Launching an ERM Program

Shobna Varma

Three Essential Elements

- Policy – provides organizational endorsement
- Tools – give staff the means to identify and manage risks
- Process – integrates risk management in agency practices

Tools to Succeed

- Training
- Risk workshops
- Central repository for tracking risks
- Linkage to core business processes
- Executive support

Risk Matrix with Impact and Likelihood Definitions			Likelihood				
			Rare	Unlikely	Likely	Very Likely	Almost Certain
			Less than once every 10 years	Once in more than 3 but less than 10 years	Once between 1-3 years	Once a year	Several times a year
Impact	Catastrophic	Potential for multiple deaths & injuries, substantial public & private cost.	Medium	Medium	High	Very High	Very High
	Major	Potential for multiple injuries, substantial public or private cost and/or foils agency objectives.	Low	Medium	Medium	High	Very High
	Moderate	Potential for injury, property damage, increased agency cost and/or impedes agency objectives.	Low	Medium	Medium	Medium	High
		Potential for moderate	ow	Low	Low	Medium	Medium
			ow	Low	Low	Low	Medium

NSW GOVERNMENT | The Treasury

Risk Management Toolkit for NSW Public Sector Agencies

Volume 1: Guidance for Agencies

Policy & Guidelines   TPP12-03b

Better Practice Guide

June 2008
Risk Management

Assigning Risk Responsibilities

Enterprise: Risks to the organization's strategic objectives, or which involve multiple levels.
Responsibility: Senior executives, policy makers.

Program: Risks that are common to groups of projects that achieve strategic goals.
Responsibility: Program managers.

Project: Risks that are specific to individual projects.
Responsibility: Project managers.

Activity: Risks that are specific ongoing functions that support programs or projects.
Responsibility: Activity managers.

Integrating into Practice