GUIDE TO MANAGING HISTORICAL SOCIETIES

Managing the Organisation

Risk Management

In 2008 the RHSV prepared material for a series of Heritage Victoria workshops and for the workshop publication *Heritage Keepers – Volunteer Training Program Resource Kit: a guide to managing your heritage organisation*. Most of the following information was originally published in *Heritage Keepers.*

This section outlines the principles involved in managing risk in your organisation.

What is Risk?

Risk can be defined as the uncertainty attached to the occurrence of an event that could have an impact on the achievement of objectives.

Risk is measured in terms of consequences and likelihood. Other definitions emphasise risk as an opportunity (negative or positive). In terms of OH&S, risk is linked to the chance or likelihood of an injury or fatality.

For more complex OH&S risks than described above, a more rigorous assessment and management process is required when dealing with hazards and incidents. In such situations, a solution or 'fix' to a problem is not obvious or easy to implement.

Risks can be measured by using risk-rating scales similar to this one:

CONSEQUENCE	LIKELIHOOD
Negligible – minor injury; possible first aid	Highly unlikely – Has the potential to occur, but probably never will
Minor – minor injury resulting in days off work; minor property damage	Unlikely – Could eventually happen
Major – Severe injury or illness; major property damage	Likely – Probably will occur in time
Fatality – May cause death or loss of facility	Very likely – Will probably occur immediately or within a short period of time

What is the consequence?

To answer this question, you should decide together in a small team what could happen to someone if they were exposed to the hazard in question. That is, if there was an incident, what might happen? Could they be killed or might they just sustain a minor injury and require some first aid?

What is the likelihood?

To determine the likelihood, you should decide together in a small team how likely it is that an incident would occur as a result of exposure to the hazard.

What is a Risk Rating?

A risk rating is the combination of the consequence and likelihood. You can use the following matrix to determine the rating. Draw an arrow across from the consequence in the left column, then draw an arrow down from the likelihood in the top row. The cell where the two arrows intersect will give the risk rating of high, medium or low.

Risk Assessment Matrix		Likelihood			
		Very Likely (VL)	Likely (L)	Unlikely (U)	Highly Unlikely (HU)
Consequences	Fatality (F)	High	High	High	Medium
	Major (M)	High	High	Medium	Medium
	Minor (M)	High	Medium	Medium	Low
	Negligible (N)	Medium	Medium	Low	Low

Prioritising risks

When you have identified and rated or assessed all possible risks, you can list them from most serious (high) to least serious (low).

Controlling risks

It is important to identify and assess risks, but it is even more important to control them.

You may just have to 'keep an eye on' some risks as these are outside your control. These are termed as 'acceptable risks', since

- they fall below a pre-determined level
- no possible action can be taken (for example, the risk arising from earthquakes)
- all possible actions that are 'reasonably practical' have been taken to control the risk.

The 'hierarchy of controls' refers to the range of feasible options for managing the health and safety risks. Controls at the top of the list or 'hierarchy' are the most effective; these are known as 'safe place' controls. Safe place controls work towards making the work environment safe. Controls toward the bottom of the hierarchy are known as 'safe person' controls. Safe person controls are considered less effective as they rely on people acting safely and this cannot always be guaranteed.

Hierarchy of controls

- Elimination of the hazard

  Making a decision not to undertake the specific activity that poses the risk or removing the hazard altogether

- Substitution with a less harmful version

  Changing the equipment used for a newer version that is less harmful; changing a hazardous cleaning substance for one that is non-harmful

• Redesign; engineering controls

Adding a guard or other device to protect users of the equipment from the risk

• Isolation of the hazard from people at the workplace

Storing hazardous material away from people or under lock and key

• Safe work practices

Designing and implementing safe ways of performing the same task

• Redesigning work systems

Changing the layout of the workplace and how work is performed

• The use of personal protective equipment by people at the workplace

Using gloves, respirators, other personal protective equipment to protect the person performing the potentially hazardous task

Over time and on a cyclical basis—perhaps at the monthly staff meeting—the risk assessment and controls should be monitored to check that these are effective in keeping yourself and others safe.

Record-keeping

It is important to record risk management activities for monitoring and review purposes. For an example of a risk register, see *Procedures* section of the Guide under *Forms*.

The risk register becomes a dynamic record. As risks are controlled, the priorities for treatment change, with the risks scoring highest getting promoted up the list. In turn, as new processes or plant/equipment are put in place or new client groups are included, new risks emerge and require assessment and treatment.

Emergency Planning

As a risk management strategy, your organisation needs to consider the range of disasters, both natural and man-made, which could affect your organisation.

These include:

- building and electrical fire
- bush fire
- floods
- structural damage to buildings
- Acts of God

To be prepared in case of an emergency, the Committee of Management must establish contact protocols and evaluation procedures.

For collecting institutions, a separate plan is required for the management of the collection in case of damage.

For additional information, see *Working Safely in Community Services*, WorkSafe, October 2006 - http://www.asushop.asn.au/files/Working_Safely_in_Community_Services.pdf.

Examples of forms to evaluate risk management issues in organisations are included in the *Procedures* section of the Guide under *Forms*.