RISK MANAGEMENT POLICY

Country Office Iraq

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Record of policy development:

Version number	Date of issue	Lead author/ reviewer	Consultative panel	Significant changes on previous version
2015/001	5/12/2015	Carsten Stork (CR)	ASB HFAD	**First version**
2017/002	8/12/2017	John Hoare (CR)	ASB HFAD, DME (HQ)	Add risk register
2019/003	12/12/2019	Randala Noureddine (CR)	ASB HFAD, DME (HQ)	Increased risk categories

SECTION 1: RISK MANAGEMENT FRAMEWORK

1.1   Policy statement

Arbeiter Samariter Bund is committed to effective Risk Management as a strategy for protecting the Organization, employees, workers, beneficiaries, stakeholders, visitors, volunteers and the community from unnecessary injury, loss or damage relating to the business and activities the Organization undertakes.

1.2   Purpose and scope

This policy aims to provide guidance to the Organization in applying risk management processes across the Organization's operations, to ensure that, so far as reasonably practicable, the Organization's goal and identified outcome areas can be achieved.

This policy applies to all of the Organization's staff, workers, volunteers, student placements and visitors (**Personnel**).

This policy encompasses but is not limited to:
» Identifying, assessing and treating risks
» Ongoing risk monitoring and review
» Communication and consultation
» Record-keeping
» Specific risk areas.

This policy does not provide detailed guidance on:
» Human resources management – refer to the Human Resources Management Policy
» Workplace environment and safety – refer to the Work Health and Safety (WHS) Policy
» Financial operations – refer to the Financial Management Policy.

1.3   Definitions

ASB Headquarter Foreign Aid Department (ASB HQ FAD)	Represented by Head of Foreign Aid Department (HFAD) and Desk Officer Middle East (DME)
Clinical Incident	Any unplanned event resulting in, or having the potential to harm a beneficiaries
Risk Management	Risk management is concerned with improving the quality and safety of services by identifying the circumstances and opportunities that put beneficiaries ,employees, contractual, volunteers, community) at risk of harm and then acting to prevent or control those risks
Compliance Register	A register that assists an organization to comply with its legal obligations
Impact	Actual or potential impact that would or may occur
Likelihood	Probability or chance of an incident occurring
Organization	**Arbeiter Samariter Bund (ASB)**

Personnel	The Organization's staff, workers, volunteers, student placements and visitors
Risk	Chance of something happening that will Impact on objectives, measured in terms of likelihood and impact
Risk Assessment	Process of analyzing and evaluating the likelihood and impact of potential risks
Risk Incident	Realization or occurrence of a risk impact
Risk Management	Process of identifying, assessing and judging Risks, assigning ownership, taking actions to mitigate them, and monitoring and reviewing progress
Risk Register	A Risk Register is a tool for documenting risks, and actions to manage each risk. The Risk Register is essential to the successful management of risk. As risks are identified they are logged on the register and actions are taken to respond to the risk
Risk Treatment	Identifying and implementing actions to eliminate risks or reduce impacts
WHS	Workplace Health and Safety

1.4 Principles

The following principles guide ASB 's risk management policy and procedures:

» Risk management applies to all aspects of the Organization's business and activity
» Risk management is a shared responsibility of all staff, management and Board members
» Risk management is a continuous improvement process where the organization continually strives to reduce and manage the likelihood and negative impact of risks
» Staff, Board members, volunteers and students are provided with training and other support to assist them in managing risk in their roles.

1.5 Outcomes

The outcomes of this policy are that ASB:

» Makes informed business, operational and service delivery decisions while remaining fully aware of risks and impact
» Staff and management in Country Office and HQ understand their roles and responsibilities in relation to risk management
» Risks and risk impact are minimized through compliance with relevant regulatory, legal and financial obligations, and implementation of risk treatments.

1.6 Delegations

ASB HQ FAD (HFAD, DME)	» Endorse and ensure compliance with the Risk Management Policy » Ensure compliance with relevant legislation » Lead and support the CR to manage risk » Monitor and contribute to internal risk treatment strategies and activities, including regular review of the Risk Register
Management	» Comply with the Risk Management Policy

	» Manage and monitor compliance with relevant legislation » Monitor and contribute to internal risk treatment strategies and activities. » Be familiar with the Organization's legislative requirements regarding risk management » Ensure processes are in place across the Organization to manage and treat risk appropriately » Ensure staff are adequately trained to comply with risk management strategies and activities **Country Representative/Manager** » Lead the implementation of the Risk Management Policy » Identify and assess new risks and implement risk treatments » Lead, monitor and update identified risks and risk treatment » Ensure risk assessments are undertaken **Project Management** » Ensure orientation of new staff members to the Organization's risk management processes and activities » Identify and assess new risks and implement risk treatments » Monitor and update identified risks and risk treatments. » Develop, implement and review risk management plans » Maintain current Risk Register and Compliance Register » Document risk management discussions and decisions
Program Support	» Comply with the Risk Management Policy » Identify and assess new risks and implement risk treatments » Monitor and update identified risks and risk treatments. » Implement and review risk management plans » Contribute to internal risk treatment strategies and activities

1.7   Policy implementation

This policy is developed in consultation with the Organization's staff and approved by ASB HQ Head of Foreign Aid Department..

All Personnel are responsible for understanding and adhering to this Risk Management Policy.

Specific monitoring and support activities undertaken include:
» Risk management issues are part of the Work Health and Safety updates as standing agenda item in staff meetings
» Review of the risk register is a standing agenda item for meetings between CR and ASB FAD (HFAD, DME)
» This policy is to be part of staff orientation processes
» This policy should be referenced in relevant ASB policies, procedures and other supporting documents, where relevant, to ensure that all relevant staff are familiar with it and that it is actively used
» This policy will be reviewed in line with the quality improvement program every two years, following a risk incident and/or following relevant legislative changes.

This policy is implemented in combination with all the Organization's policies and procedures.

1.8 Risk management

The Organization develops and implements risk management strategies and processes informed by this policy and in compliance with relevant legislation.

SECTION 2: RISK MANAGEMENT PROCESSES

This section ensures that ASB develops and implements consistent risk management strategies and processes to effectively manage and treat risk, in order to safely enhance the organization's operation and achieve its strategic goals.

This section provides guidance on the plans, processes and tools that the Organization adopts in order to identify, assess, treat and monitor risks.

This section ensures that the Organization:
» Provides reliable administrative tools and reporting methods
» Confirms that the Risk Management strategy and activities are informed by its Personnel, beneficiaries and the broader community
» Ensures that risk management processes support and enhance the services provided to its beneficiaries
» Has a structure for the continuing review of risk
» Provides ongoing safe operations for Personnel, beneficiaries and the broader community.

2.1 Communication and consultation

Communication and consultation is undertaken with the Organization's Personnel to ensure understanding and engagement in risk management.

Communication mechanisms include:
» Orientation processes for new staff, volunteers and beneficiaries entering the service
» Agenda items and discussion at staff and team meetings, e.g. WHS, budgets, beneficiaries related incidents
» Regular staff and supervisor meetings to review work plans and activities, together with incident management
» CR reporting to the ASB FAD (HFAD, DME), and regular review of the Risk Register.

The Organization implements diverse consultation methods to seek feedback from its partners, beneficiaries and Personnel. This may include:
» Staff leadership and participation in policy development
» Staff leadership and participation in risk management and risk incident review
» Beneficiaries meetings
» Workshops
» Surveys
» **Complain mechanisms**
» **Lesson learned**

Communication and consultation is undertaken with external stakeholders (if appropriate) as part of ASB plans. Mechanisms include:
» Briefing and planning meetings as part of project development, implementation and evaluation
» Strategic planning
» Performance reporting to funding bodies

» Annual reports
» Surveys and evaluations

2.2   Establishing risk context

Risk management considers the context in which ASB operates and how these characteristics and capabilities influence and inform risk responses. This could include assessing:

Strategic or external context:	» Operational, regulatory, financial and political environment » Business drivers » Opportunities and threats » Stakeholders.
Organizational or internal context:	» The Organization's goal and outcomes » Organizational culture » Strengths and weaknesses within the Organization » Existing systems and processes » Stakeholders » Available resources.
Risk management context:	» The Organization's size, organizational structure and location » Governance structure » Management expertise » Management service delivery » Workforce capacity » Assets.

2.3   Risk identification

ASB identifies risks through formal and informal processes such as: targeted consultation, observation of workplace practice and projects locations, monitoring of regulatory requirements, organizational system reviews, regular audits (e.g. WHS, policy compliance), analysis of information gathered relating to WHS incidents and strategic and project planning.

Organizational risks are categorized and summarized as follows:

Type	Area/item compromise
Strategic	» Goal and intended outcomes of the Organization » Intellectual property » Reputation » Organization and sector positioning » Resourcing, growth and improvement
Compliance	» Entity legislation (e.g. incorporations, co-operatives or others) » Contractual obligations » Insurance » Taxation » Employment legislation (refer to the Human Resources Policy) » Work health safety legislation (refer to the Work Health Safety Policy)
Financial	» Fraud » Income, budget and expenditure operations » Debt collection

	» Governance and management by board of directors
Operational	» Governance » Service delivery (e.g. clinical, projects, programs) » General equipment, resources and facilities » Human resource management » Information management » Break-in, theft, and fire
Market/ environmental/ external risks	» Natural disasters or major storms » Changes in government and/or government policy » Major legislation change » Conflicts and security risks

2.4   Risk assessment

The risk assessment matrix, risk likelihood and rating tables below are applied to all identified risks to determine their level of risk based on two categories: likelihood and impact.

Risk assessment also includes reviewing existing controls, whether specific to that risk or by default.

2.4.1   Risk matrix

Likelihood		Minimal	Minor	Moderate	Significant	Severe
	Almost certain	Low Medium	Medium	Medium - High	High	High
	Likely	Low	Low - Medium	Medium	Medium - High	High
	Possible	Low	Low	Medium	Medium - High	High
	Unlikely	Low	Low	Low - Medium	Medium	Medium - High
	Rare	Low	Low	Low	Medium	Medium - High
		Minimal	Minor	Moderate	Significant	Severe
				Impact		

2.4.2   Risk likelihood

Rating	Description
Almost certain	90% or greater probability Expected to occur in most circumstances

Likely	50-90% probability	Will probably occur in most circumstances
Possible	20-50% probability	Could occur at some time
Unlikely	10-20% probability	Not expected to occur
Rare	<10% probability	Would occur only in exceptional circumstances

2.4.3 Risk impact

Rating	Description	
Severe	Organization objectives and/or continuing viability is threatened	Death or serious injury to a person
Significant	Organization objectives are not met	Serious injury or illness requiring medical treatment with permanent consequences
Moderate	Organization objectives may be threatened	Injury or illness requiring medical treatment
Minor	Organization objectives require monitoring	Minor injuries
Minimal	Organization objectives unlikely to be affected	Minor first aid injury

2.4.4 Risk rating
The risk rating assists ASB in determining if the risk is acceptable or unacceptable. A low rating risk may be expected and acceptable with minimal treatment response, whereas a high rating risk is not acceptable and therefore requires a response to minimize or eliminate risk.

High	Requires immediate action to mitigate the risk
Medium-High	Requires short-term action to mitigate the risk
Medium	Requires medium-term action to mitigate the risk (work within other priorities)
Low-Medium	May require attention
Low	Manage by routine procedure

2.5 Risk treatment
Risk treatment involves identifying and implementing actions to eliminate risks or reduce their impacts. In treating risk the organization, board and staff members ensure that:
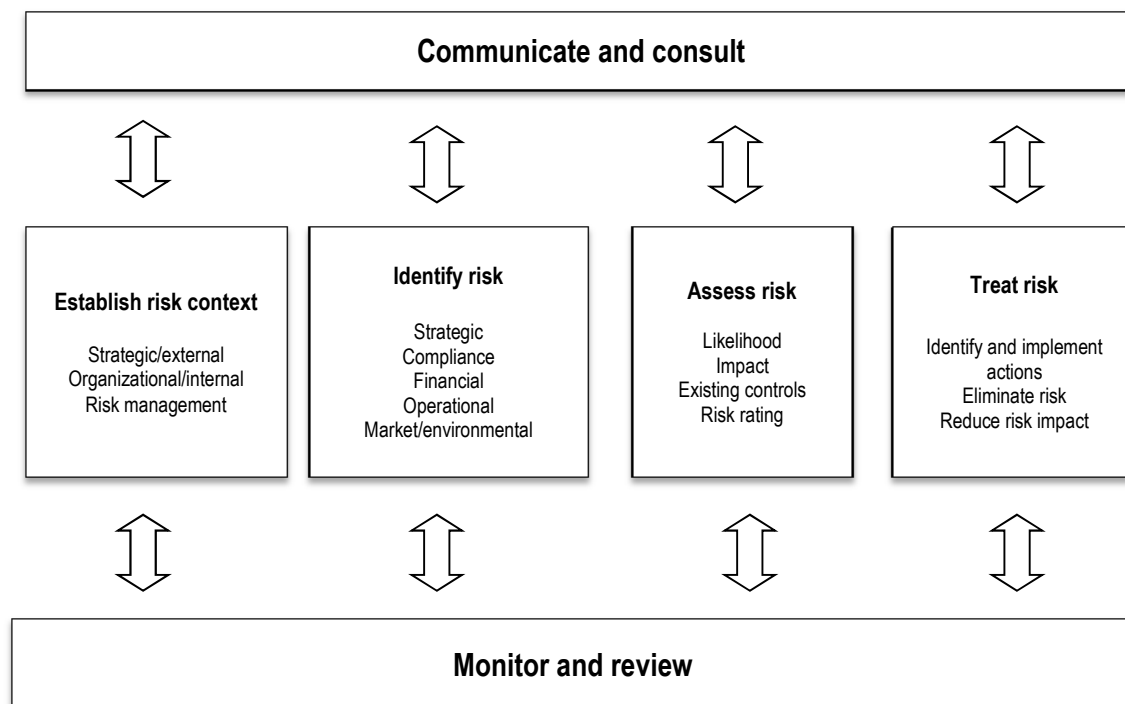» The cost of implementing risk treatments is balanced with the expected and actual risk reduction outcomes
» If eliminating risk is to discontinue an activity, remove an identified risk item, or avoid new or potential risks
» Risk reduction activity involves implementing reasonable and practical steps to reduce risks and minimize loss, injury or harm. For example, where transport of heavy boxes is unavoidable, a trolley and safe lifting training is provided

» Major risks and their responding treatments are logged in the organization's Risk Register
» Risks that are substantially mitigated by the existence of a specific organizational policy or listed in the organization's Compliance Register may not be required to be recorded in the Risk Register
» Risk specific to beneficiaries service delivery are managed under a clinical risk management framework
» Risks specific to individual projects are identified and responded to through project implementation; these may not be required to be recorded in the Risk Register.

Risk Management should adopt the hierarchy for controlling Risks:
» Eliminate the hazard
» Substitute the hazard for something safer
» Isolate the hazard from people
» Use engineering controls
» Use administrative controls
» Use personal protective equipment.

The diagram below depicts the Organization's risk management process.

Communicate and consult

Establish risk context	**Identify risk**	**Assess risk**	**Treat risk**
Strategic/external Organizational/internal Risk management	Strategic Compliance Financial Operational Market/environmental	Likelihood Impact Existing controls Risk rating	Identify and implement actions Eliminate risk Reduce risk impact

Monitor and review

2.6   Risk management plans
ASB implements risk management plans for specific activities that carry likely or almost certain risk which are inherent in working with our beneficiaries. The plans provide specific guidance to staff in managing concerns that are likely to arise when providing direct beneficiaries services.

2.7   Risk monitoring and reviewing
ASB monitors and reviews risks and their treatment strategies as part of effective risk management and ongoing quality improvement.

Monitoring and reviewing activities include:
- » Re-consideration of the contexts, rating, treatment and responsibilities.
- » Risks identified through the Organization's Risk Register and Compliance Register are reviewed and updated monthly by the Senior Management Team (SMT) in the County Office
- » Previously identified risks may become de-activated through a monitoring and review process, where the likelihood and impact of loss, injury or harm is assessed as non-existent or negligible.
- » WHS risks are reviewed quarterly through workplace audits and other WHS strategies.
- » Risk management plans are developed and regularly reviewed for the delivery of services to those areas where risk is likely or almost certain.
- » Risks that are assessed as specific to individual projects are reviewed through project mechanisms such as scheduled milestone checks, progress reporting, advisory group meetings, stakeholder feedback, outcome monitoring, and end-of-project evaluation.
- » The Organization's risks are also reviewed and their status is updated following a risk incident, such as a clinical incident, workplace accident, cuts to funding, damage to reputation, or not meeting taxation compliance requirements.

2.8   Reporting and record-keeping

Risks identified in the Organization's Risk Register and the Compliance Register are reported to the CR monthly by the Manager in the scheduled meetings. Related discussion and outcomes are recorded in relevant minutes.

Risk management discussion and outcomes from staff meetings are recorded in meeting minutes.

2.8.1   Risk register

The Organization's Risk Register details major risks, their rating, controls and treatments, as well as responsibilities and timeframes.
- » All risks listed in the Risk Register are allocated a unique risk identification number.
- » De-activated risk identification numbers are maintained on the Risk Register for reference as required.
- » Electronic copies of monthly reviewed and updated Risk Register are saved in accordance with the Information and Communication Technology Policy.

2.8.2   Compliance register

The Compliance Register details compliance obligations in relation to: insurance, incorporation, taxation, performance agreements, and WHS.

Electronic copies of monthly reviewed and updated Compliance Register are saved in accordance with the Information and Communication Technology Policy.