

RISK RATING TOOLS, GUIDES AND METHODOLOGY

To assist in rating your risks, the Risk Likelihood, Consequence Rating and Risk Exposure Rating Tools have been provided as a combined manual for your reference.

Risk Likelihood Rating Tool

This tool defines the criteria to rate the likelihood and allows consistent assessment of risks across the university.

Risk Consequence Rating Tool

This tool defines the criteria to rate the consequences and allows consistent assessment of risks across the university.

Risk Exposure Rating

This tool is used to evaluate risks based on the severity of their consequences and their likelihood to occur. To evaluate risk exposure, we use the 'Risk Consequence Rating Tool' to define the consequence and the 'Risk Likelihood Rating Tool' to define the likelihood rating. Once you have these two ratings you can then plot what the exposure rating is using the Risk Exposure Matrix provided in this document.

Risk Likelihood Rating Tool

Purpose Of The Tool

We use this 'Risk Likelihood Rating Tool' to enable the consistent assessment of the possibility of a risk occurring. This tool defines the criteria to rate the likelihood and allows consistent assessment of risks across the university.

Risk Likelihood Criteria					
Rating		Qualitative	Percentage	Timeframe	Exposure
E	Almost Certain	<ul style="list-style-type: none"> Risk is expected to occur Would be extremely surprised if the risk didn't occur 	<ul style="list-style-type: none"> Greater than 90% chance of occurring 	<ul style="list-style-type: none"> Expected to occur within 6 months 	<ul style="list-style-type: none"> Individuals are exposed multiple times each day
D	Likely	<ul style="list-style-type: none"> Strong possibility for the risk to occur Would be surprised if the risk didn't occur 	<ul style="list-style-type: none"> Between 60% to 89% chance of occurring 	<ul style="list-style-type: none"> Expected to occur within 1 to 2 years 	<ul style="list-style-type: none"> Individuals are exposed approximately once per week
C	Possible	<ul style="list-style-type: none"> Possible that the risk may occur There is potential for the risk to occur 	<ul style="list-style-type: none"> Between 20% to 59% chance of occurring 	<ul style="list-style-type: none"> Expected to occur within 2 to 3 years 	<ul style="list-style-type: none"> Individuals are exposed approximately once per month
B	Unlikely	<ul style="list-style-type: none"> Slight possibility for the risk to occur Would be surprised if the risk occurred 	<ul style="list-style-type: none"> Between 5% to 19% chance of occurring 	<ul style="list-style-type: none"> Expected to occur within 3 to 4 years 	<ul style="list-style-type: none"> Individuals are exposed approximately once per year
A	Rare	<ul style="list-style-type: none"> Extremely unlikely for the risk to occur Would be extremely surprised if the risk occurred 	<ul style="list-style-type: none"> Less than 5% chance of occurring 	<ul style="list-style-type: none"> Not expected to occur within the next 5 years 	<ul style="list-style-type: none"> Individuals have not been known to be exposed

How To Use The Tool

Using the definitions under the different criteria headings (i.e. Qualitative, Percentage, Timeframe & Exposure) identify the most relevant and applicable criteria for rating the likelihood of the risk. Where multiple criteria can be applied, use the one that results in the highest likelihood rating (e.g. Percentage = Likely, Timeframe = Possible, you would therefore select the highest rating out of the two which would be Likely).

Risk Consequence Rating Tool

Purpose Of The Tool

We use this 'Risk Consequence Rating Tool' to enable the consistent assessment of potential risk impacts. This tool defines the criteria to rate the consequences and allows consistent assessment of risks across the university.

How To Use The Tool

Using the explanation under the different consequence criteria (Education & Research, Student Experience etc) identify the most relevant measures related to your risk.

You may have one or more consequence criteria (i.e. Financial and Student Experience) that apply to the risk. When identifying the rating always use the highest associated rating as the final rating (e.g. Financial = Major, Student Experience = Severe, you would therefore select the highest out of the two which would be Severe).

Risk Consequence Criteria								
Rating	Description	Education & Research	Student Experience	Reputation & Image	Financial	People, Safety & Environment	Business Interruption	Legal, Regulatory and Compliance
5	Extreme Exceptional impacts on operations or objectives.	<ul style="list-style-type: none"> Inability to undertake operations and activities of a College Extreme reduction in research activity / output over a sustained period Inability to reach a number of student, teaching or research targets Irreparable impact on relationship with partners / collaborators / suppliers 	<ul style="list-style-type: none"> Extreme loss or reduction in University-wide student enrolment and retention Systemic and extreme decline in overall student satisfaction across the University Systemic and extreme increase in the student complaints across the University 	<ul style="list-style-type: none"> Long-term change in the University's reputation across all stakeholder groups and general public Extended headline national and/or international media coverage Extensive and prolonged discussion across multiple social media channels 	>\$50M	<ul style="list-style-type: none"> Single or multiple fatalities Serious disabling physical or mental illness to multiple people Extreme environmental damage (>5 years) 	<ul style="list-style-type: none"> Loss of critical business processes or education & research operations for greater than 14 days Significant loss of assets. Strategic supplier unable to deliver for an unknown period without an alternate 	<ul style="list-style-type: none"> Systemic and sustained instances of significant non-compliance Loss of key licenses, accreditation and/or funding Extremely heavy legal penalties or regulator sanctions
4	Severe Significant impacts on operations or objectives.	<ul style="list-style-type: none"> Inability to undertake operations and activities of a School Significant impact on research activity over a sustained period Significant problems meeting teaching or research targets Serious long-term damage to partnerships / suppliers 	<ul style="list-style-type: none"> Significant loss or reduction in University-wide student enrolment and retention Severe decline in overall student satisfaction across multiple Colleges Severe increase in student complaints across multiple Colleges 	<ul style="list-style-type: none"> Medium-term change in the University's reputation across multiple stakeholder groups Headline coverage at national level in multiple media sources for more than a week Discussion across multiple social media channels for more than a week 	\$30M to \$50M	<ul style="list-style-type: none"> Severe irreversible damage or impairment to one or more people Irreversible health effect or medium to long term disabling illness Long term environmental damage (2-5 years) 	<ul style="list-style-type: none"> Loss of critical business processes or education & research operations for between 3 days to 14 days Severe damage to assets. One or more critical suppliers unable to deliver for an extended period without an alternate 	<ul style="list-style-type: none"> Multiple instances of significant non-compliance Suspensions or conditions imposed on key licenses, accreditation and/or funding Significant legal penalties or regulator sanctions
3	Major Large impacts on operations or objectives.	<ul style="list-style-type: none"> Inability to deliver a program or course Major impact on research activity Major problem meeting teaching or research targets Major but short-term damage to partnership / suppliers 	<ul style="list-style-type: none"> Major loss or reduction in student enrolment and retention for a program or course Major decline in overall student satisfaction across a College or multiple Schools Major increase in student complaints across a College or multiple Schools 	<ul style="list-style-type: none"> Medium-term change in the University's reputation across limited stakeholder groups Headline coverage at national level in multiple media sources for less than a week Discussion across multiple social media channels for less than a week 	\$10M to \$30M	<ul style="list-style-type: none"> Reversible injury or moderate irreversible damage or impairment to one or more people. Typically an injury resulting in loss of a scheduled shift of work (i.e. Loss Time Injury) Severe, reversible mental or physical health effect of concern that would typically result in a lost time illness Medium term environmental damage (1-2 years) 	<ul style="list-style-type: none"> Loss of critical business processes or education & research operations for between 1 day to 3 days Major damage to assets. One or more key suppliers unable to deliver for a sustained period of time 	<ul style="list-style-type: none"> Major once-off instance of non-compliance Major additional obligations imposed on key licenses, accreditation and/or funding Large legal penalties or regulator sanctions
2	Moderate Material impacts on operations or objectives.	<ul style="list-style-type: none"> Material impacts to the delivery of a program or course Moderate impact on research activity Moderate but temporary problems meeting teaching or research targets Material but short-term damage to partnerships / suppliers 	<ul style="list-style-type: none"> Moderate loss or reduction in student enrolment and retention for a program or course Moderate decline in overall student satisfaction across a School Moderate increase in student complaints across a School 	<ul style="list-style-type: none"> Some short-term change in the University's reputation Low profile and fleeting coverage by national or state media Discussion across some social media channels by isolated stakeholder groups 	\$1M to \$10M	<ul style="list-style-type: none"> Reversible injuries requiring treatment but does not lead to restricted duties. Typically a medical treatment Reversible health effects of concern that would typically result in medical treatment Short term environmental damage (< 1 year) 	<ul style="list-style-type: none"> Material and localised disruption to business processes or education & research operations, but at an inconvenient time. Moderate damage to assets Supplier or partner changes results in material impacts for a period of time. 	<ul style="list-style-type: none"> Moderate once-off instance of non-compliance Some additional obligations imposed on licenses, accreditation and/or funding Some legal penalties or regulator sanctions
1	Minor Slight impacts on operations or objectives.	<ul style="list-style-type: none"> Minor impacts to the delivery of a program or course Minor impact on research activity Slight but temporary problems meeting teaching or research targets Minor but short-term impacts to partnerships / suppliers 	<ul style="list-style-type: none"> Slight loss or reduction in student enrolments and retention for a program or course Some decline in overall student satisfaction across a School Some increase in student complaints across a School 	<ul style="list-style-type: none"> Minimal impact on the University's reputation Minimal state and local media coverage Limited social media coverage 	<\$1M	<ul style="list-style-type: none"> Low level short term subjective inconvenience or symptom. Typically first aid or no medical treatment Reversible health effects of little concern, requiring first aid treatment at most Minor environmental damage 	<ul style="list-style-type: none"> Slight and localised disruption to business processes or education & research operations. Impacts are dealt with in the course of routine operations. Minimal damage to assets Supplier or partner changes results in minor and temporary impacts. 	<ul style="list-style-type: none"> Minor non-compliance that can be rectified internally Increased scrutiny from regulators without any additional obligations or penalties

Risk Exposure Rating Tool

Purpose of the Tool

We use the 'Risk Exposure Rating Tool' to highlight the severity of the risks (i.e. Low, Medium, High, Critical). This in turn helps determine which risks you should focus your efforts and resources on. The tool also highlights the implications associated with the different ratings for aspects such as: impact on objectives; management oversight; reporting; and review.

Risk Exposure Matrix		Consequence Rating				
		Minor (1)	Moderate (2)	Major (3)	Severe (4)	Extreme (5)
Likelihood Rating	Almost Certain (E)	Medium	High	Critical	Critical	Critical
	Likely (D)	Medium	Medium	High	Critical	Critical
	Possible (C)	Low	Medium	High	High	Critical
	Unlikely (B)	Low	Low	Medium	High	High
	Rare (A)	Low	Low	Low	Medium	High

Risk Exposure Ratings	
Rating	Description
Critical	<ul style="list-style-type: none"> Objectives will not be achieved Requires relevant management's highest priority and urgent attention Risk must be approved, visible and reported to at least the Vice Chancellor's Executive level (or equivalent) Risk must be reviewed at least every 6 months
High	<ul style="list-style-type: none"> Achievement of objectives under serious threat Requires relevant management's priority and active involvement Risk must be visible and reported to at least the Executive Director level (or equivalent) Risk must be reviewed at least every 6 months
Medium	<ul style="list-style-type: none"> Some threat to achievement of objectives Requires relevant management's active monitoring Risk must be visible and reported to at least the Director level (or equivalent) Risk must be reviewed at least annually
Low	<ul style="list-style-type: none"> Achievement of objectives not under threat Can be dealt with in normal course of business Risks must be visible and reported to at least the Senior Manager level (or equivalent) Risk must be reviewed at least annually

How To Use The Tool

The 'Risk Exposure Rating Tool' is used to evaluate risks based on the severity of their consequence and their likelihood to occur. To evaluate the risk exposure use the 'Consequence Rating Tool', to define the consequence rating and the 'Likelihood Rating Tool' to define the likelihood rating. Once you have ascertained these two ratings you can then plot what the risk exposure rating is (i.e. Low, Medium, High or Critical) from the matrix above. To understand the implications of each rating, refer to the descriptions in the Risk Exposure Ratings table on the right.