

## Unit FM6.02 Facilities management governance and risk

*(At level 6, the evidence provided by learners to confirm that they meet the assessment criteria must relate to organisations where they have worked or where they are working. Where appropriate, the evidence should show that the learners have been able to take into account relevant theories and methods addressed by the BIFM qualifications at levels 5 and 4.)*

### Aim of unit:

This unit enables learners to understand the purpose of corporate governance and an organisation's ethical responsibilities. It helps them to understand the principles of effective governance, its relationship to risk management and the importance of risk management in the context of the strategy in the business as a whole.

It helps learners to review the effectiveness of risk management strategies, apply risk transfer within the facilities management function and contribute to a robust business continuity plan for an organisation as a whole.

<b>Title:</b>	Facilities management governance and risk	
<b>Level:</b>	6	
<b>Credit value:</b>	8	
<b>Learning outcomes</b> <i>A learner when awarded credit for this unit will:</i>	<b>Assessment criteria</b> <i>Assessment of this learning outcome will require a learner to demonstrate that they can:</i>	
1. Understand the purpose of corporate governance and an organisation's ethical and social responsibilities	1.1 Analyse the scope and purpose of corporate governance and the roles and responsibilities of those involved. 1.2 Analyse an organisation's ethical, financial and social responsibilities and the extent to which an organisation's policies, procedures and decisions reflect these responsibilities. 1.3 Analyse the implications of non-compliance with legal and regulatory requirements relating to an organisation's ethical, financial and social responsibilities.	
2. Understand the principles of effective governance and its relationship to risk management	2.1 Analyse the main concepts and criteria of corporate governance and how they apply to an organisation. 2.2 Evaluate the extent to which an	

	<p>organisation's corporate governance addresses the principles of responsibility, accountability, transparency and fairness.</p> <p>2.3 Evaluate the systems for providing information to and alerting governance bodies about possible risks and the costs of mismanaged relations.</p> <p>2.4 Monitor and review relationships with governance bodies and key stakeholders.</p>		
3. Be able to understand the importance of risk management in the context of an organisation's strategy	<p>3.1 Evaluate the relationship between the risk within the facilities management function and its potential impact on an organisation, for example, loss of business or reputation.</p> <p>3.2 Evaluate the extent to which risks are perceived or anticipated within an organisation.</p> <p>3.3 Critically review the processes and procedures through which risks are identified and managed.</p>		
4. Be able to review the effectiveness of risk management strategies	<p>4.1 Analyse and compare risk reduction strategies and critically evaluate how these have contributed to the reduction of risk.</p> <p>4.2 Devise strategies and plan to ensure an organisation remains compliant (<i>with relevant legislation, regulation and best practice</i>).</p>		
5. Be able to apply risk transfer within facilities management function	<p>5.1 Compare and evaluate principles of risk transfer and make appropriate recommendations for risk transfer.</p> <p>5.2 Critically evaluate the extent to which the risks transferred are successful in relation to facilities management.</p>		
6. Be able to contribute to a robust business continuity plan for an organisation	<p>6.1 Determine the scope and extent of business continuity planning requirements in an organisation and the role of facilities management within the plan.</p> <p>6.2 Develop business continuity plans covering all aspects of the disaster recovery and emergency response.</p>		
FM Professional Standards reference	<table border="1"> <tr> <td>FM functional area:</td> <td>FM functional area component:</td> </tr> </table>	FM functional area:	FM functional area component:
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	Strategy and Policy Development	Corporate Social Responsibility
	Business Continuity and Compliance	Risk Management
		Compliance
	Property Portfolio Management	Managing Accessibility and Inclusion

## Resources:

Theories of Corporate Governance by Thomas Clarke  
Corporate Governance: An Institutional Approach by Robert Cobbaut and Jacques Lenoble  
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 Disaster Recovery Handbook - A Step-by-Step Plan to Ensure Business Continuity and Protect Vital Operations, Facilities, and Assets by Wallace  
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 Asse 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](http://www.theirm.org)  
FM World - [www.fm-world.co.uk](http://www.fm-world.co.uk)  
[www.bifm.org.uk](http://www.bifm.org.uk)  
Facilities Management Journal - [www.mpp.co.uk](http://www.mpp.co.uk)  
Facilities Management Excellence - [www.fmxmagazine.co.uk](http://www.fmxmagazine.co.uk)  
FMUK - [www.fmuk-online.co.uk](http://www.fmuk-online.co.uk)  
Facilities - <http://www.emeraldinsight.com/products/journals/journals.htm?id=f>  
Facilities Management - <http://www.lnbconnect.co.uk/Compliance/Facilities-Management.html>