary

Input any details that may provide useful background/context in understanding the risk.

### 1 – Identify

<table>
<thead>
<tr>
<th>Risk No.</th>
<th>Risk Description (What could go wrong?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>#</td>
<td>Type here - Provide a brief but clear description of the risk.</td>
</tr>
</tbody>
</table>

### 2 - Analyse

<table>
<thead>
<tr>
<th>Step 4. Risk Description (Why do we care?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - The consequences need to provide the description of what impact the risk will result in.</td>
</tr>
</tbody>
</table>

### 3 – Evaluate

<table>
<thead>
<tr>
<th>Step 5. Consequences (Why would this risk occur?)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - Input the key drivers that will result in the risk occurring.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step 6. Cause</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - List the controls/management currently in place that will reduce the risk. If none exist please note this.</td>
</tr>
</tbody>
</table>

### 4 – Treat

<table>
<thead>
<tr>
<th>Step 7. Controls</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - Use the ‘Risk Exposure Matrix’ supported with the Consequence and Likelihood Criteria to assist you in identifying the risk level. These ratings should be done after taking into account the controls currently in place.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step 8. Current Risk Rating</th>
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</thead>
<tbody>
<tr>
<td>Type here - Select ‘Accept’ or ‘Treat’. Accept when no further treatment. Choose an item.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step 9. Risk Treatment Option (Select ‘Accept’ or ‘Treat’)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consequence: 3</td>
</tr>
<tr>
<td>Likelihood: C</td>
</tr>
<tr>
<td>No controls are currently in place.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step 10. Treatment Plan (Describe your plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - Input any planned mitigations (but not currently in place) that will further reduce the risk.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Step 11. Treatment Due/Review Dates &amp; Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - Record the review and/or due dates for each treatment and associated owner.</td>
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</table>

<table>
<thead>
<tr>
<th>Step 12. Target Risk Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type here - These ratings should be done after taking into account the planned treatments.</td>
</tr>
</tbody>
</table>

### Sample

**Poor Partner Management** - Risk that an ad-hoc approach is taken in developing RMIT’s global presence

- This risk may negatively impact RMIT brand and position in different countries whilst also negatively impacting financial performance
- Strategy and drive to grow international revenue but without clear partner management process and policies, causing an ad-hoc approach to expand global presence
- No controls are currently in place

- **Consequence:** 3
- **Likelihood:** C
- **High

**Option - Treat**

- **Design and develop new Global Partnership Life-cycle Framework**
- Gain executive approval, assign development to staff member, and create a development and implementation plan.

- **October 2019
- Joe Bloggs**
- **Consequence:** 3
- **Likelihood:** B
- **Medium**
Stage 5 - Monitor & Communicate

Monitor

You’ve identified the risk, then decided on and implemented a mitigation strategy. The next component to risk management is monitoring and reviewing the risk.

Monitoring and reviewing risks, including tracking identified risks and evaluating the performance of risk mitigation actions is critical to the risk mitigation process. Ongoing monitoring will help continually feed information back into the other risk management activities, such as identification, analysis, mitigation planning, and mitigation plan implementation. This will assist you in continually developing and improving on the risk management activities.

The process for risk monitoring includes setting a structure for how often you review your risk, what to monitor, how to report changes, and how to redefine your risk strategies.

Monitor Risk Guide

The Risk’s Condition - Periodically re-examine the risk. Has the environment changed in a way that has impacted the risk? Will you require more or less mitigation?

Mitigation Plan Progress - Review all mitigation strategies, including the status and effectiveness of the treatment/s you have taken. Surveying those strategies not implemented also ensures that your plan is moving forward. Ensuring that all requirements of your risk management plan are being implemented is critical.

Identify new risks - New risks may pop up and they will need to be identified and responded to. Your risk mitigation strategy will be ineffective if you're not tracking new risks that may arise. Updating your list of risks is another critical part of maintaining an effective risk management plan.

Validate Your Plans - When reviewing the risks you’ve previously identified and taken action on, remember to validate your previous risk assessments based on your risk’s likelihood and impact. Changes to your risk may result in changes to either or both of these. Therefore, it is essential to adjust the risk’s priority accordingly. It’s also a good idea to validate previous assumptions and state any new assumptions as this will help you monitor your risks over time.

Communicate And Consultation

The purpose of communication is to assist relevant stakeholders in understanding risk, the basis on which decisions are made and the reasons why particular actions are required.

The Central Risk Management team co-ordinate communications around RMIT’s risk policies and procedures and maintains a schedule of workshops and ad-hoc training and meetings to continuously communicate across RMIT.

RMIT’s Risk Management Team

RMIT central risk management team is available for advice and guidance when needed.

The central risk management team is available via email:

riskmanagement.enquiries@RMIT.edu.au
What is RMIT’s risk software tool?

RMIT has a computer based enterprise risk management tool which assists you to identify, control and manage your risks. For further detail on this tool you can talk to the central risk management team or your risk champion.

When do we enter data into the software tool?

We have developed a paper based risk assessment template that directly aligns to the computer based tool. This gives you the opportunity to work on your risk, find all the information and detail you need, and collaborate across different areas of RMIT.

Once you are happy with detail you have collected, following this manual as a guide, then you are ready to enter the risk into RMIT’s software tool.

Does the risk need to be approved?

It is good practice to ensure your line manager is aware and approves your risk.

The software tool also has an inbuilt approvals process, so once you have entered the risk into the system your line manager will receive a notification to approve the new risk.

When should it be reviewed?

Each risk will be different. However, you must identify a review date and enter this into the system.

Will I get notifications?

The software tool will provide automated reminders of your associated risks.

Who can I talk to if I have any questions?

To support you in your risk management process and if you have any questions regarding software tool you can contact:

1. Your college/portfolio risk champion; or
2. Contact the central risk management team.
Communication and consultation
Continual and iterative processes that an organisation conducts to provide, share or obtain information and to engage in dialogue with stakeholders regarding the management of risk.

Consequence
Outcome of an event affecting objectives.

Control
Measure that is modifying risk.

Establishing the context
Defining the external and internal parameters to be taken into account when managing risk, and setting the scope and risk criteria for the risk management policy.

Event
Occurrence or change of a particular set of circumstances.

External context
External environment in which the organisation seeks to achieve its objectives.

Internal context
Internal environment in which the organisation seeks to achieve its objectives.

Level of risk
Magnitude of a risk or combination of risks, expressed in terms of the combination of consequences and their likelihood.

Likelihood
Chance of something happening.

Monitoring
Continual checking, supervising, critically observing or determining the status in order to identify change from the performance level required or expected.

Residual risk
Risk remaining after risk treatment.

Review
Activity undertaken to determine the suitability, adequacy and effectiveness of the subject matter to achieve established objectives.

Risk
Effect of uncertainty on objectives.

Risk analysis
Process to comprehend the nature of risk and to determine the level of risk.

Risk assessment
Overall process of risk identification, risk analysis and risk evaluation.

Risk attitude
Organisation’s approach to assess and eventually pursue, retain, take or turn away from risk.

Risk criteria
Terms of reference against which the significance of a risk is evaluated.
**Risk evaluation**  
Process of comparing the results of risk analysis with risk criteria to determine whether a risk and/or its magnitude is acceptable or tolerable.

**Risk identification**  
Process of finding, recognising and describing risks.

**Risk management**  
Coordinated activities to direct and control an organisation with regard to risk.

**Risk management framework**  
Set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

**Risk management plan**  
Scheme within the risk management framework specifying the approach, the management components and resources to be applied to the management of risk.

**Risk management policy**  
Statement of the overall intentions and direction of an organisation related to risk management.

**Risk management process**  
Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

**Risk owner**  
Person or entity with the accountability and authority to manage a risk.

**Risk profile**  
Description of any set of risks.

**Risk source**  
Element which alone or in combination has the intrinsic potential to give risk to risk.

**Risk treatment**  
Process to modify risk.

**Stakeholder**  
Person or organisation that can affect, be affected by, or perceive themselves to be affected by a decision or activity.
Useful Links

Risk Management Website
rmit.edu.au/staff/services-and-tools/professional-services/risk-management

Risk Management Insurance Website
rmit.edu.au/staff/services-and-tools/professional-services/insurance

Central Risk Management Team
rmit.edu.au/staff/services-and-tools/professional-services/risk-management/faqs

Risk Management Champion List
rmit.edu.au/staff/services-and-tools/professional-services/risk-management/faqs

Risk Management Policy
rmit.edu.au/about/governance-and-management/policies/risk-management

Risk Assessment Template
rmit.edu.au/content/dam/rmit/rmit-images/staff-site/services-and-tools/professional-services/risk-assessment-tool.DOCX

Risk Consequence Rating Tool
rmit.edu.au/content/dam/rmit/rmit-images/staff-site/services-and-tools/professional-services/risk-consequence-rating-tool.pdf

Risk Likelihood Rating Tool
rmit.edu.au/content/dam/rmit/rmit-images/staff-site/services-and-tools/professional-services/risk-likelihood.pdf

Risk Exposure Rating Tool
rmit.edu.au/content/dam/rmit/rmit-images/staff-site/services-and-tools/professional-services/risk-exposure-rating-tool.pdf

Risk Description, Cause & Consequence Guide
rmit.edu.au/content/dam/rmit/rmit-images/staff-site/services-and-tools/professional-services/risk-description-cause-consequence-guide.pdf