



Australian Chiropractic College

RISK MANAGEMENT POLICY AND FRAMEWORK

Governing authority: ACC Board of Directors
Responsible officer: Head, Corporate Services
Approval date: 16th November 2016
Effective date:
Date of policy review: 2021

1. Purpose

The ACC Risk Management Policy and Framework (the Framework) supports ACC's approach to systematically identify and manage key risks to its operations, the achievement of its strategic priorities, and the identification and management of risks to students.

The Framework formalises the commitment of ACC to risk management principles and the organisational arrangements to underpin implementation, including accountabilities, resources and processes.

2. Overview

ACC is committed to developing and delivering innovative new higher education programs that build on an established New Zealand curriculum and offer a unique student experience that is internationally focused, creative and connected. This commitment is embedded in its Strategic Plan 2016-2018.

ACC's Strategic Plan also reflects its commitment to stringent academic standards and robust governance arrangements, underpinned by core operating Values including excellence, integrity and innovation.

In this context, ACC encourages organisational innovation whilst working to maintain a low risk profile that ensures quality in higher education standards and sound corporate practices. Effective risk management policy and procedures are central to achieving this.

Risk management is integral to ACC's operations across the different levels of the organisation and is embedded within strategic business planning, operational planning, and performance and quality monitoring processes.

ACC fosters a risk-aware culture where staff members are supported to adopt a positive approach to risk management, proactively identifying, assessing and monitoring opportunities and risks on an ongoing basis.

ACC's approach aligns with the Australian and New Zealand Standard AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines, which provides an internationally accepted basis for good practice risk management. ACC's approach has been developed with

assistance from its external advisors, particularly precedent material provided by Wells Advisory.

3. Principles

The principles that underpin ACC's approach to risk management include that risk management is:

- Aligned to the organisational vision, mission, priorities and values;
- An integral part of the organisation's decision-making processes;
- Systematic and timely;
- Based on the best available information;
- Transparent, consultative and inclusive;
- Dynamic and responsive to change;
- Considers the likelihood and potential severity of occurrence; and
- Contributing to continual improvement in performance.

ACC's approach to risk management aids the achievement of the college's academic mission, with a key focus on ensuring student expectations are exceeded through a nurturing educational environment that places engagement as a priority as well as assuring students are well supported to learn, to succeed, to qualify, to connect and to enjoy their time whilst at ACC.

4. Key components

The key components of the risk management approach are:

- Mandate and commitment – There is a strong and sustained commitment by ACC leadership to ensure the ongoing effectiveness of risk management.
- Design – There is a systematic approach to designing a risk management system, which establishes effective governance, communication and reporting arrangements.
- Implementation – The risk management process is applied at all relevant levels and functions of the organisation as part of its risk and planning practices and processes.
- Monitoring and review – The risk management framework and plans have scheduled reviews and updates as required.
- Continual improvement– Based on the results of monitoring and review, decisions can be made on how the risk management framework and plans can be improved.
- Communication – Communication takes place throughout the process to ensure those accountable for implementing the risk management process are supported and that key stakeholders understand the basis on which decisions are made.

5. Risk Management Model

The key elements of the risk management model are further explained below.

MONITOR

IDENTIFY



IDENTIFY

- Risk identification determines what, where, when, why and how risks could arise, and the effect this would have on the organisation's ability to achieve its objectives.
- A key step in this process is to establish the context. This means understanding the organisation's objectives, and defining internal and external factors that could be a source of uncertainty, to guide a nuanced understanding of the risk to support the remainder of the risk management process.

ANALYSIS

ANALYSE

ADJUST

- Risk analysis determines the level of risk by understanding, for example, how quickly a risk can occur, the sources and cause of a risk, and the consequences and likelihood of those consequences. Analysis takes into account the effectiveness of existing controls.
- A key step in this process is to also evaluate risk by applying a consequence and likelihood matrix or register that assesses the risks in relation to each other. This supports prioritisation and highlights differences.

ADJUST

- Risk adjustment involves assessing and selecting one or more options for modifying risks by changing the consequences or likelihood and implementing selected options through a treatment plan or similar.
- Adjustments aim to reduce or mitigate risk.

MONITOR

- Monitoring and review confirms that risk and the effectiveness of control and risk treatments are monitored and reported to ensure that changing context and priorities are managed and emerging risks identified.

6. Risk Appetite

The risk management model outlined above is undertaken in the context of the organisation's 'risk appetite'. The 'risk appetite' is established by the Board and guided by the Audit and Risk Committee, CEO, and Academic Board and senior leaders.

As signalled earlier, overall ACC has a low appetite for risk and seeks to maintain a low-medium risk profile with a low risk to students. This position takes into account the consequences of major risk events for students, the early stage of operations in higher education, accountability and compliance requirements and a commitment to stringent standards, and reputational risk that may impact ongoing sustainability of the new venture.

However, this is also balanced with an acknowledgement that some level of risk is acceptable and indeed unavoidable in pursuing the objectives of the organisation in developing a new area of delivery, and a desire to embrace opportunities to innovate in creating a distinct higher education learning experience for students.

7. Risk categories

There are several primary and inter-related categories of risk for ACC.

- Financial risks

- Risks associated with a lack of defined policies, processes, procedures or Delegations of Authority at a functional or business unit level. This includes:
 - Asset Management
 - Business Continuity
 - Information Technology
 - Legal & Regulatory
- Risks associated with culture, organisational structure and communication including supporting systems, processes and procedures. This includes:
 - Contract Management
 - Corporate Governance
 - Human Resources
 - Operational Management
 - OHS
- Reputation
 - Risks that may affect ACC's public image. Risks associated with a possible event or circumstance that may lead to unfavourable publicity or impact on ACCs merit, achievement and public standing.
- Stakeholder Management
 - Risks associated with the identification of individuals and organisations with a direct influence on and/or interest in ACC's operations.
 - Risks associated with the need to ensure ongoing and effective communication and consultation with key stakeholders.
- Strategic
 - Risks associated with strategy development, strategic alliances, student services, course development, product offerings and performance targets.
 - Risks relating to long-term failures in the provision of ACC services, loss of students, non-attainment of key goals over time.
- Teaching and Training
 - Risks associated with developing, implementing and managing new and existing courses, services, alliances, customer service, pricing, marketing, research, training and feasibility of new business opportunities.

Specific risks are detailed within these categories in a Risk Register, with accompanying individual risk management and treatment plans where appropriate.

8. Roles and responsibilities

The Audit and Risk Committee is responsible for overseeing and quantifying the risk management practices of ACC and the reporting of significant organisational-wide risks to the ACC Board as part of ACC's governance processes.

It reviews the ongoing development, implementation and improvement of the risk management model and typically convenes on a quarterly basis, or more frequently as appropriate.

The Audit and Risk Committee comprises a member of the ACC Board, a member of the Academic Board, the Head of Corporate Services, and an Academic Dean.

The Academic Board oversees significant academic risks relating to the provision of quality higher education services and contributes to the deliberations of the Audit and Risk Committee through representation and input to risk management processes.

The CEO is responsible for:

- Approving ACC's risk management policy and framework.
- Supporting the ongoing implementation of risk management across all of ACC's operations.
- Ensuring staff members understand their responsibilities with respect to risk management.
- Fostering a positive, risk-aware culture across the organisation.

The Head of Corporate Services is responsible for:

- Coordinating, facilitating and periodically reviewing the risk management policy and framework and supporting documentation.
- Coordinating the implementation and ongoing development of risk management processes across the organisation.
- Ensuring staff members understand their responsibilities with respect to risk management and are supported with training and assistance.
- Reporting significant risks to the Audit and Risk Committee and in turn the Board.

All students and staff have a role in contributing to effective risk management within their area of influence. Staff members are responsible for adhering to ACC's risk management policy and framework and related procedures. Managers and supervisors assist in fostering a risk-aware culture and will ensure that staff members within their areas understand their responsibilities.

9. Review

The risk management policy and framework will be reviewed every five years, or more frequently as appropriate.

Date	Description of amendment

10. Related documents /policies

Risk Register
Disaster Recovery Policy and Plan

Presented to the Board 21st September

APPROVED