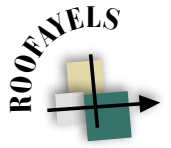


**MODERN CLUB
MANAGEMENT**



Risk Management – Manual

8

SECTION 8-RISK MANAGEMENT2

- Introduction - Risk Management2**
- What Is Risk Management?.....2**
- Why Implement Risk Management Practises2**
- Benefits2**
- The Truth about Risk Management3**
- Education & Training.....3**
- Quick Tips- Risk Reduction utilising Education & Training3**
- Identification3**
- The Four Common Levels of Risk Identification;.....4**
- Treatment4**
- Common Mistakes That Increase Risk Exposure.....4**
- Six- Step Risk Management Process5**
- Policy5**
- HOT TIP “RISK MANAGEMENT”6**

Introduction - Risk Management

In this ever-changing environment, community organisations are constantly required to deliver higher and higher outcomes, which on the surface appear daunting to the volunteer managers and administrators. With the **new financial pressures of public liability**, organisations need to manage risk well to ensure its longevity.

In the past, volunteers have been the backbone of an organisation's development. The pressure on volunteers is now at its highest. The authors of this manual recognised that an organisation with a skilled workforce of paid staff have difficulty delivering risk audits and developing strategies to remove risk, so what chance have community organisations to deliver the outcomes expected of governments and insurance companies?

To help community organisations meet all these mounting expectations, the author set about developing a series that would systematically take community organisations through the requirements needed to improve organisation's development and reduce exposure to risk.

The following information is a synopsis of the author's series and is designed to be read in conjunction with the material provided in [See Hot Tips "Risk Management"](#) and the training provided within the series workshops. The reader must understand that managing risk is a complex issue and can require a systematic approach.

What Is Risk Management?

Risk management is about making your activity safe and enjoyable to play, watch or participate in. Some examples of implementing the risk management include:

- Securing public liability
- Adequately warming-up players
- Mowing lawns
- Managing the club professionally
- Maintaining facilities
- Providing job specific training
- Screen volunteers
- Planning your yearly tasks
- Having the right number of volunteers to deliver the program
- Good cash management procedures
- Having the finances required to deliver the necessary tasks

Why Implement Risk Management Practises

Legally you are required to, you have a duty of care to your members, participants, spectators and the community. The organisations task is to reduce the likelihood of the organisation being deemed negligent by a court of law. You have a legal obligation to protect your members and community from harm.

Benefits

With the implementation of good risk management practises, an organisation will be better prepared to achieve outcomes, protect assets, reduce the risk of undesirable and costly litigation, improve the viability of the organisation and have a more confident and willing base of administrators paid or voluntary, technical personnel and officials.

The Truth about Risk Management

Risk management is not something to fear but poor management is

With appropriate management of risk, operators and providers are improving the delivery of programs, services by activities and reducing their community's exposure to risk.

Education & Training

Appropriate and continual education and training should be conducted for all personnel responsible for implementing and delivering products and services at all levels of the organisation regularly.

The committee as a collective carry the legal responsibilities on behalf of the organisation. Therefore it is critical they understand their duty of care responsibilities and undertake training prior to their commencement of duties on proper risk management.

Appropriate education mechanisms and documentation should be provided to technical personnel, athletes, parents and spectators regarding risk elimination and/or minimisation. Education and training is the most effective tool for eliminating or reducing risk. See Section 3 for more details on how to manage and implement training.

Quick Tips- Risk Reduction utilising Education & Training

Provide training or education material to all those responsible for decreasing risk prior to the start of their duties or their participation

Ensure your induction program for all volunteers has a risk education component that articulates their duty of care.

Ensure that all committee members attend induction and if possible, attend a more comprehensive risk education or training ([See Hot Tips "Risk Management"](#) for how to access free training courses or risk education documents)

Identification

Identification is the most critical step in relation to managing risks. It is impossible to reduce risk unless they are clearly identified. To treat a potential risk, an organisation must have at least genuinely attempted to identify the potential of harm to the organisation or its members. We regard identification as the key to reducing risk within any organisation. Each member, paid or voluntary should be continually encouraged to assist the governing members to identify potential risk.

The identification process may occur:

Yearly, monthly,

Pre season, pre game

Weekly, hourly

Every time an activity or action takes place

The task of the governing body is to determine when a things need to be identified. Identifying the potential and actual risks is the **first step** in the risk management process. Often it is also the most difficult. Many risks will not be obvious and some may be extremely uncommon.

The Four Common Levels of Risk Identification;

1) **Informal inspection** which could involve stakeholders engaged in the activity identifying and reporting on potential risks that arise throughout the activity.

2) **General/safety audit** which identifies the normal wear, tear and general deterioration of physical assets such as equipment, facilities, grounds, waterways and pathways.

Key Point: -When utilising volunteers to identify risk it is critical they have the skills and training in identifying, rating and prioritising the specific risk. For example you would not expect the grounds persons to audit the finances of the club and if they did, they would more than likely make poor decisions therefore, exposure to risk would increase.

3) **Vital inspection** involves the regular inspection of equipment and activities. A qualified person familiar with the activity or equipment being used should conduct this.

4) **External inspection**, which uses specialists with expertise in the activity and/or equipment, products and services to evaluate the quality of the organisation's processes. For economic reasons, external inspections are usually done only a few times a year (Paterson, 1994).

Treatment

The most responsible solutions need to be determined to eradicate, reduce and/or minimise the risk as soon as is practically possible utilising the most effective and efficient solutions within the organisations capabilities physically and financially. [See Hot Tips "Risk Management"](#) on how to access the 3.2 Risk Reduction Strategies (treatment) document that provides the reader with sample solutions to key known risks for community providers.

To treat the risks you must determine the most effective way to remove or reduce your organisations exposure. The process of treating risks should be well considered, (more than one person should be involved in determining the best response) whether it be erecting warning signs or changing the operating structure of the organisation. Treatment may be

- Filling in a hole or erecting a sign
- Conducting training
- Utilising only qualified personal
- Adapt a policy &/or procedure
- Utilise new communication tools (computer database)
- Adapting the rules for young, social and graded players
- Budget for management, maintenance and upgrade of assets
- Inspecting the playing and spectator areas prior to use

You must ensure the action or response you have chosen actually removes or decreases the risk. It may be necessary to source professional or skilled assistance to determine the most appropriate action required.

Common Mistakes That Increase Risk Exposure

- Resources are spent on playing the game and not on the maintenance of the club or association
- No funds put aside to maintain the facilities, equipment etc.
- No policies in place
- One or two volunteers are responsible for everything
- Inexperienced volunteers carry out tasks without specific training or a clear understanding of their roles and responsibilities

No formulated strategy in place for communication to inform the masses

IGNORANCE IS NO EXCUSE

Six- Step Risk Management Process

1. Identification

Process needs to be developed specific to your organisations needs. If the organisations utilises checklist tools they must be adapted to their specific environment.

Identification needs to be conducted by those capable of identifying risk appropriately. The grounds person should be attempting to identify risk to the grounds.

Identification should be conducted by more than one person (unless that one person is recognised as an expert and can sign off that they are a professional under the law)

2. Rating

During the rating process the organisation will be required to determine the likelihood and consequences of a risk occurring in the given environment. These ratings might include the likelihood of a catastrophic outcome or it could be a very unlikely outcome with limited consequences to the function of the organisation.

The rating process should take into consideration the variables that could occur-(internal, external environmental impacts etc)

3. Evaluation

Once rating has occurred an evaluation will establish the priority of the risk (High, med, Low)

4. Treatment

May include the total removal of the risk or the management of a high risk Please note that some risks will always remain a high risk such as using a chain saw- once. No strategies or treatment will reduce it from being a high risk.

Is not just about defining how an organisation will reduce its high risks it must also consider what is required to keep a low risk low always.

5. Implementation

Once a treatment is subscribed it must be implemented. It should be noted that implementation can be a difficult step as many variables can occur.

6. Review

The organisation must constantly review identified risks as a requirement of the day-to-day management and administration process. Regular reviews of governance, rules of association, policies and procedures are required to ensure new risk/s have not occurred and that solutions being provide are continuing to remove or reduce organisational risk.

[See Hot tips "Risk Management"](#) for details on how to access all the available risk documents designed to assist community organisations through the risk six step process.

Policy

Your organisation is required to recognise that risk management is an essential management and administration function which is the responsibility of all directors, committee members, employed staff, volunteer committee members at all levels of the organisation. Those responsible are required to operate within the policy and to manage risk within their individual area/s of responsibility. This level of responsibility may be

managed through: training and position sheets, task sheets, rules and regulations, and daily processes.

The following CD Rom will provide information on how to access to the polices and procedures and samples documents required to reduce risk exposure within your organisation

HOT TIP “RISK MANAGEMENT”

RISK MANAGEMENT

[CONTACT US](#) to access “RISK REDUCTION & REMOVAL” CD ROM 8 containing documents designed to better assist to reduce your organisations exposure to risk. The documents RELEVANT are

3.13 Risk Management Policy and Procedure

3.14 Alcohol & Drug Policy and Procedures

2.1 Risk Education Manual

2.2 Risk Reduction Strategies

2.4 Sample Risk Checklists

The law requires that all community organisations provide a safe environment for its members and the community.

CONTACT US about free risk workshops that may be available

[CONTACT US](#) to access CD ROM 6 to help you better protects your children and young people. The documents relevant to Child protection are

CHILDREN PROTECTION POLICIES & PROCEDURES

BLUE CARD INFORMATION

100 Pt CHECK

CHILDREN SAFETY CHECKLIST

[CONTACT US](#) to access CD ROM 4 policies and procedures documents are designed to better protects the organisation. The documents relevant to

Harassment, Sexual Abuse, Grievance Process & Discipline and Dismissal
