



Australian Government

BSBPMG808 Manage portfolio risk

Release: 1

BSBPMG808 Manage portfolio risk

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to manage the risks within a portfolio. It covers the identification, analysis, monitoring and control of portfolio risks.

A portfolio is the centralised management of one or more portfolios of projects, which includes identifying, prioritising, authorising, managing and controlling projects, programs and other related work, to achieve specific strategic business objectives.

It applies to individuals who operate at the strategic level within the organisation. Unlike projects or programs, a portfolio does not have a finite life, instead it is a continuous process and requires regular tending to ensure the portfolio remains in balance and is consistent with the organisation's strategic objectives.

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

Unit Sector

Management and Leadership – Project Management

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. Identify portfolio risks	1.1 Establish and continuously review standards and procedures for portfolio risk management 1.2 Integrate the portfolio risk management approach with organisational risk management systems and strategies 1.3 Undertake analysis to determine the organisations risk appetite 1.4 Seek input about risks from stakeholders, executive management and other specialists

ELEMENT	PERFORMANCE CRITERIA
	1.5 Identify external and internal threats and opportunities and assess their impact on the portfolio
2. Analyse portfolio risks	2.1 Capture results from project and program risks analysis to determine overall portfolio risk profile and organisational exposure 2.2 Ensure that executive management determines the level of acceptable portfolio risk 2.3 Capture and review individual project/program risks on a regular basis to determine the potential impact on the organisation 2.4 Audit project and program risks regularly to monitor risk management performance and assess the portfolio risk profile
3. Monitor and control portfolio risks	3.1 Implement and manage organisational risk reserves 3.2 Explore opportunities identified through risk analysis 3.3 Actively manage portfolio risks to minimise organisational impact

Foundation Skills

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

Skill	Performance Criteria	Description
Reading	1.1, 1.3, 2.1, 2.3, 2.4	Applies appropriate strategies to construct meaning from complex texts
Writing	1.1, 1.3, 1.4, 2.1, 2.3, 2.4	Demonstrates sophisticated writing skills by selecting appropriate conventions and stylistic devices to express precise meaning
Oral Communication	1.4	- Participates in a range of verbal exchanges using language and features appropriate to audience - Uses active listening and questioning techniques to confirm understanding
Navigate the world of work	1.1, 1.2	Contributes to the development and review of procedures to align with organisational goals and values
Interact with others	1.4	Selects and uses appropriate communication methods and practices to seek information from a range of stakeholders

Get the work done	1.1, 1.2, 1.3, 1.5, 2.1, 2.2, 2.3, 2.4, 3.1, 3.2, 3.3	• Develops flexible plans for complex, high impact activities with strategic implications with specific focus on risk assessment and management • Prioritises and schedules complex activities, monitors implementation and makes changes to plans where required • Systematically analyses and assesses available information to decide on actions needed to manage portfolio risk • Stores results from risk analysis to enable future access • Identifies opportunities for new ideas or approaches based on risk analysis
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBPMG808 Manage portfolio risk	Not applicable	New unit	No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

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

Assessment Requirements for BSBPMG808 Manage portfolio risk

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Performance Evidence

Evidence of the ability to:

- assess and examine risks at project/program level in the context of the portfolio
- identify and prioritise portfolio risks
- apply lessons learned from previous project/programs in portfolio planning
- analyse risks and opportunities
- communicate risk events, responses and results to stakeholders
- record identification and prioritisation of risk events
- develop risk management plans
- report on variance and recommend suitable action
- detail the conduct of risk reappraisal
- review the effectiveness of risk management processes, procedures, tools and recommendations
- document improvements and risk management lessons learned.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- describe risk management theory
- list potential risk events
- identify Australian and international risk management standards
- explain the use of qualitative and quantitative risk techniques, including:
 - cause and effect modelling
 - risk probability and impact assessment
 - probability and impact matrix
 - risk data quality assessment
 - risk categorisation

- risk urgency assessment
- explain enterprise risk management approaches.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the management and leadership – project management field of work and include access to:

- workplace documentation
- feedback from stakeholders, which reflects how risk was managed for a portfolio.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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