
**AUTRALIAN ICE HOCKEY FEDERATION Inc.
(Trading as ICE HOCKEY AUSTRALIA)**



RISK MANAGEMENT POLICY

March 2009

Overview

Effective governance is an integral characteristic of any successful organisation. Ice Hockey Australia is no exception. Ice Hockey Australia's and affiliated member organisation's boards, directors and officers are responsible for ensuring that their organisations are well managed, able to deal with future challenges, and capitalise on opportunities with minimal risk.

All board and director members need to be aware of their obligations and responsibilities and have the necessary skills and knowledge to competently fulfil their duties as decision makers. If the board and directors allows an organisation to simply maintain the status there is a danger current risks are accepted and will continue to prevail unabated until such time they become major in nature. In addition, changing laws and economic conditions must be acknowledged so the sport is kept abreast with the environmental legal and compliant changes that could severely impact on their core business – financial stability and solvency.

Our sport has recently experienced dramatic changes in today's society's legal attitude. No longer can one afford a "she'll be alright mate" attitude and hope for the best. Reacting to a foreseeable problem after it has happened exhausts time, resources, and at times, financial impact to the members.

Risk Management is both an individual and a corporate responsibility. Individual members are all responsible for anticipating and managing issues that may impact upon how well strategies are implemented to meet the goals and objectives of the sport.

We all deal with risks everyday. In a practical sense, they may present themselves as simply a hazard that may cause harm or loss to an individual member, participant or a fan. In a legal sense, they present themselves as consequences, or may arise as a consequence, of a negligent act or non-compliance with the law which ultimately will result in a financial penalty.

In all our decisions, we have continually strived to ascertain the associated risks with the final outcome. Unfortunately, currently there is no formal structured or tangible approach in place to demonstrate our actions. Therefore, we are open to scrutiny and criticism from individual members and partner organisations. As a result, the sport and its individual members are open to penalties, which in most cases could lead to increased costs. This was never more evident than three significant insurance cases experienced in the past two seasons which resulted in higher insurance premiums. All of these could have been prevented.

Although on surface Risk Management appears to be a daunting and unattainable task, this document is designed to assist the sport's decision makers with a simplistic approach to minimising the associated risks with their decisions. All risks cannot be eliminated, and in such cases, they need to be minimised as much as is humanly possible.

As stated, we are already applying a greater majority of Risk Management techniques in our decisions, some of which have been major to the sport, such as the hosting the World Division II Championship. We now need to formalise them.

It is the purpose of this document to further inform and educate the ice hockey community as to what risk management means and how it can be applied at all levels of competition. Your dedicated assistance in this endeavour will result in a highly professional managed sport.

Don Rurak
President

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Section A: Introduction

Ice Hockey Australia and its affiliated members operate in an environment where all of its officers and administrators must effectively manage and administer the sport at all levels to ensure all sectors of ice hockey are able to deal with future challenges and capitalise on opportunities whilst always giving attention to minimising the associated risks.

Ice Hockey Australia's Risk Management Program, in association with Ice Hockey Australia's constitution, regulations and policies, is designed to encourage an integrated approach to managing risks in the sport. It is developed around having a common understanding and approach to Ice Hockey Australia and its affiliated member's management process. It also provides to ensure the most effective use is made of resources at an acceptable level of risk.

With the dedicated support of the all of the sport's board, directors, officers, affiliated associations and organisations, this will undoubtedly be achieved.

Our Mission

"To be a highly recognised alternative sport for Australian youth"

Our Vision

"To continue to be recognised as a major-minor sport in Australia"

Our Goal

"To continue effectively manage and promote the sport of ice hockey by implementing quality programs and maximising awareness and recognition of ice hockey in Australia through the assistance of national and international sporting governing organisations, sponsors and the general public."

Policy	<p>The Ice Hockey Australia Board, Directors and its affiliated Member State Associations and Organisations aim to use world's best practice in risk management to support and enhance their activities, in all areas of their organisation. They will ensure risk management is an integral part of all their decision-making processes.</p> <p>They have agreed to use a structured risk management approach to minimise reasonably foreseeable disruption to operations, harm to people and damage to the environment and property. They will identify and take advantage of opportunities as well as minimising adverse effects.</p> <p>They will train their people to implement risk management effectively and will strive to continually improve their risk management practices.</p>
Responsibilities	<p>The Chief Executive Officers/Presidents are accountable to their respective boards for the implementation of the risk management process and ultimately responsible for the management of risks in the sport.</p> <p>All Ice Hockey Australia officials and officers are responsible for managing risks in their areas.</p>
Process	<p>A risk management systematic process has been established, based on the Australian Standard AS/NZS 4360:1999. Everyone involved with the application of risk management should use this process for guidance.</p>
Monitoring and Reviewing	<p>The Ice Hockey Australia Board will monitor and review the implementation of the sport's risk management program.</p> <p>The Chief Executive Officer / President will facilitate the development of a common risk management approach across areas of the sport's business by:</p> <ul style="list-style-type: none">• Implementing the risk management program;• Sharing information with broad applicability across all areas; and• Reporting on the progress of implementing the risk management program.
Further Information	<p>For further information on this policy and the risk management procedures, contact:</p> <p>Ice Hockey Australia Office c/o President T: (08) 8251 1734 E: president@iha.org.au</p> <p><i>If in doubt, ASK SOMEONE!</i></p>

Section C: Criterion

To ensure all current and significant risks are captured and addressed, the Ice Hockey Australia Board has reviewed key Ice Hockey Australia documents such as Ice Hockey Australia's:

- Strategic and Business Management Plan;
- Constitution, Regulations and Policies;
- Associated Affiliations, Contracts and Agreements; and
- Actual risks that have been experienced with the sport previously.

The criteria relating to Ice Hockey Australia's Risk Management Objectives in defining associated risks is specific to the following criterion:

Criterion	Notes
Membership	Strategic direction, public awareness and interest, membership retention, market share
Sporting Success	Competitive results, level of participation, better sporting outcomes
Safety	Safety for the participants, coaches, officials, spectators and volunteers
Financial Viability	Direct costs, loss of revenues, budget certainty, sponsorship (private, International Ice Hockey Federation and Government Agencies)
Compliance	Compliance with the law, regulations, standards of behaviour & ethics, duty of care, rules, membership compliance with the Australian Olympic Committee, Australian Sports Commission and the International Ice Hockey Federation
Image and Reputation	Public image and reputation with stakeholders, regulators, sponsors and media

When making any decision, the decision must be challenged using the above criterion elements. Any negative responses from any of the elements must then be fully interrogated to determine if any risks may result because of the decision, their level of consequence and impact to the sport.

Identified Extreme and High risks must then go to the risk assessment and evaluation phase.

Section D: Risk Identification, Evaluation and Assessment Process

After identifying and qualifying the risks, Ice Hockey Australia is committed to take the most appropriate and practical action, with the objective of reducing the level of risk to a tolerable or acceptable level whilst giving consideration at all times to feasibility, costs and benefits of the action.

To assist in this process, Ice Hockey Australia utilises the Risk Identification, Evaluation and Assessment Worksheet as the first step in addressing all of the determined or reported risks. An example of the worksheet designed for this process is shown in [Attachment A](#) of this document. The worksheet also serves in developing the Risk Register which is then used for the communication, consultation and assessment process with other stakeholders (member state associations, AIHL, OiHAN, etc.).

In addition with identifying the associated risks with the sport, key elements are also identified to categorise the risks. The definition for each key element is detailed in the table below.

1. Key Elements - Definition

Element	Includes:
Management Activities	Personnel management; Office accommodation; OH&S, Leadership; Planning; Policies; Strategies
Human Resources & Behaviour	Personnel and skills availability; Funding (salaries) availability; Personnel experience and competence/reliability
Financial and Marketing Activities	Budget bids/requirements; Government funding; Private sponsorship funding; Budget allocations; Expenditure monitoring/control
Regulatory Environment	Controls; Government surveillance; Statutory requirements; Constitution, bylaws, regulations & policies; Duties & responsibilities; CEO & Board instructions.
Reporting/Accountability Requirements	Statutory reporting; Reporting to members; Financial (budget and asset) reporting; Auditing requirements; Ad hoc reports.
Operational Activities and Controls	Major event management (program, technical, officials and competitors); Venues and competition facilities; Travel and accommodation.
Education and Training	Coaches and Officials education and training.
Processes and Procedures	Currency of documentation; Management of correspondence; Delineation of responsibilities; Delegations and authorisations; Knowledge and experience gaps.
Interfaces and Communication	MOUs with other sporting organisations; state affiliated bodies or Government agencies; Formal sponsorship arrangements; Face-to-face meetings; Marketing capabilities/functions; Correspondence and mode of delivery; Geographic location; AGMs, GAMs and Conferences; Web-page effectiveness; Developing relationships.
Commercial and Legal Relationships	Insurance – public, professional indemnity, sports injury, product liability, warranties, indemnities, liquidated damages, applicable law, excusable delay.

Section E: Risk Assessment and Evaluation

The practical exercises employed in this process are:

- Reviewing the identified risks within each element for credibility;
- Final determination on establishing whether there are existing controls;
- Determining the Consequences;
- Determining the Likelihood of these risks occurring;
- The criterion the risks will affect; and
- The agreed priority for “action”.

The following tables provide meaning and definition to each of these elements.

1. Consequences Impact Scale

Rating	Potential Impact
Catastrophic	IHA would be permanently disbanded i.e. put out of business
Major	Most criteria threatened, or one severely affected
Moderate	Some criteria affected, considerable effort to rectify
Minor	Easily remedied, with some effort the criteria can be achieved
Negligible	Very small impact, rectified by normal process

2 Likelihood Scale

Rating	Likelihood (The probability that a problem may occur)
Almost Certain	Will probably occur, could occur several times per year
Likely	High probability, Likely to arise once per year
Possible	Reasonable likelihood that it may arise over a five-year period
Unlikely	Plausible, could occur over a five to ten year period
Rare	Very unlikely but not impossible, unlikely over a ten year period

3. Risk Priorities Scale

Likelihood	Consequences				
	Negligible	Minor	Moderate	Major	Catastrophic
Almost Certain	Medium	Medium	High	High	Extreme
Likely	Low	Medium	Medium	High	
Possible	Low	Medium	Medium	High	High
Unlikely	Low	Low	Medium	Medium	High
Rare		Low	Low	Medium	High

4. Criterion

Criterion	Definitions
Membership	Decline in members.
Sporting Success	Decline in international success.
Safety	Non-compliance with industry standards, injury to members and the public.
Financial Viability	Solvency of the organisation.
Compliance	Breach of the Incorporations Act; Subject to legal action.
Image and Reputation	Public image and reputation for the sport; No sponsors; Federal Government Agency holding a public inquiry into the management of the sport.

Section F: Risk Treatment

Ice Hockey Australia has developed and implemented a detailed Risk Action Plan to address risks that are identified as Extreme, High or Medium in nature. For risks that have an inherent risk level of Extreme or High, the Board will endorse the effective treatment strategies recommended.

A Risk Action Plan uses two distinct forms for treating risks – Risk Treatment Options Worksheet and Risk Action Plan Summary which is to be completed for each identified Extreme or High risk. The Worksheets for this process is found in [Attachments B and C](#) of this document.

A. Guidelines on Risk Treatment Responses

The specific risk action taken by Ice Hockey Australia on each of the identified risks will depend on the nature of the requirement and the risk, and the resources available to implement each. Therefore, Ice Hockey Australia will employ four distinct guidelines to assist in identifying the approach on each risk. These are:

1. Likelihood Reduction

This action is directed towards limiting the chance that something will occur in the first instance by avoiding the risk altogether. Examples of likelihood reduction are:

- The selection of alternative approaches;
- Procedural changes;
- Quality assurance procedures;
- Operational views;
- Regular audits;
- Training and skills enhancement; and
- Contract terms.

2. Consequence Reduction

This action is directed to minimising the impact of the associated risk. Some risks, such as those associated with economic variations and natural events, cannot be avoided, so strategies need to be developed to mitigate the consequences more effectively. Consequence reduction strategies include:

- Contingency planning;
- Quality assurance;
- Contract terms and conditions;
- Regular audits and checks to detect compliance or information security breaches; and crisis management and recovery plans.

3. Risk Transfer or Risk Sharing

This action shifts the responsibility for a risk to another party, who ultimately bears some of the consequences if the risk arises. Contracts are the primary means of transferring risk between the parties. However, transferring the risk to a contractor or affiliated organisation may not really eliminate the risk, as the 'purchaser' in the contract will still retain some overall responsibility for managing the risk.

Insurance is a well-known risk transfer strategy. However, transferring the risk to another party will usually incur a cost - for example a higher insurance premium.

4. Risk Acceptance or Retention

This action occurs when risks cannot be further reduced, avoided or transferred, or costs of doing so would be too high. Ice Hockey Australia must then tolerate the risks and manage them the best way they can. In some cases it may be in the best interests of Ice Hockey Australia to manage the risk by retaining the risk for internal management.

Section G: Monitoring and Review

Ice Hockey Australia is committed to regular monitoring and review of the risks associated with the sport to ensure new risks are detected and managed accordingly, that any changes to the existing risks are detected and managed, and that action plans are implemented and progressed effectively.

To assist in this process, Risk Management will be a regular agenda item for all Board & Director meetings. Performance information will be provided via a Risk Register to ensure all important risks are examined and can assist with identifying likely trends, trouble spots and other changes that have arisen.

The Risk Register, the main tool for monitoring risks, contains the names of the individuals responsible for the management of each risk. The CEO/President, or nominated person, is responsible for keeping the register up to date.

Risks that have been managed, avoided or are no longer relevant will be removed from the Risk Register along with the associated Risk Action Plans.

Section H: Communication and Consultation

Ice Hockey Australia endeavours to ensure effective communication and consultation is an integral part of the risk management process. The objective is to ensure stakeholders are aware of the risks associated with the sport and for “buy in” in terms of what actions they can implement to assist Ice Hockey Australia in managing the risks. The Risk Register ([Attachment E](#)) is to be used as the platform for this process, in association with the Summary Risk Report ([Attachment D](#)).

In addition, Ice Hockey Board members will discuss risks with the stakeholders in a consistent and regular manner through the sporting season either by written or verbal means. This regular consultation will provide important information on:

- the nature of the risks;
- what is being done; and
- what may be done to further manage them.

The Risk Register Form is to remain a “static” document by which additional identified risks can be added to, changed or omitted on each periodic review by all stakeholders.

Attachment A: Risk Identification, Evaluation and Assessment Worksheet and Register (Example)

KEY ELEMENT	ID No.	RISK DESCRIPTION	EXISTING CONTROLS	CONSEQUENCES	LIKELIHOOD	CRITERION	AGREED PRIORITY
Management Activities	1.01	Do the IHA Board and its affiliate organisation's Board meet regularly with all decisions and actions documented?	Twice annual meetings and regular email motions	Major	Rare	Sporting Success	Low
	1.02	Do IHA and its affiliate organisations conduct risk assessments on all programs, activities and events?	Not formally.	Moderate	Likely	Safety	Medium
	1.03	Do IHA have a clear plan for the future that describes what IHA wants to do and how IHA is going to do it?	Mission Statement, Business Mgt & Strategic Plan	Major	Rare	Sporting Success	Low
	1.04	Are all IHA and its affiliate organisations risk assessments documented?	Not at present, but will be in future.	Major	Likely	Safety	Medium
Human Resources & Behaviour	2.01	Does IHA have position descriptions for all office bearers/staff?	Yes. Sent to each on appointment.	Major	Rare	Compliance	Low
	2.02	Has IHA officers and players agreed to a code of behaviour or conduct?	Yes. Signed documents on file.	Moderate	Unlikely	Image & Reputation	Low
	2.03	Do IHA members understand the extent of their "Duty of Care"?	Not all. More communication required.	Moderate	Possible	Safety	Medium
Financial & Marketing Activities	3.01	Do IHA and its affiliate organisations meet the legislative requirements for paid employees?	Yes. Budgets and Audited Statements	Major	Rare	Compliance	Low
	3.02	Do IHA have a realistic budget and present regular financial reports that identify how IHA is going financially?	Yes. Via MYOB & two signature approvals Process	Major	Rare	Financial Viability	Low

Attachment B: Risk Treatment Options Worksheet

Risk Description:		
Element:	Risk Identification Number:	Action Sheet Risk Register Number:
Likelihood:	Consequence:	Agreed Risk Level:
Current controls:		
Possible additional actions (treatment options):	Discussions (benefits, costs, resources, insurances, safety, recommendations):	
Comments and Recommendations:		
Compiled by:		Date:

Attachment C: Risk Action Plan Summary

Risk description:			
IHA Business Area:		Risk Identification Number:	Action Sheet Risk Register Number:
Likelihood:		Consequence:	Agreed Priority Level:
Current controls:			
Additional Treatment actions recommended:			
Responsibility allocation:			
Resources Required (human, monetary, material):			
Timing (key milestones, closure date):			
Reporting (to whom, when, in what form):			
References (to other documents such as contracts, agreements, emails, regulations, policies or plans):			
Compiled by:	Date:	Reviewed by:	Date:

Attachment D: Summary Risk Report

Summary Risk Report:	Period:	Submission date:	
Summary of Extreme and High Risks			
Risk ID Number	Risk Description	Risk Treatment and Control Summary	Responsibility
Commentary on significant changes during the period:			
Commentary on the status of the Risk Management system:			
Risk Manager:		Reviewer:	
Date:		Date:	
Attachments: Risk Action Plan Summaries for Extreme and High risks.			