POLICY:		POLICY NUMBER:
Risk Management		**FI-7**
		PREVIOUS/REPLACES: **New**
APPROVED BY: **Executive Council**	EFFECTIVE DATE AS OF: **May 4, 2021**	PRIOR VERSIONS: **New**

1. Policy Statement:

The Manitoba Institute of Trades and Technology (to be referred to as MITT) recognizes that risk is present in all institutional activities and that the successful management of risk is a critical factor in achieving MITT's strategic priorities, objectives and operational commitments. Virtually all activities carry a degree of risk that requires MITT to strike a balance between managing risk and pursuing opportunities.

Risk management is a systematic approach to managing uncertainty by identifying, analyzing, responding to, monitoring, and communicating risks across the organization. It is determining which uncertainty matters and the determination of how that uncertainty will affect actions taken. In doing so, MITT's goal is to ensure that existing and emerging risks are identified and managed in a balanced manner.

MITT will embed risk management into all aspects of operations and strategic planning and proactively identify, evaluate, assess and report on risks and choices that may impact MITT.

Risk management will be phased in overtime.

Appendix A provides a framework on risk management which is based on ISO31000. Appendix B is a toolkit for users and provides links to various risk management sites.

2. Scope:

This policy is applicable to all MITT departments.

3. Procedure:

3.1 Risk Management Process

1. MITT shall establish and maintain a phased-in approach to Risk Management.

2. Risk Management will be carried out systematically with a view to supporting and facilitating the achievement of MITT's strategic, operational, financial and compliance

3. objectives. This will be achieved by identifying, analyzing, evaluating, monitoring on a continual basis.

4. Risk Management will not be an independent activity, but rather a fully integrated function into all aspects of operational activities and strategic planning.

5. MITT will promote a culture of risk management.

6. MITT will maintain a formal register of key risks.

3.2 Roles and Responsibilities

1. **Governing Board**
   Approves Board Risk Management Policy. Approves risk appetite. Monitors high level risk indictors. Considers appropriate role for Audit & Finance Committee.

2. **Executive**
   President – Corporate endorsement of risk management framework.

   Executive Council – Approval of risk management framework and policy. Incorporates risk analysis in all decisions. Maintenance of Risk Registry.

   Vice-President Academic – Inclusion of risk management principles in all planning activities including Academic Council and as related to course offerings, student affairs and on/off campus events. Special emphasis on student safety.

   Vice-President, Business & Organizational Development – Inclusion of emphasis related to risk embedded in international operations. Inclusion of risk management principles in all planning activities and as related to course offerings, student affairs and on/off campus events. Special emphasis on student safety.

   Associate Vice-President Finance & Campus Services – Development of risk management framework. Ensure risk management incorporated into planning deliberations and decisions. Provide leadership and support to the determination of risk mitigation solutions.

   Director Information Technology and System Development – Special emphasis on cyber security and system reliance.

   Director Finance and Business Services - Inclusion of risk in new initiatives requests, annual budget process and staffing requests.

Chief Projects Officer – Inclusion of risk analysis in all projects and in project/change management training.

Director Facilities Management and Campus Services– Inclusion of risk management principles. Special emphasis on staff and student safety.

3. **Leadership Team**
   Incorporates risk analysis and management in all decisions and daily operations. Participating in development, review and update of risk registry. Seeks opportunities to improve risk management and process improvement abilities.

4. **MITT Staff**
   Awareness of importance of risk management. Understanding of hazard and risk reporting.

4. **Administration:**

The Associate Vice-President, Finance and Campus Services is responsible for ensuring this policy is adhered to.

5. **Review:**

This policy will be reviewed by Executive Council every five years. This policy shall remain in effect until amended or revoked regardless of the five-year review.

6. **References:**

MITT Board Governance Policy C-6 Risk Management

7. **Definitions:**

Definitions are consistent with those as described in Praxiom Research Group – ISO 31000 2018 as provided in the link below.

https://www.praxiom.com/iso-31000-terms.htm

APPENDIX A

RISK MANAGEMENT FRAMEWORK

Risk is uncertainty. Risk management is determining which uncertainty "matters" and the determination of how that uncertainty will affect actions taken towards strategic and operational goals. Uncertainty may be either positive or negative. Much of the literature revolves around the negative aspects. MITT will also encourage ongoing operational improvement by identification of the positive.

MITT will embed risk management into all aspects of operations and strategic planning. All levels of leaders will be empowered to question and describe risk acceptance and management.

Risk Management will include the Board Policy, Administrative Policy, integration into operations especially via the Integrated Operations Planning Committee and planning processes including the annual operating budget and new initiatives process. It will include those tools and resources made available to all levels of the organization.

The Framework will be based on ISO31000

Risk Appetite – MITT is industry driven, student focused and will continue to seek continuous improvement. MITT is known as being nimble and responsive. MITT aspires to be a lean learning organization that excels in executing plans that are responsive and timely.

Residual institutional risks, i.e. the risk remaining after controls have been put in place to mitigate the inherent risk, will be managed according to the appetite statements that follow: MITT has a high tolerance for innovation and positive change, a moderate tolerance for any activity that may impair financial position and low to no tolerance for any activity that can impair student, staff or community wellbeing, health and safety. MITT has no tolerance for any activity that impairs academic integrity or the reputation of MITT and our stakeholders, partners and funders. MITT has no tolerance for any loss or impairment to information, privacy or financial stewardship.

STRATEGIC RISKS AND UNCERTAINTIES

Risk Management Mandate and Commitment

MITT is committed to ensuring the best possible student experience in a safe and engaging environment. MITT is committed to ensure the best possible transition to the workplace of the future. MITT is committed to provide a safe and engaging workplace for staff. To do so MITT must ensure evidence and risk informed decisions that foster value creation in innovative and continuously improving operations.

Risk Management Objectives

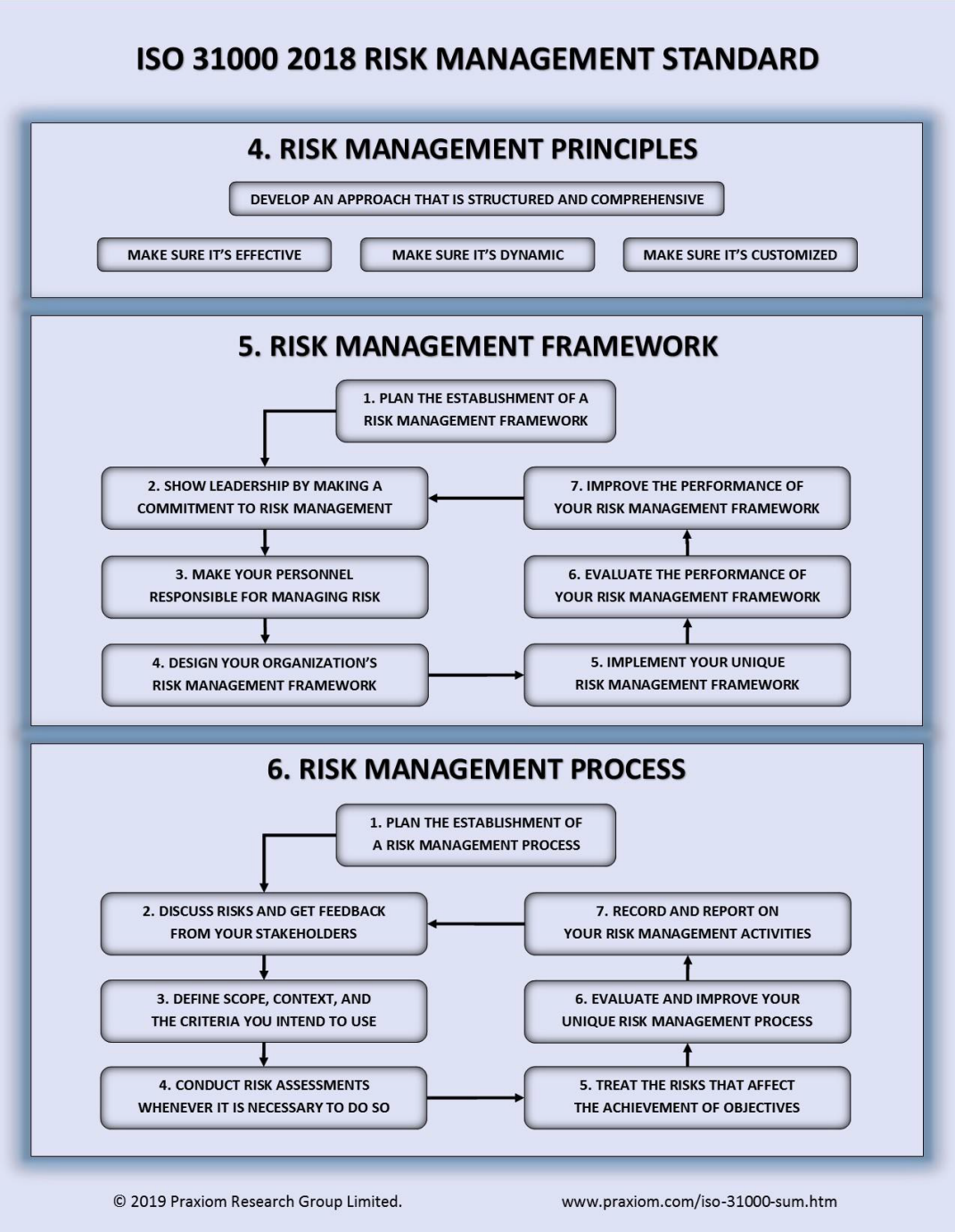
- Identification and achievement of objectives
- Identify the existence and impact of uncertainty
- Encourage a discipline of questioning
- Improve ability to identify threats and opportunities
- Support understanding of risk and risk management
- Improve planning and control, economy, effectiveness and efficiency
- Ensure risk management is an integral part of how we do business
- Support a learning organization that is flexible and responsive
- Minimize losses and exposure, maximize gains

Risk Management Principles Risk

management should be:

- sufficient to create and protect value,
- integral part of all processes including decision making,
- highlight uncertainty,
- systematic, structured and timely,
- consider human factors,
- responsive to the environment,
- lead to continuous improvement, and
- support and be supported by applied research.

ISO 31000 2018 has three main sections. The diagram below shows how risk management principles, framework and the process are interrelated and how each of these sections are organized. The standard starts by listing a set of risk management principles. These principles are used to guide the establishment of the risk management framework. The framework is then used to guide the establishment of the risk management process.[1]



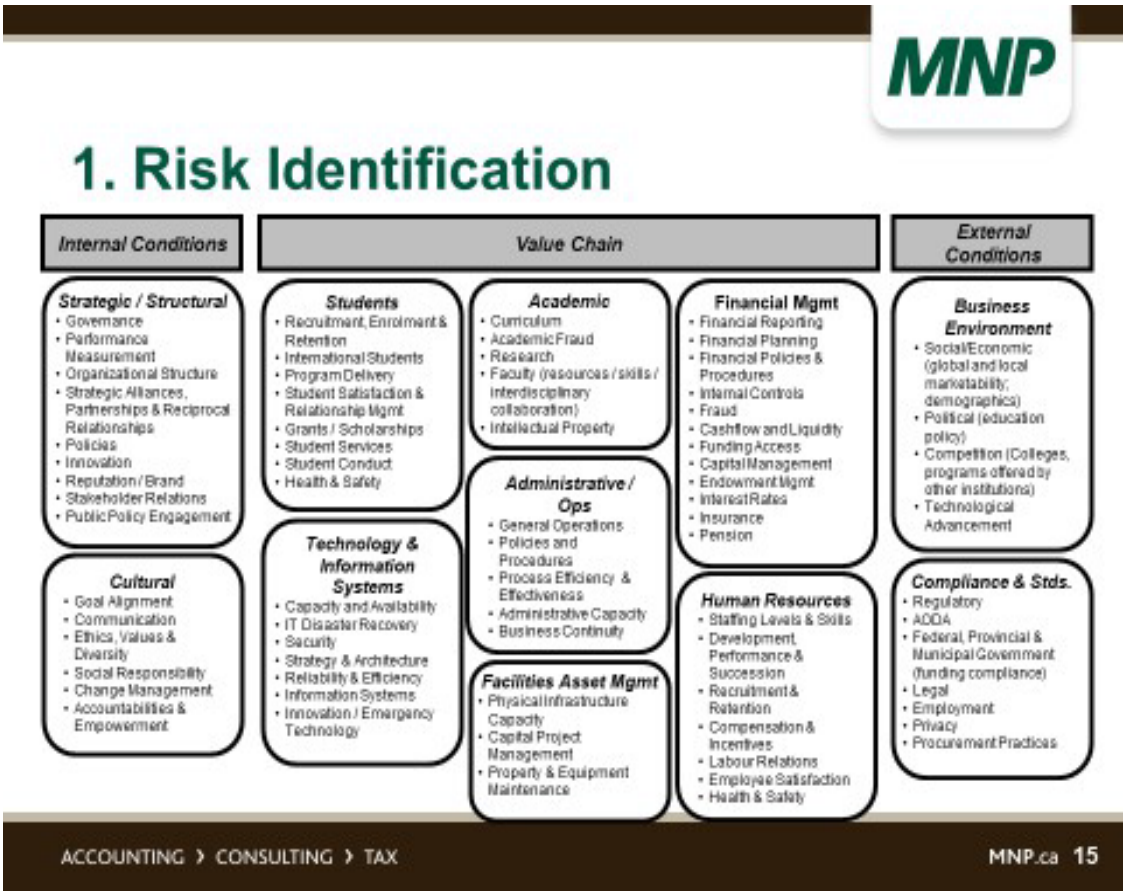
Risk Management Components

- Ongoing Board level monitoring of strategic risk areas on an annual basis.
- All submissions to the Board will include risk analysis.
- All briefing notes will include risk analysis.
- The annual budgeting process will identify key risk analysis.
- New Initiatives will include a section on risk identification and analysis.
- Manager training will include an orientation to risk. (to do)
- Each off-campus student activity will include a risk analysis. (to do)
- Workplace (and learning) Health and Safety, Emergency Preparedness and Contingency Management will remain MITT priorities.
- Cybersecurity will remain a MITT priority.

"6 Simple Questions" [2]

- What are we trying to achieve?
- What might affect us – are there things out there in the future which could either hinder or help?
- Which of those things that might affect us are most important (how likely, what impact)?
- What should we do about those things that might affect us?
- Did it work?
- What changed?

Typical risk areas in the college environment [3] MNP



Risk Identification tools:

- Environmental sweep
- Partnership and Expert sharing
- Literature and documentation review
- Brainstorming
- Delphi (request, comply, review, consensus)
- Interviewing
- Root cause analysis

Key Risk Areas:

- Financial
- Human Resource Management
- Safety
- International Operations

Risk Analysis Tool

Risk Identification	Probability (1-5)	Impact (1-5)	Score (P x S)	Action to Prevent/Manage/Mitigate Risk

Probability of Occurrence:

Probability – A risk is an event that "may" occur. The probability of it occurring can range anywhere from just above 0 percent to just below 100 percent. (Note: It can't be exactly 100 percent, because then it would be a certainty, not a risk. And it can't be exactly 0 percent, or it wouldn't be a risk.)

Probability Scale	Common Language
1	Very unlikely to occur (1-20%)
2	Unlikely to occur (21-40%)
3	May occur about half of the time (41-60%)
4	Likely to occur (61-80%)
5	Very likely to occur (81-99%)

Impact (or Severity) of Occurrence:

Impact – A risk, by its very nature, always has a negative impact. However, the size of the impact varies in terms of cost and impact on health, human life, or some other critical factor.

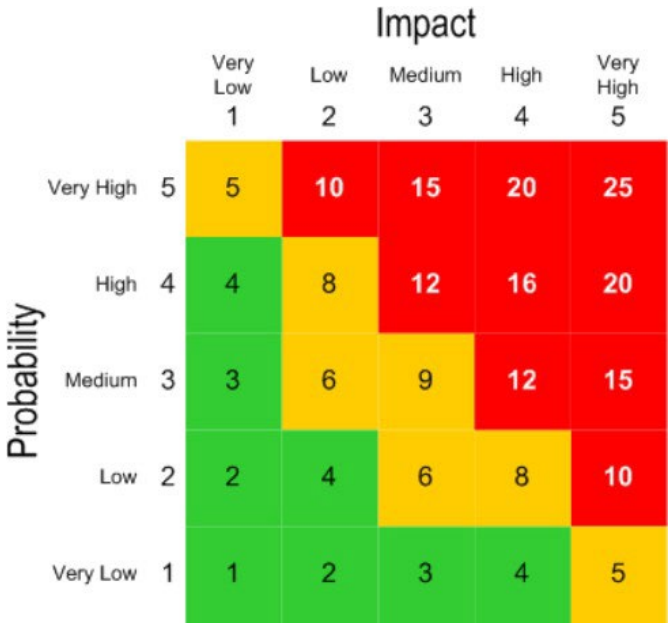
Impact Scale	Common Language
1	**Minimal** – impact to reputation, student experience, Health and Safety or other factors.
2	**Minor** – impact to reputation, student experience, Health and Safety or other factors.
3	**Moderate** - impact to reputation, student experience, Health and Safety or other factors.
4	**Significant** - impact to reputation, student experience, Health and Safety or other factors.
5	**Severe** - impact to reputation, student experience, Health and Safety or other factors.

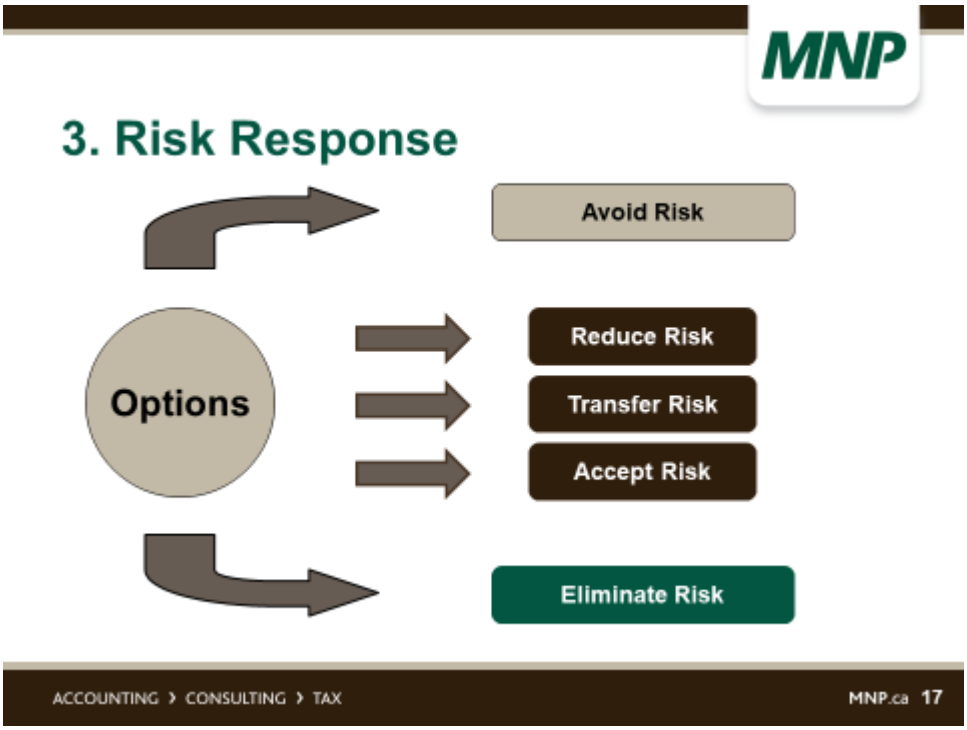
Probability / Impact Chart

Green – Acceptable Risk

Yellow – Manage Risk **Red**

– Mitigate Risk





Consider impact if events (risks) occur at same time.

Remember the swiss cheese impact. (aligning gaps)

Consider predictability (how easy is it to track the emergence of the event) Consider velocity of onset (if event is to happen - how quickly does it emerge?). Consider duration (if event occurs – how long will it continue?)

Consider available indicators.

Measure baseline.

References

(1) Overview of ISO 31000 2018 Risk Management Standard
https://www.praxiom.com/iso-31000-sum.htm

(2) Risk Doctor – Risk management basics: what exactly is it? 6 simple questions
https://www.youtube.com/watch?v=BLAEuVSAlVM

(3) Webinar - Introduction to Risk Management from The College Centre of Board Excellence

APPENDIX B

RISK MANAGEMENT TOOLKIT

Introductory – Risk 101

Three Simple, Fun and Effective Tools to Help Manage Risk
https://www.youtube.com/watch?v=MTdFkPTTnsA

RiskX: The risk management process
https://www.youtube.com/watch?v=bj0-CoNgMoA

Risk Doctor – Risk management basics: what exactly is it? 6 simple questions
https://www.youtube.com/watch?v=BLAEuVSAlVM

What are the Risk Management Process Steps? https://www.youtube.com/watch?v=ijpqQUMRfd8

Intermediate
The Orange Book: Management of risk – Principles and Concepts
https://www.gov.uk/government/publications/orange-book

Advanced - In-depth
https://www.canada.ca/en/treasury-board-secretariat/corporate/risk-management.html

The Green Book: appraisal and evaluation in Central Government
https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent

CPA Canada and FEI Canada: The state of enterprise risk management in Canada
https://www.cpacanada.ca/en/business-and-accounting-resources/strategy-risk-and-governance/enterprise-risk-management/publications/the-state-of-enterprise-risk-management-in-canada

From bolt-on to bolt-in: Managing organizational risk
https://www.cpacanada.ca/en/business-and-accounting-resources/strategy-risk-and-governance/enterprise-risk-management/publications/from-bolt-on-to-built-in-managing-organizational-risk

A Framework for Board Oversight of Enterprise Risk
https://www.cpacanada.ca/en/business-and-accounting-resources/strategy-risk-and-governance/enterprise-risk-management/publications/a-practical-approach-to-board-risk-oversight