Unit FM5.04 Risk management in facilities management

The assessment criteria form part of the unit and specify the standard that a learner is expected to meet to demonstrate that the learning outcomes within the unit have been achieved. The additional guidance, which is shown in brackets and italics alongside the assessment criteria, does not technically form part of the unit, in that it is not included in the reference version of the unit shown by the Register of Regulated Qualifications. The additional guidance is provided to illustrate how the assessment criteria might be interpreted. The BIFM will generally expect assessors to interpret the assessment criteria as described, or to an equivalent level of demand.

(At level 5, the evidence provided by learners to confirm that they meet the assessment criteria should mostly relate to organisations where they have worked or where they are working.)

Aim of the unit:

This unit enables a learner to develop a risk management policy, establish risk criteria and improve and review the risk management process and strategy.

Title:	Risk management in facilities management
Level:	5
Credit value:	6

Learning Outcome *A learner when awarded credit for this unit will:*	Assessment Criteria *Assessment of this learning outcome will require a learner to demonstrate that they can:*
1. Be able to develop and disseminate a risk management policy and culture within the organisation	1.1. Develop a risk management policy setting out clear responsibilities for risk management at different levels *(relating categories and levels of risk to organisational levels within the organisation)* 1.2. Develop a strategy to communicate the policy across the organisation and to other relevant parties *(including methods appropriate to two-way communication with staff at different levels within the organisation and with the other parties)* 1.3. Produce a strategy to develop an organisational culture in which people are risk

	aware *(including methods to encourage, confirm and reward risk awareness at different levels within the organisation)*
2. Be able to establish and review risk criteria for an organisation	2.1. Establish the risk criteria for an organisation taking account of the views of relevant people across an organisation and stakeholders *(for different categories in a typology of risk relevant to the organisation)*
	2.2 Review and update the risk criteria for an organisation *(including describing and justifying the timetables and methods used to maintain the criteria established for the different categories of risk)*
3. Be able to review and evaluate organisational activities and the potential risks that might emerge	3.1. Determine the review and updating process *(including describing and justifying the timetables and methods used to update the evaluation of specific risks)*
	3.2. Evaluate current and planned organisational activities and identify potential risks associated with these *(including risks from the external environment as well as risks from the organisation's internal environment)*
	3.3. Analyse the nature of these potential risks, their probability of occurrence and possible consequences for the facilities management function and an organisation *(no additional guidance)*
4. Be able to manage and improve the risk management process in an organisation	4.1. Produce a risk profile of an organisation taking account of the risk criteria and other relevant information *(using the risk criteria and potential risks established and evaluated for the previous learning outcomes)*
	4.2. Suggest practices to ensure senior management commitment to the risk management process *(with reference to the risk management policy related to the earlier learning outcome)*

	4.3.	Identify the resources that need to be allocated across an organisation to support and enable effective risk management *(to provide for the analytical and consultative processes referred to for the earlier learning outcomes, as well as for establishing and maintaining arrangements for disaster recovery and business continuity)*
	4.4.	Review and evaluate the effectiveness of the risk management process in an organisation, identifying potential improvements and making changes where necessary *(by reference to changing needs as well as cost-effectiveness, and including the risk management policy, the arrangements to establish risk criteria, the arrangements for the evaluation of potential risks, and the strategies chosen to address those risks that related to the earlier learning outcomes)*
5. Be able to review the effectiveness of actions being taken to reduce risk and maintain business continuity	5.1.	Collect and evaluate information from across an organisation on how identified risks have been or are being dealt with, including contingency plans which have been put in place *(using methods to investigate the relevant staff's awareness, competence and/or application of the relevant provision in the organisation)*
	5.2.	Review and update strategies for dealing with threats to business continuity and the robustness of disaster recovery plans *(by reference to changing needs as well as cost-effectiveness, and describing and justifying the timetables and methods used to review the strategies and plans in the organisation)*
Unit expiry date	31st October 2017	
Unit reference number	L/601/1807	
FM Professional Standards	FM functional area:	FM functional area

reference		component:
	Business Continuity and Compliance	Risk Management
	Business Support Services Management	Service Innovation

Resources:

Geohazard Risk Management for Linear Facilities (Springer Praxis Books / Environmental Sciences) by Michael Porter, Matthias Jakob, and Wayne Savigny
Fundamentals of Risk Management: Understanding, Evaluating and Implementing Effective Risk Management by Paul Hopkin
The Essentials of Risk Management: The Definitive Guide for the Non-risk Professional by Michel Crouhy, Dan Galai, and Robert Mark
Corporate Risk Management by Tony Merna and Dr. Faisal F. Al-Thani
Risk Management: 10 Principles by Jacqueline Jeynes
Practical Business Continuity Management: Top Tips for Effective, Real-World Business Continuity Management by Andy Osborne
The Route Map to Business Continuity Management: Meeting the requirements of BS 25999 by John Sharp
The Definitive Handbook of Business Continuity Management by Andrew Hiles and Peter Barnes
The Disaster Recovery Handbook: A Step-by-Step Plan to Ensure Business Continuity and Protect Vital Operations, Facilities, and Assets by Michael Wallace and Lawrence Webber
Business Continuity Management: Building an Effective Incident Management Plan by Michael Blyth
Business Continuity Management: A Crisis Management Approach by Dominic Elliott, Ethné Swartz, and Brahim Herbane
Disaster and Recovery Planning: A Guide for Facility Managers, Fifth Edition by Joseph F. Gustin
Risk and Financial Management in Construction by Simon A. Burtonshaw-Gunn
The Institute of Risk Management - www.theirm.org
FM World - www.fm-world.co.uk
www.bifm.org.uk
Facilities Management Journal - www.mpp.co.uk
Facilities Management Excellence - www.fmxmagazine.co.uk