

MODULES & MATERIALS

In this document we offer a brief description of the various modules. We make a distinction between two sets.

The A-set is the main part of this training and deal with risks, their frequency and their impact.

The B-set is smaller in size and offers information about the way risks can be controlled. This set is primarily intended for use by the manager and therefore we pay little or no attention on the training aspects.

Modules concerning risks, their frequency and their (possible) consequences

MODULE A01 ABOUT RISKS

Risk management is not just a managerial decision. It refers to an attitude throughout the organisation. But as the notion of what a risk may be differs not only between organisations but also between people, we need to establish some kind of a definition on what we mean when speaking about risks.

Supporting material: PowerPoint slide A01 - Chance, opportunity & risk

MODULE A02 FROM CHAOS TO STRUCTURE: 4 RISK AREAS

In this module we deal with the need to place identified risk in a specific structure in order to be able to keep some overview. Otherwise we may get lost in finding solutions. Therefore we distinguish between four different risk areas. As the question of 'money' is related to each risk area, the costs that come with a risk are not regarded as a separate risk area.

Supporting material: PowerPoint slide A02 - AoM Levels & risk areas
PowerPoint slide A02 - Risk Assessment Card

MODULE A03 FREQUENCY

Some risk will probably never become reality; other risks might terrorise us on a daily base. Although we focus on qualitative risk management, a minuscule part of our attentions needs to be paid to some quantitative aspects.

Supporting material: PowerPoint slide A03 - Frequency Indication Card

MODULE A04 CONCURRENT CONSEQUENCES

In most cases (if not all) risks will have their effects on more than one risk area. An environmental mishap will probably bear consequences not only for the environment, but also on the health of people and the company's reputation.

Supporting material: PowerPoint slide A04 - Example 'Emission to air'
PowerPoint slide A04 - Risk Assessment Card

Modules concerning risks, their frequency and their (possible) consequences (continued)

MODULE A05 RISK RELATED COSTS

As already mentioned in Module A02, risks come with a price tag. We need to have some indication regarding the costs. If there are risks that result in serious casualties, it is normal for a civilised society that precautions are taken. In other cases the absence of sufficient controls may be against the law or in conflict with the company's policy. But there are cases in which we may find that the consequences as scored on our four risk areas are acceptable, but their price tag is not.

For those situations it is necessary to know their costs on a yearly base in order to see if the controls will reduce them sufficiently. It is no use to decide on reducing the costs of a risk by creating controls that are far more expensive.

Supporting material: None

MODULE A06 THE RISK IDENTIFICATION CARD

The Risk Identification Card (RIC) is a simple tool, available for everybody in the organisation (staff as well as visitors). These cards can be regarded as a (simple) means for signalling tricky situations or actions that may need looking into.

Supporting material: PowerPoint slide A06 - Risk Identification Card

MODULE A07 HOW SERIOUS IS IT?

Now we have gathered all the required information to come to the most important decision: "To control or not to control; that is the question (Sorry William, but I just could not stop myself).

In this module we offer a decision tree that might help out in reaching a decision.

BUT: No matter what we or the tools suggest, it always remains a management decision. No one can take that responsibility away from the management.

Supporting material: None

Modules concerning controls

These modules are mainly to be regarded as an advise we offer the manager responsible for risk management.

MODULE B01 INTRODUCING CONTROLS

We distinguish several types of controls that are discussed in this module. They are presented in a sequence that reflects our preference.

Supporting material: None

MODULE B02 COMPETENCE

Competences are not fixed. They are constantly 'under construction' as we learn while performing our tasks. Sometimes people attend formal courses that also contribute to the increase of their competence. But it is not all milk and honey. However, some competences get lost. This is for instance the case when these competences were not called upon during a range of years. To get competences really to work, they need maintenance.

To make effective use of the competences available AND to guaranty that the right competences are called upon, the company needs to make matches between tasks, competences and people. Required competences that seem not to be available have to be obtained; one way or an other.

Supporting material: None

MODULE B03 REGULATING DOCUMENTS

Regulating documents are the least attractive type of controls and relatively expensive to use. In this module we make a distinction in various types of regulating documents and what they could look like.

Supporting material: PowerPoint slide B03 - Examples of regulating documents

MODULE B04 CONTROLS RELATED COSTS

Controls come at a price. In this module. I this module we discuss the way we estimate those costs using the Pandora Risk Manager.

Supporting material: None

The Pandora Risk Manager

The Pandora Risk Manager is a simply to use tool for analysing risks in your organisation.

It has been developed in FileMaker Developer 8.5 and is made available as a single user runtime version.

The tool comes with an installation instruction and a manual.



PANDORA RISK MANAGEMENT
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CERTIFICATION

Certificates stating the participating of your company can be issued. The requirements therefore are that you fill out the various forms after concluding each module.

After filling out the last form correctly, a certificate will be issued.

The Pandora Team reserves the right to ask for additional information before issuing the certificate.

Only one certificate per company will be issued.

IMPROVEMENTS

Your comments are most welcome as we seek to improve the product where possible.

LIABILITIES

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An overview of the method.

As far as qualitative risk management is concerned, there are various approaches on the market that differ slightly from each other. The method the Pandora project uses is part of the PARIS methodology for process management.

An outline of the training program for managers

Managers play a key-role in risk management in their organisation. Therefore we offer a training program that supports every step in this process. This outline gives you a detailed overview of the training activities.

A training program for managers

This program supports the manager to increase risk awareness in the organisation and to capitalise on the results. It offers a combination of theoretical background information, implementation strategies and practical tips.

A risk assessment card

These cards should be freely distributed in the organisation. They are considered to be an important tool for the identification and assessment of risks. These cards come with an extensive instruction for their use.

The Pandora Risk Manager

This is a simple, stand alone software tool that helps with the assessment of risks, their primary consequences (for people, environment, assets and reputation) and the secondary consequences: money, money and money. It also helps with the comparing the costs related to the incident with the costs related to the development, implementation and maintenance of controls.

This tool comes with an extensive manual.

Risk nr. 1 Risk name toxic fluids still remaining in pipe line F 4

START → APPLICABLE STANDARDS → RISK IDENTIFICATION → RISK RELATED COSTS → CONTROLS & RESIDUAL RISKS → REPORT

FREQUENCY → CONSEQUENCES → RISK RELATED COSTS → CONTROL RELATED COSTS → REPORT

STATUS INFORMATION

RISK WAS IDENTIFIED BY:		IDENTIFICATION DATE	
CONSEQUENCES	RESIDUAL RISKS		
People C ACTIVITY STOPPED. IMMEDIATE ACTION	No, if continuously controlled.	DK	No further treatment needed
Environment A NO ACTION	Emergency teams are available	DK	No further treatment needed
Assets E Treatment; monitoring; controlled conditions.	Safety distance in plant design	DK	No further treatment needed
Reputation E EXTREME URGENCY. Activity postponed.	Contracts with competitors to help out	DK	No further treatment needed

Total costs for this risk € 35.00 (x 1000) Expected costs yearly € 70.00 (x 1000)

SUMMARY