



Australian Government

BSBOPS504 Manage business risk

Release: 1

BSBOPS504 Manage business risk

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 7.0.

Application

This unit describes skills and knowledge required to manage business risks in a range of contexts across an organisation or for a specific business unit or area in any industry setting.

The unit applies to individuals who are working in positions of authority and who are approved to implement change across the organisation, business unit, program or project area. They may or may not have responsibility for directly supervising others.

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

Unit Sector

Business Competence – Business Operations

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Establish risk context	1.1 Evaluate organisational processes, procedures and requirements and determine scope for risk management process 1.2 Review strengths and weaknesses of existing arrangements 1.3 Document critical success factors, goals and objectives for area included in scope 1.4 Communicate risk management process to relevant stakeholders
2. Identify risks	2.1 Invite stakeholders to assist in the identification of risks 2.2 Research risks that may apply to scope 2.3 Document risks that apply to the scope, in consultation with relevant parties
3. Analyse risks	3.1 Assess likelihood of risks occurring

ELEMENT	PERFORMANCE CRITERIA
	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 from options for treating risks 4.2 Develop action plan for implementing risk treatment 4.3 Communicate risk management processes to relevant parties 4.4 Implement action plan according to organisational policies and procedures 4.5 Monitor and evaluate risk management process

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Description
Reading	- Synthesises a variety of relatively complex texts - Gathers, interprets and analyses textual information from a range of sources to identify relevant information
Writing	Develops textual material and organises content in a manner that effectively documents risk management analysis and assessment priorities and processes
Oral communication	Participates in interactions with stakeholders using questioning and listening to elicit opinions, and to confirm and clarify understanding
Numeracy	Uses numerical tools to assess risk and uses numerical data to review plans
Teamwork	- Selects appropriate conventions and protocols when communicating with stakeholders about risk management - Consults and negotiates with stakeholders about risk management processes and outcomes
Planning and organising	- Sequences and schedules a range of routine and complex activities, monitors implementation, evaluates processes and manages relevant communication - Systematically analyses information to decide on appropriate risk management treatments - Refers to organisational processes, procedures and requirements when making decisions about risk management
Technology	Uses digital technologies and systems to access information, document plans and communicate with others

Unit Mapping Information

Supersedes and is equivalent to BSBR501 Manage risk.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>

Assessment Requirements for BSBOPS504 Manage business risk

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- lead at least one risk management process for an organisation or work area.

In the course of the above, the candidate must:

- analyse information from a range of sources to identify the scope and context of the risk management process, including:
 - stakeholder analysis
 - political, economic, social, legal, technological and policy context
 - current arrangements
 - objectives and critical success factors for the area included in scope
 - risks that may apply to scope
- consult and communicate with stakeholders to identify and assess risks, determine appropriate risk treatment actions and priorities and explain the risk management processes
- develop and implement an action plan to treat risks
- monitor and evaluate the action plan and risk management process
- maintain documentation.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- legislative and regulatory context of the organisation in relation to risk management
- organisational policies, procedures and processes for risk management, including document storage
- types of business risks
- options for treating risks
- risk management process
- purpose and key elements of current risk management standards

- tools and techniques to identify risks to scope risk management processes.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- legislation, regulations, standards and codes relating to risk management
- workplace documentation and resources relating to risk management.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

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