VMIA

[Email address]

Risk management strategy

Template for a risk management strategy

# Purpose of this strategy

Our risk management strategy is designed to carry out the risk management policy of our organisation. Together, our policy and our strategy, will help us embed risk management in day-to-day decision making across our organisation.

The strategy details:

* the outcomes we want to achieve when it comes to management risk
* the frameworks and processes we will put in place to achieve those outcomes
* the culture we want to create
* resources allocated to the work of change
* how we’ll monitor the progress of the strategy
* how we’ll measure success.

The action plan sets out the tasks that will deliver the outcomes defined in our risk management policy. By carrying out these tasks we will become more ‘risk mature’ and be able to confidently attest that we meet the mandatory requirements of the risk management framework.

## Supporting us to deliver this strategy

*This could be a statement or endorsement from your Executive and/or Audit & Risk Committee or Board committing to the strategy.*

Example

Our risk management strategy makes real commitments about how we will carry out our risk management policy over the coming three years. It’s how we will make sure decision makers across our organisation are ready to take a risk to achieve our objectives, knowing that they are working in a framework and a culture that supports them to do so. It’s also how our Board can be assured that we are managing risk effectively.

Chief Executive Officer

### The vision and purpose of the organisation

*Where do you want the organisation to be in three years from now?*

*What outcomes have you defined in your risk management policy?*

*What risks are you responding to, and anticipating, in your internal and external context?*

### Objectives

*What distinctive features of your organisation’s functions and activities will shape your risk management strategy?*

*What distinctive features of your organisation’s remit as a public service organisation will shape your risk management strategy?*

*What improvement opportunities have been suggested by the Risk Maturity Benchmark (RMB)?*

*What do you need to do to make sure you meet the mandatory requirements?*

*What do you need to do to make sure your board’s risk appetite informs the design of your products and services and your operational decisions?*

*What skills and capabilities do your people need to carry out the policy and the strategy?*

*What changes do you need to make to your risk management framework and processes so that decision makers can carry out the organisation’s functions and activities more effectively?*

*What time, information and other resources do they need to carry out the policy and strategy?*

*What new practices and techniques will help them manage risk better?*

*What actions do you need to take to so that the organisation meets its obligations relating to other government policies or legislation?*

*What new risks in your internal and external context do you need to act on?*

*What do you need to do differently to create and protect value for the organisation and the people, places and systems in your care?*

### Performance

### Reporting on tasks in the strategy

*When will you report on the progress of the strategy?*

*Which key figures in your governance model will you report to?*

*How often will you report?*

### Monitoring achievement of outcomes

*What risk indicators do we need to watch to make sure we stay within our risk appetite?*

*What performance indicators do we need to watch to make sure we are achieving outcomes defined in the policy.*

*What processes and frameworks do we need to monitor these indicators?*

### Review of the strategy

*When and how will you evaluate to see whether the tasks outlined in this strategy are delivering the outcomes defined in the policy?*

## Action plan (with example tasks)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Tasks | Priority | Deliverable | Accountability | Policy reference | Monitoring and review | Target Date | Progress |
| 1. Develop a change management strategy to improve our risk culture
 | High value / Moderately difficult | Strategy approved by the executive leadership team | Director People & Culture |  | Audit & Risk Committee | 30 Dec 2020 |  |
| 1. Put in place a policy and strategy for managing risks associated with cyber threat
 | High value / Difficult | Policy and strategy approved by the Board | Chief Risk Officer |  | Board | 30 Dec 2020 |  |
| 1. Update position descriptions for executive roles to include risk management KPIs
 | High value / Easy | All Executive roles have updated position descriptions and contracts with risk KPIs | Director People & Culture |  | Executive Leadership Team | 28 February 2021 |  |
| 1. Identify what key risk indicators we need to watch in order to stay within our Board’s risk appetite
 | High value / Difficult | A list of recommended key risk indicators supported by analysis of risks, risk appetite and tolerance | Chief Executive Officer |  | Board | 30 June 2021 |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |