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Related legislation, policies, procedures, guidelines and local protocols	<ul style="list-style-type: none"> - Core Statutory Quality Assurance Guidelines (2016), QQI - Sector Specific Independent/Private Statutory Quality Assurance Guidelines (2016), QQI - Qualifications and Quality Assurance (Education and Training) Act 2012 - European Association for Quality Assurance in Higher Education (ENQA), et. al (2015), Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG)
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Table of Contents

1. Purpose	3
2. Scope/Application.....	3
3. Responsibility	3
4. Risk Management Overview	3
5. Risk Management Framework	4
6. Protocols for Implementation of Risk Management Framework.....	5
6.1. Risk Categorisation.....	5
6.2. Risk Assessment & Risk Matrix	6
6.3. Risk Mitigation and Reporting	6
7. Policy Monitoring	8
8. Document Control.....	8

1. PURPOSE

This policy outlines the risk management structure and processes at both a strategic and operational level. SQT has established and maintains a systematic approach to the identification, assessment and management of risk. The purpose of this policy is to ensure that SQT operates within an acceptable level of risk that has been defined and approved. The overall aim of an effective risk management structure and process is to enable and support informed decision making.

2. SCOPE/APPLICATION

This policy sets out SQT's risk management processes and risk appetite structure. It applies to all functions within the organisation, both academic and operational.

3. RESPONSIBILITY

The following responsibilities apply with respect to risk management:

- The Board of Directors have overall responsibility for determining the level of risk within the organisation. This is assessed at each board meeting and actions are taken to manage the overall risk profile of the organisation and ensure the risks are within acceptable limits.
- The Managing Director has overall responsibility for developing and maintaining the risk register.
- The Senior Management Team is responsible for the ongoing review of the risk register taking into consideration relevant input from Programme Boards and the Operations Management Team.

4. RISK MANAGEMENT OVERVIEW

The SQT risk management process supports the overall governance of the organisation. This risk management policy and procedure provides a systematic mechanism for identifying, assessing and mitigating potential risks to the organisation. It ensures that risk is reviewed and assessed on a regular basis and informs the strategic management of the organisation. The process is about ensuring effective and improved decision making.

The process looks at the business from both a bottoms-up and a top-down perspective which ensures that risk is assessed from multiple standpoints. The overall risk rating for each risk is determined by:

- i. the likelihood of its occurrence and
- ii. the severity of how it may impact on the organisations ability to function.

5. RISK MANAGEMENT FRAMEWORK

SQT's Risk Management Framework is presented in Figure 1 below. The framework provides a holistic view of the potential risks within the organisation, as well as the assessment, review and actions associated with that risk. The process follows a number of stages as follows: -

1. Bottom-up risk assessment – this is a review of risks across three key areas including:
 - i. Operations
 - ii. Programme & Academic Affairs and
 - iii. Financial Management.

This is completed by taking input from each functional area and creating a consolidated operational risk review which is completed by the Senior Management Team.

2. In parallel a top-down risk assessment is completed considering an overall SWOT analysis of the organisation as well as other external factors that may influence the organisation. For example, statutory requirements, industry trends etc.
3. A regular risk review is completed by the Senior Management Team with a focus on risks that require mitigation. This review drives required actions.
4. The Board of Directors review key risks and mitigation plans at each Board meeting and, if required, provides necessary feedback and support to the Senior Management Team. The Board of Directors has overall responsibility for the level of risk which the organisation will take and be appropriately balanced with the need for long term growth and development.
5. The key to overall risk management is mitigation and action planning. This is driven by the Senior Management Team, who take both short and long term actions to manage the level of risk within the organisation.
6. This process is a continuous cycle of assessment, review and action as risk changes over time.

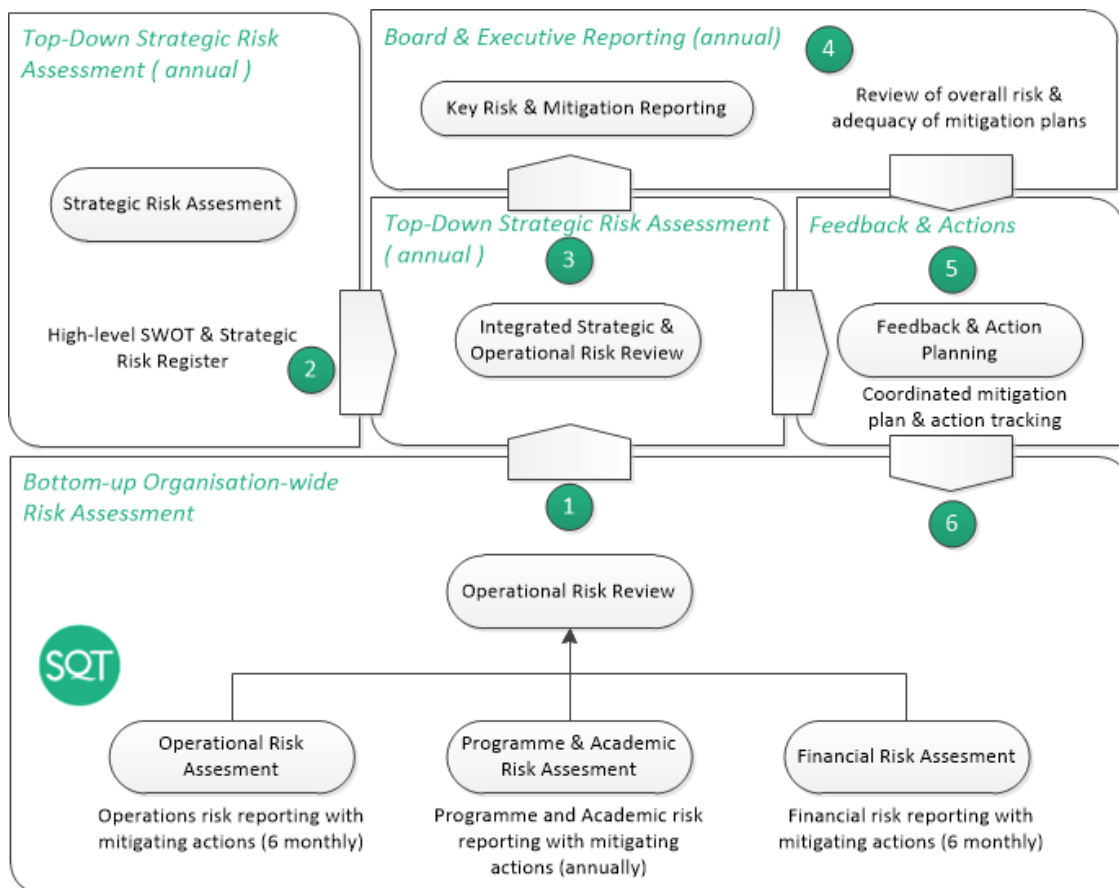


Figure 1: Risk Management Framework

6. PROTOCOLS FOR IMPLEMENTATION OF RISK MANAGEMENT FRAMEWORK

This section documents the protocols in place for the implementation of the risk management framework.

6.1. Risk Categorisation

Each risk is identified under a number of key categories and sub-categories. For example the key categories for SQT are:-

- Strategic – those impacting the overall strategic direction of the organisation.
- Operational – the day to day operation of the organisation and how it delivers programmes
- Programme & Academic – impact on the academic standards, procedures or learner performance.
- Financial – risks which may impact the financial stability of the organisation.

Within each of these areas relevant sub-categories are identified and the risk is documented within the live risk register. A “Risk Owner” is identified in each area, in addition to the current controls in place and the potential mitigation strategy and actions. The outcome of this process informs the internal audit process. Figure 2 below is an example of the risk register template.

SQT Risk Register										
Risk Category	Risk Sub-Category	Description of Risk	Pre Mitigation			Risk Mitigation	Post Mitigation			Ongoing or Long term actions required
			Probability	Severity	Risk Level		Probability	Severity	Risk Level	

Figure 2: Risk Register Template

6.2. Risk Assessment & Risk Matrix

Each risk is classified based on its probability and severity. These are defined as follows

- **Probability** – Likelihood of the risk occurring
- **Severity** – Level of impact that the risk would have on the business should it occur.

Each classification will be at one of three levels, Figure 3 below outline each of these classifications.

Risk Assessment		
Probability	Rating	Definition
High	3	Likely to happen, could occur frequently
Medium	2	Can Happen but not frequently
Low	1	Unlikely to happen, rare or remote

Severity	Rating	Definition
Significant	3	Serious impact on the business, impact ability on the business to operate effectively
Moderate	2	Recoverable impact on the business, learners would be aware of the issue and actions would have to be taken
Negligible	1	Minor impact on the business, learners may not be aware of the issue

Figure 3: Risk Assessment Classification

These classifications are then combined to determine the overall risk rating by way of a matrix as follows: -

Risk Matrix				
	Severity	Negligible (1)	Moderate (2)	Significant (3)
Probability				
High (3)		Acceptable (3)	Mitigation Required (6)	Mitigation Required (9)
Medium (2)		Acceptable (2)	Acceptable (4)	Mitigation Required (6)
Low (1)		Acceptable (1)	Acceptable (1)	Acceptable (3)

This matrix provides the overall risk assessment across the organisation.

6.3. Risk Mitigation and Reporting

On completion of the assessment, risks which are identified as high (6 or above) are reviewed in order to determine the appropriate action which can reduce the overall risk to the business. This action may either reduce the potential 'severity' or 'probability' of the risk. The action plan aims to reduce the

risk to an acceptable level. Initial risks of 6 or above are reviewed by the Board of Directors to ensure appropriate mitigation plans are in place or the organisation agrees to accept the risk in view of its strategic direction.

All risks are tracked and maintained on the live risk register which is managed by the Senior Management Team and utilised for reporting to the Board of Directors. This is an active document which is managed on an ongoing basis.

7. POLICY MONITORING

Responsibility	Frequency	Methods
Director of Quality and Academic Affairs – Document Update	Per QA audit schedule	- Review of documentation as set out in QAP2-1: Ongoing Review and Update of QA Documents.
Board of Directors	3 times per year	- Review of Risk Register
Senior Management Team	Ongoing	- Review of Risk Register
Operations Management Team	Monthly	- Review new or changed risks

8. DOCUMENT CONTROL

Version No	Approval Date	Description of Revision	Originator	Approved By
1.0	12/3/19	New Document.	Senior Management Team	Board of Directors
2.0	13/6/19	Role of Senior Management team and Operations Management Team updated to reflect delegation of responsibilities.	Senior Management Team	Board of Directors

