Australian Government

PSPGEN135 Manage risk

Release: 1

PSPGEN135 Manage risk

Modification History

Supersedes and is equivalent to PSPMGT007 Manage risk.

Application

This unit describes the performance evidence, skills and knowledge required to maximise results and minimise consequences for a business unit activity by managing risk.

This unit applies to those managing risks. Those undertaking this unit would work autonomously, performing complex tasks in a range of familiar contexts.

The skills in this unit must be applied in accordance with Commonwealth and State and Territory legislation, Australian standards and industry codes of practice.

No occupational licensing, certification or specific legislative requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Competency Field

General

Elements and Performance Criteria

ELEMENTS	PERFORMANCE CRITERIA
Elements describe the essential outcomes	*Performance criteria describe the performance needed to demonstrate achievement of the element.*

1. Establish the risk management context.	1.1. Establish the nature and extent of business unit activity, its objectives and outcomes within the organisational context. 1.2. Identify the strategic and risk management context. 1.3. Identify and consult stakeholders to ensure their views, concerns and needs are taken into account in the risk management process. 1.4. Determine criteria for risk assessment. 1.5. Determine risk management criteria to provide guidance on balancing risk, costs, benefits and opportunities. 1.6. Monitor, review and adjust risk management criteria to ensure opportunities and current and emerging trends are reflected.
2. Plan for risk management.	2.1. Investigate sources of risk and identify and consult upon potential, perceived and actual risks to ensure full coverage. 2.2. Analyse risks and document in consultation with stakeholders and determine levels of risk as the basis for risk management planning. 2.3. Select risk management methods and modify as necessary to determine risks that are acceptable or unacceptable. 2.4. Identify risk treatment options for unacceptable risks and determine preferred risk treatment approaches. 2.5. Develop and communicate risk management plan to key stakeholders to ensure clarity and achievement of objectives.
3. Implement risk management plan.	3.1. Manage activity in accordance with agreed risk management plan. 3.2. Review performance, analyse variance and initiate risk responses to achieve objectives with minimal disruption and conflict. 3.3. Monitor internal and external risks to outcomes and initiate remedial actions to achieve objectives.
4. Evaluate the risk management plan.	4.1. Develop and implement an evaluation methodology. 4.2. Review and analyse outcomes to assess the effectiveness of current risk management strategies. 4.3. Monitor existing risks, identify new risks and identify any trouble spots. 4.4. Seek and use a variety of information, including the perspectives of key stakeholders. 4.5. Formulate and act upon recommendations on enhancements to the plan. 4.6. Communicate the outcomes of evaluation to relevant personnel.

Foundation Skills

Foundation skills essential to performance in this unit, but not explicit in the performance criteria are listed here, along with a brief context statement.

SKILLS	DESCRIPTION
Numeracy skills to:	• manage plans and schedules • interpret and apply mathematical data to budgetary and evaluation processes supporting risk management in the organisation.
Enterprise and initiative skills to:	• identify trends and predict the need for changes in strategies.

Unit Mapping Information

Supersedes and is equivalent to PSPMGT007 Manage risk.

Links

Companion Volume implementation guides are found in VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=bebbece7-ff48-4d2c-8876-405679019623