

Risk & Opportunity

ISO 9001:2015 & ISO 45001:2018

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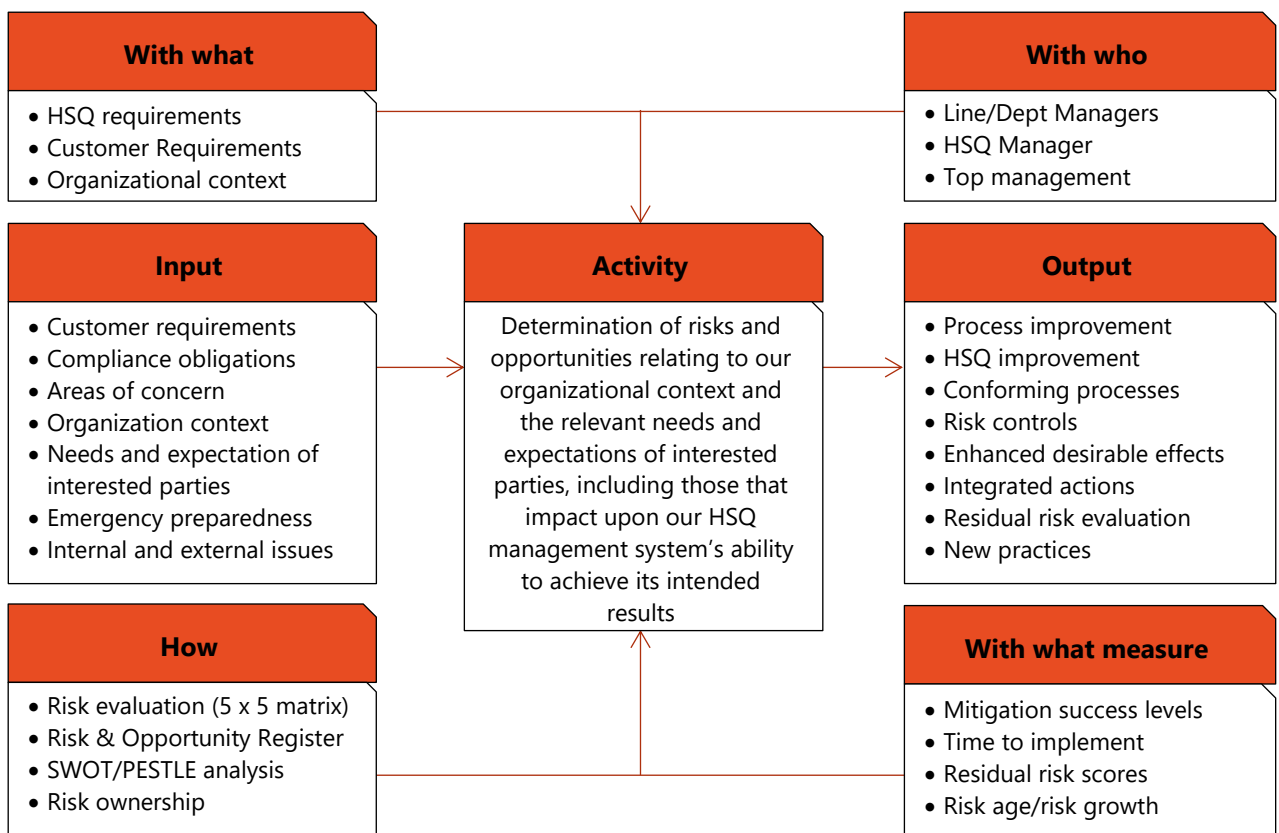
1 Procedure

1.1 Introduction & Purpose

The purpose of this procedure is to outline **your organization's** risk and opportunity management framework and the activities within. The risk and opportunity management framework defines our current risk management process, which includes the definition of risk criteria, the identification, assessment, evaluation prioritization and communication of actions to mitigate risks or to leverage opportunities.

1.1.1 Process Overview

The process overview (turtle diagram) provides internal and external auditors, process owners, and participants an overview of the elements that are required by the risk and opportunity management process:



1.1.2 References

Standard	Title	Description
BS EN ISO 9000:2015	Quality management systems	Fundamentals and vocabulary
BS EN ISO 9001:2015	Quality management systems	Requirements
BS EN ISO 45001:2018	OH&S management systems	Requirements
BS EN ISO 19011:2018	Auditing management systems	Guidelines for auditing

1.1.3 Terms & Definitions

Term	Definition
Likelihood	The chance of something happening
Consequence	The outcome of an event having a negative effect on objectives
Risk	An undesirable situation likely to occur, with a potentially negative consequence
Opportunity	Opportunities are identified as positive effects of risk

Term	Definition
Risk Assessment	The overall process of risk identification, risk analysis, and risk evaluation
Risk Identification	The process of finding, recognizing and describing risks
Risk Analysis	A process to comprehend the nature of risk and to determine the level of risk
Risk Treatment	Risk treatment is used in the context of dealing with negative consequences of risk
Risk Criteria	The terms of reference against which the significance of risk is evaluated

1.2 Application & Scope

Risk and opportunities are defined by [your organization](#) as 'something happening that may have an impact on the achievement of our objectives or which may affect our health, safety and quality management system'. Risk and opportunity management is a central part of our organization's strategic management.

It is the process whereby management teams and risk owners methodically address the risks and opportunities attached to their activities with the goal of achieving sustained benefits within their activity.

1.3 Roles, Responsibilities & Authorities

Regardless of the scope, roles and responsibilities are agreed by [Top management](#) and incorporated into existing job descriptions, and included in yearly objectives. All roles and designated person(s), team(s), or group(s) are clearly communicated across [your organization](#) in order to encourage or improve collaboration and cooperation for cross-functional process activities.

1.3.1 Roles & Responsibilities

The roles and responsibilities associated with the risk and opportunity process are defined in the context of the management function and are not intended to correspond with organizational job titles. A role refers to a set of connected behaviors or actions that are performed by a person, team, or group in a specific context.

1.3.1.1 Top Management

[Top management](#) are responsible for:

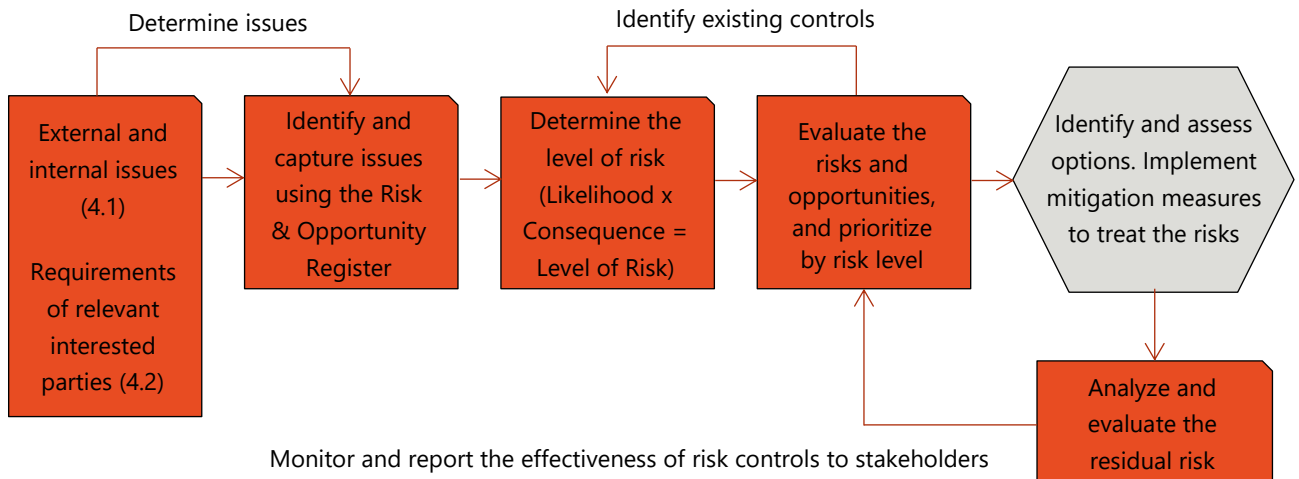
1. Ensuring that the risk management framework is established, implemented, monitored, and reviewed for improvement;
2. Determining the relevant external and internal strategic issues:
 - a. That affects the ability to achieve the intended outcomes of the HSQ management system;
 - b. That can impact the planning of the HSQ management system.
3. Assessing conditions capable of affecting or being affected by our organization;
4. Determining strategic direction and operational purpose;
5. Ensuring the policy and objectives are:
 - a. Compatible with our context;
 - b. Compatible with our strategic direction.
6. Retaining ultimate authority and responsibility for Risk Management.

1.3.1.2 HSQ Manager

The [HSQ Manager](#) is responsible for:

1. Ensuring that the risk management process is communicated and integrated throughout the organization, and that risks are identified, managed and monitored in accordance with this process;
2. Ensuring monitoring activities exist to verify risk and opportunities are effectively managed;
3. Evaluating feedback from operational performance and identifying opportunities for improvement;

The needs and expectations of workers and interested parties are initially captured and analyzed using the *Context & Interested Parties Analysis* matrix. Issues arising are escalated to the *Risk & Opportunity Register* for further analysis, evaluation and mitigation.



1.4.2 Identification

Risk and opportunity identification is a critical activity at both a strategic and operational level. It needs to include all significant sources of risk, including those beyond **our organization's** control. If a risk, threat, or opportunity is not identified, there can be no strategy to address it. Additional risk sources may be identified throughout the operational cycle. Listed below are some typical examples of risk sources:

1. Requirements (i.e., unclear operational needs, attributes, constraints, technology, or design processes; change frequency, etc.);
2. Technical Baseline (infeasible or incomplete design);
3. Schedule (unrealistic schedule estimates and/or allocation, concurrency);
4. Manpower (inadequate staffing and/or skills);
5. Cost/Budget (uncertainty of estimates, funding issues);
6. External Factors (facilities, infrastructure, subject matter expertise, etc.).

Using the information gained from the context, particularly as categorized by the SWOT and PESTLE frameworks, the next step is to identify the risks that are likely to affect the achievement of the goals of the organization, activity or initiative.

The objective of this step is not to create an onerous and lengthy list of all possible risks but to identify all significant risks that could impact **our organization**. Risks and opportunities are identified through the use of:

1. Workshops and focus groups, using brainstorming approaches;
2. *SWOT Analysis Template* to identify and analyze strengths, weaknesses, opportunities, and threats relating to internal issues;
3. *PESTLE Analysis Template* to identify and analyze external context issues from local, regional, national, and international perspectives relating to external issues;
4. *Context & Interested Parties Analysis* matrix to identify and list the needs and expectations of any relevant interested parties and the risks or opportunities arising;
5. Interviews with respective management by the **Risk Administrator**;
6. The intranet as a means of reporting incidents or risks for consideration.

The aim is to generate a comprehensive list of sources of possible risks and future events that could impact the objectives of delivering quality product to our customers on schedule, and on budget. **Your organization**