



Africa Healthcare Development Trust (AHDT) Risk Management Framework

Introduction

The Africa Healthcare Development Trust (AHDT) recognizes that effective risk management is integral to achieving our mission of improving healthcare in underprivileged communities. This Risk Management Framework provides structured guidelines for identifying, assessing, and mitigating risks, ensuring the sustainability and effectiveness of our operations.

1. Risk Identification

External Risks

- **Geopolitical Risks:** Fluctuations in political and regulatory environments in the UK and Nigeria.
- **Economic Risks:** Variability in funding, currency exchange rates, and economic conditions.
- **Societal Risks:** Changes in public perception and donor priorities, societal needs in target areas.
- **Environmental Risks:** Impact of natural disasters and climate changes on operations.

Internal Risks

- **Operational Risks:** Challenges in project management, supply chain, and operational inefficiencies.
- **Financial Risks:** Mismanagement of funds, budget overruns, or insufficient funding.
- **Compliance Risks:** Non-adherence to laws and regulations in operating regions.
- **Reputational Risks:** Negative public perception affecting credibility and trust.
- **Human Resources Risks:** Issues related to staffing, volunteer management, and skills shortage.

2. Risk Assessment

- **Likelihood:** Determine the probability of each risk occurring.
- **Impact:** Evaluate the potential effects on AHDT's mission, financial stability, and reputation.
- **Prioritization:** Rank risks based on their severity and likelihood.

3. Risk Mitigation Strategies

External Risk Mitigation

- **Adaptability:** Continuously monitor and adapt to changing external conditions.
- **Funding Diversification:** Broaden funding sources to minimize dependency on specific donors.
- **Community Engagement:** Maintain strong connections with local communities for insights and support.

Internal Risk Mitigation

- **Operational Excellence:** Implement effective project management and operational procedures.
- **Financial Control:** Enhance financial monitoring, auditing, and budget management practices.
- **Compliance Vigilance:** Regularly update and train staff on compliance and legal standards.
- **Reputation Management:** Establish protocols for crisis communication and proactive PR.
- **HR Management:** Implement strategies for staff development, training, and retention.

4. Risk Monitoring and Reporting

- **Regular Assessments:** Schedule routine risk evaluations and updates to strategies.
- **Clear Reporting Channels:** Develop a formal process for reporting and communicating risks.
- **Stakeholder Engagement:** Involve staff, volunteers, and board members in risk discussions.

5. Risk Management Culture

- **Training and Awareness:** Promote risk awareness and provide relevant training.
- **Leadership Involvement:** Ensure leadership engagement in endorsing and implementing risk management practices.
- **Learning and Adaptation:** Foster a culture that learns from past experiences to improve risk handling.

6. Documentation and Policy Development

- **Formal Policy:** Create a comprehensive risk management policy document.
- **Procedure Manuals:** Develop detailed manuals outlining procedures for risk management activities.

7. Evaluation and Adaptation

- **Feedback Mechanisms:** Implement processes for collecting and addressing feedback on risk management.

- **Policy Revisions:** Update risk management policies and procedures based on new insights and external changes.

Conclusion

This Risk Management Framework is designed to guide AHDT in proactively managing potential risks. By implementing these practices, AHDT can ensure its resilience and capacity to deliver on its mission effectively, maintaining the trust and support of our stakeholders, and positively impacting the communities we serve.

