



Risk Management in a Crisis

Understandably, people are very distracted during the current pandemic crisis with urgent, important and sometimes unfamiliar tasks. Change is rapid and many existing plans and priorities are on hold. How can the risk manager best assist their organisation during this period? One suggestion is to return to the two fundamental roles of a risk manager - helping their organisation:

- think about risk in a disciplined, structured and accountable manner; and
- looking forward, anticipating change and new opportunities and threats.

Many of your risks and the way you were managing them may have changed. You might help by asking:

- Are current lines of communicating risks to senior decision makers appropriate and timely?
- Are external stakeholder management processes in place appropriate and sufficient to manage stakeholder expectations and our shared risks?
- How can you best influence in your role as a risk advisor to provide insights to the business continuity management process and other management committees?
- Have our existing risk assessments changed? For example, have some existing controls been weakened, treatments postponed, or risk owners redeployed? We may also now be exposed to new risks.

Areas you might want to explore include:

- Risks introduced by so many people working from home. How are we ensuring the well-being of staff working unfamiliar hours, dealing with new pressures, accessing buildings out of hours, or dealing with family and friends who may be directly affected by the crisis?
- Risks emerging through the supply chain. The pandemic is affecting the supply of many goods and services. Some of these effects are being felt now and are readily obvious, others may be more subtle or have longer-term impacts.
- The unintended consequences due to the speed with which changes to legislation and regulation are being made, and
- Risk emerging from the deployment of staff. Will we still be able to deliver on our outcomes with the potential loss of corporate knowledge?

Decisions, change and action occur rapidly during a crisis. Normal mechanisms for accountability and good governance may need to be altered to enable speed of action. What future risks may our response to the pandemic create? For example:

- Will a sustained period of reduced recruitment, training and travel may have long-term impacts on staff capability?
- What will be the impact if some private partners or suppliers are driven out of the marketplace or even out of business?
- Were decisions made rapidly during the crisis appropriately documented, and how are those essential records being safeguarded?
- Inevitably we will need to review and learn from the current crisis. Are we planning ahead and prepared to do that?



Australian Government

Comcover

In closing, remember risk management needs to be fluid and fit for purpose so the question to ask yourself is how, what we have just discussed, can best be applied to your operating context.

Thank you, and before signing off can I ask you to answer the questions below to help us.