



*cutting through complexity*

# Risk Management and Decision Making

Infrastructure Asset Management Alberta  
Workshop October 7, 2015  
Red Deer



# Workshop agenda

**What is Risk Management**

**Risk Management Process**

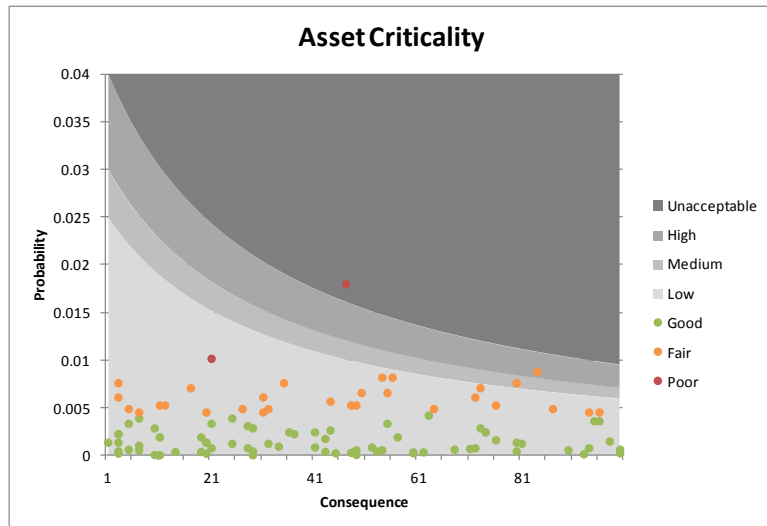
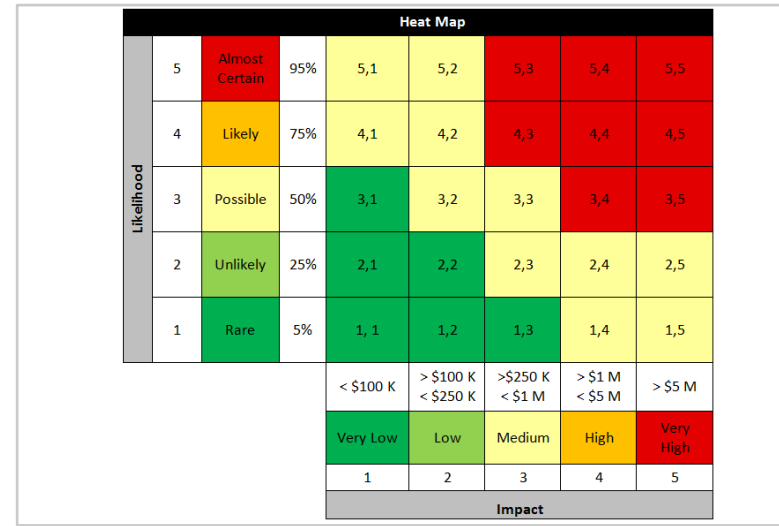
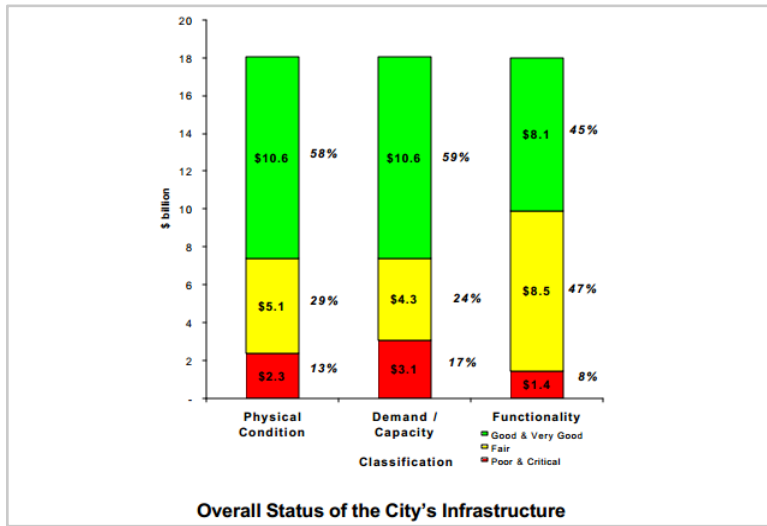
**Risk & Your municipality**

**How does risk fit with Asset Management Decision Making**

**Challenges to implement risk**

**Conclusion & Wrap-up**

# Risk Framework Examples



## Example – Assessing Risk

**Task 1 – Score the three examples on the heat map using the following Council Directive**

**“We believe strongly in the growth and economic welfare of our community. Safe transportation options in and around our community are a key priority”**

**What measures did you use to score the infrastructure on the likelihood axis?**

**What measures did you use to score the infrastructure on the impact axis?**

## Example – Assessing Risk (cont.)

**Task 2 – Score the same three examples on the heat map using another Directive**

**“We want to be a livable community with attention for the health and safety of our citizens. Safety and accessible green spaces are a key priority”**

**How did the assessment of the likelihood change, if at all? Why?**

**How did the assessment of the impact change, if at all? Why?**

**What would a typical response be for a risk in the green / yellow / red area of the heat map?**

# Risk Management Process

**Based on your experience, describe how risk management can support Council's goals.**

**Based on today's experience, draw a simple risk management process flow.**

# How is risk relevant to a municipality?

What types of risk are relevant to your municipality?

How do you define “Risk Tolerance”?

# How does Risk Management fit with Decision Making?

**Scope: 5 Year Capital Plan development.**

**Task 1 – Identify in which process steps you use risk management**

**Suggested process steps: Identify infrastructure needs, Define project, Prioritize projects, Seek 5YCP approval, Execute 5YCP**

**Task 2 – Briefly describe the kind of analysis / decision / action that would fit with the decision making step**



# How to implement Risk Management?

**What department or function is accountable for risk management?**

**What departments or functions have a support role? Briefly describe how they support.**

**What are challenges you foresee in increasing the use of risk management in the decision making process?**

**What strategies would you try or recommend to implement more risk management?**

## Conclusion & Wrap-up

**What are the 3 main take-aways from today's session for you?**

- 1.
- 2.
- 3.

**What questions do you still have at this time?**

**If you'd like us to follow-up on these, please provide an email address / phone number:**