

## Unit 501

## Establish business risk management processes

<b>UAN:</b>	<b>J/506/2048</b>
<b>Level:</b>	5
<b>Credit value:</b>	5
<b>GLH:</b>	29
<b>Relationship to NOS:</b>	Management & Leadership (2012) National Occupational Standards: <ul style="list-style-type: none"><li>• CFAM&amp;LBB1 Manage risks to your organisation</li></ul>
<b>Assessment requirements specified by a sector or regulatory body:</b>	Skills CFA Assessment Strategy Competence units (S/NVQ)
<b>Aim:</b>	This unit aims to develop the knowledge and skills required to establish business risk management processes and will introduce learners to business risk management models and techniques. Upon completion of this unit, learners will be able to develop and evaluate business risk management processes.

<b>Learning outcome</b>
The learner will: <ol style="list-style-type: none"><li>1. understand business risk management models and techniques</li></ol>
<b>Assessment criteria</b>
The learner can: <ol style="list-style-type: none"><li>1.1 analyse standards relating to the management of business risk</li><li>1.2 analyse the factors influencing different types of risk</li><li>1.3 evaluate the relationship between risk management, business continuity and crisis management</li><li>1.4 evaluate a range of scenario planning and crisis management models</li><li>1.5 analyse methods of calculating risk probability</li><li>1.6 analyse the effectiveness of a range of risk monitoring techniques</li><li>1.7 analyse the significance of risk governance structures and ownership.</li></ol>

<b>Learning outcome</b>
The learner will: 2. be able to develop business risk management processes
<b>Assessment criteria</b>
The learner can: 2.1 review periodically the effectiveness of risk management strategy, policy and criteria 2.2 take action to ensure that risk profiles remain current and relevant 2.3 develop viable and affordable risk management processes that are consistent with business needs and the degree of potential impact of the risk 2.4 develop contingency and business disruption processes that are commensurate with the degree of risk to business as usual and organisational reputation 2.5 take action to ensure that risk management processes are integrated into operational plans and activities.

<b>Learning outcome</b>
The learner will: 3. be able to evaluate the effectiveness of business risk management processes
<b>Assessment criteria</b>
The learner can: 3.1 appraise the suitability of a range of risk evaluation techniques to business risk management 3.2 evaluate risk using valid quantitative and qualitative information 3.3 identify areas for improvement in identifying and managing risk 3.4 encourage a culture that accepts and manages risk.