



Australian Government

Department of Education, Employment and Workplace Relations

AHCBUS608A Manage risk

Release: 1

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Modification History

Not Applicable

Unit Descriptor

Unit descriptor	This unit covers the performance outcomes, skills and knowledge required to manage risks in a range of contexts across the organisation or for a specific business unit or area. The unit has been designed to be consistent with AS/NZS 4360:2004 Risk management. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
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Application of the Unit

Application of the unit	This unit addresses the management of the risk across the organisation or within a business unit or area. It does not assume any given industry setting.
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Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Not Applicable

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA

ELEMENT	PERFORMANCE CRITERIA
1. Establish risk context	1.1. Review organisational processes, procedures and requirements for undertaking risk management. 1.2. Determine scope for risk management process. 1.3. Identify internal and external stakeholders and their issues. 1.4. Review political, economic, social, legal, technological and policy context. 1.5. Review strengths and weaknesses of existing arrangements 1.6. Document critical success factors, goals or objectives for area included in scope. 1.7. Obtain support for risk management activities. 1.8. Communicate with relevant parties about the risk management process and invite participation.
2. Identify risks	2.1. Invite relevant parties to assist in the identification of risks. 2.2. Research risks that may apply to scope. 2.3. Use tools and techniques to generate a list of risks that apply to the scope, in consultation with relevant parties.
3. Analyse risks	3.1. Assess likelihood of risks occurring. 3.2. Assess impact or consequence if risks occur. 3.3. Evaluate and prioritise risks for treatment.
4. Select and implement treatments	4.1. Determine and select most appropriate options for treating risks. 4.2. Develop an action plan for implementing risk treatment. 4.3. Communicate risk management processes to relevant parties. 4.4. Ensure all documentation is in order and appropriately stored. 4.5. Implement and monitor action plan. 4.6. Evaluate risk management process.

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- communication and literacy skills to consult and negotiate, to prepare communications about risk management, and to encourage stakeholder involvement
- organisational and management skills to plan and implement risk management processes
- problem-solving and innovation skills to find practical ways to manage identified risks
- use literacy skills to fulfil job roles as required by the organisation. The level of skill may range from reading and understanding documentation to completion of written reports
- use numeracy skills to estimate, calculate and record complex workplace measures
- use interpersonal skills to work with others and relate to people from a range of cultural, social and religious backgrounds and with a range of physical and mental abilities.

Required knowledge

- AS/NZS 4360:2004 Risk management.
- legislation, codes of practice and national standards, for example:
 - duty of care
 - company law
 - contract law
 - environmental law
 - freedom of information
 - industrial relations law
 - privacy and confidentiality
 - legislation relevant to organisation's operations
 - legislation relevant to operation as a business entity
- organisational policies and procedures, including:
 - risk management strategy
 - policies and procedures for risk management
- overall operations of organisation
- reasonable adjustment in the workplace for people with a disability
- types of available insurance and insurance providers.

Evidence Guide

EVIDENCE GUIDE	
The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	The evidence required to demonstrate competency in this unit must be relevant to workplace operations and satisfy holistically all of the requirements of the performance criteria and required skills and knowledge and include achievement of the following: • risk management plan which includes a detailed stakeholder analysis, explanation of the risk context, critical success factors, identified and analysed risks, and treatments for prioritised risks • details of monitoring arrangements for risk management plan and an evaluation of the risk management plan's efficacy in treating risks • knowledge of relevant legislation, codes of practice and national standards.
Context of and specific resources for assessment	Competency requires the application of work practices under work conditions. Selection and use of resources for some worksites may differ due to the regional or enterprise circumstances.

Range Statement

RANGE STATEMENT	
The range statement relates to the unit of competency as a whole.	
Risks may include those relating to:	• commercial relationships • economic circumstances and scenarios • human behaviour • individual activities • legislation • management activities and controls • natural events • political circumstances

RANGE STATEMENT	
	• technology.
Scope may apply to:	• given project • specific business unit or area • specific functional such as: • financial management • Occupational Health and Safety (OHS) governance • external environment • internal environment • whole organisation.

Unit Sector(s)

Unit sector	Business
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Co-requisite units

Co-requisite units		

Competency field

Competency field	
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