



Australian Government

PSPMGT007 Manage risk

Release: 1

PSPMGT007 Manage risk

Modification History

Release	Comments
1	This unit was released in PSP Public Sector Training Package release 1.0 and meets the Standards for Training Packages. This unit supersedes and is equivalent to PSPMNGT608B Manage risk. • Unit code updated • Content and formatting updated to comply with new standards • All PC transitioned from passive to active voice

Application

This unit describes the skills required to maximise results and minimise consequences for a business unit activity by managing risk. It includes establishing the risk management context, planning for risk management.

This unit applies to those managing risks.

The skills and knowledge described in this unit must be applied within the legislative, regulatory and policy environment in which they are carried out. Organisational policies and procedures must be consulted and adhered to.

Those undertaking this unit would work autonomously, performing complex task in a range of familiar contexts.

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

Competency Field

Management

Elements and Performance Criteria

ELEMENTS	PERFORMANCE CRITERIA
Elements describe the essential outcomes	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the range of conditions section.

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 throughout the activity's life cycle.
3. Manage risk	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 are embedded within the elements and performance criteria of this unit.

Unit Mapping Information

This unit supersedes and is equivalent to PSPMNGT608B Manage risk.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=bebbece7-ff48-4d2c-8876-405679019623>

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Assessment Requirements for PSPMGT007 Manage risk

Modification History

Release	Comments
1	These Assessment Requirements were released in PSP Public Sector Training Package release 1.0 and meet the Standards for Training Packages. Assessment Requirements created drawing upon specified assessment information from superseded unit

Performance Evidence

Evidence required to demonstrate competence must satisfy all of the requirements of the elements and performance criteria. If not otherwise specified the candidate must demonstrate evidence of performance of the following on at least one occasion.

- applying legislation, regulations and policies relating to risk management
- researching and analysing the wider context affecting the organisation
- using communication and consultation with a diverse range of stakeholders
- applying problem solving using conceptual and reasoning skills
- engaging in discussion using exchange of complex oral information
- using a variety of words and language structures to explain complex, formal documents and assisting others to apply them in the workplace

Knowledge Evidence

Evidence required to demonstrate competence must satisfy all of the requirements of the elements and performance criteria. If not otherwise specified the depth of knowledge demonstrated must be appropriate to the job context of the candidate.

- legislation, regulations, policies, procedures and guidelines relating to risk management
- Australian and New Zealand standards
- Guidelines for managing risk in the Australian and New Zealand public sector
- risk management cycle
- the relationship of risk to context – how the context may define the risks
- the importance of consultation and communication at every stage of the risk management cycle
- legal requirements related to the activity
- whole-of-life considerations
- approval processes

- range of evaluation methodologies
- the diversity of risks in the public sector
- public sector legislation, including work health and safety and environment in the context of risk management

Assessment Conditions

This unit contains no specific industry-mandated assessment conditions. Guidance on suggested and recommended conditions and methods can be found in the Implementation Guide.

Assessors must satisfy the NVR/AQTF mandatory competency requirements for assessors.

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