

**POLICY TITLE**

**INTEGRATED RISK MANAGEMENT (IRM)**

**AUTHORIZATION**

Vice President, Quality and Patient Safety

**DATE APPROVED**

November 2006

**DATE REVISED**

**1.0 INTRODUCTION**

The Fraser Health Authority (Fraser Health) has adopted an integrated and enterprise-wide approach to risk management to improve Fraser Health's ability to achieve organization goals and protect and enhance the value Fraser Health delivers to the community. This approach is set out in the document, *Integrated Risk Management: a Framework for Fraser Health*. The framework provides a common approach for managing risk across the organization. It embeds the principles of governance, integrated risk management (IRM) and compliance to ensure required standards for quality, safety, accountability and transparency are met.

**2.0 POLICY STATEMENT**

Fraser Health will ensure IRM principles and practices are entrenched in all aspects of its organization philosophy, culture, planning and operations. Fraser Health will actively and systematically promote and instill IRM principles and methods in all planning and decision-making processes and will ensure relevant and appropriate tools, support and training are available. Leadership and guidance for IRM will be provided by the Integrated Risk Management Portfolio under the direction of the Vice President, Quality and Patient Safety.

Management at all levels are responsible to ensure understanding and practice of IRM within their areas of responsibility. Management shall comply with IRM standards and requirements established by Fraser Health to proactively identify, assess, manage and report on risks and controls associated with their areas of responsibility and to develop risk strategies and registers that link to the risk framework. Employees, physicians and volunteers are responsible to understand and comply with the provisions of this policy and the IRM framework.

**3.0 UNDERLYING PRINCIPLES**

**Safeguarding People and Assets**

Fraser Health is committed to ensuring appropriate systems and policies are in place to effectively identify, assess and manage risk and uncertainty in order to safeguard people and assets and maintain public trust.

**Support for Innovation, Decision-Making and Improved Outcomes**

Fraser Health is committed to using IRM to inform decision-making, support innovation and improve outcomes through continuous process improvement.

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**Strengthened Accountability and Management Practice**

Fraser Health is committed to strengthening accountability and capacity to manage in the face of competing obligations by ensuring a broad analysis of risk, based on best practices, that also encourages the identification and pursuit of opportunities for improvement.

**4.0 AUTHORITY AND ACCOUNTABILITY FOR RISK DECISIONS**

Authority and accountability for making decisions about risk is aligned with delegated authority limits and risk tolerance levels established by Executive Management. Risk issues extending beyond an individual's defined scope of authority must be escalated to the appropriate level of authority. Where necessary, Executive Management shall assign responsibility for the management of specific risk issues.

**5.0 DOCUMENTATION AND COMMUNICATION**

Information and decisions about risks shall be documented and communicated to appropriate stakeholders. Documentation must be sufficient to provide clear understanding of risks, decisions made and actions taken in accordance with the risk framework.

**6.0 MONITORING AND REPORTING OF RISKS**

Risks are monitored through ongoing review and periodic assessments. Risks and mitigating actions are reported to management on a regular basis through normal reporting processes. Significant emerging risks as well as risk management shortcomings or deficiencies are reported to the individual responsible for the area or activity involved and to at least one level of management above that person to ensure support for taking corrective action. Where risks or deficiencies cut across service areas or portfolios, the reporting shall cross over as well. Events that may have significant financial or contractual implications or the potential to damage Fraser Health's reputation are reported to Executive Management immediately.

**7.0 DEFINITIONS**

**"Risk"** refers to anything that adversely impacts the achievement of objectives. It results from uncertainty and is measured in terms of likelihood and impact.

**"Risk Management"** refers to a systematic process to identify, assess, prioritize and manage potential or actual risk.

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**“Integrated Risk Management (IRM)”** is an explicit, systematic and proactive approach to understand and manage risk from an enterprise-wide perspective. It integrates risk management into strategy setting and decision making at all levels of the organization to identify risks and opportunities and support achievement of organization objectives. It fosters a culture that values innovation, responsible risk-taking and continuous improvement.

## 8.0 **APPLICABILITY**

This policy applies to all Fraser Health staff (including employees, physicians, volunteers) and other persons acting on behalf of Fraser Health and to all types of risk.

## 9.0 **REFERENCES**

- Integrated Risk Management: A Framework for Fraser Health
- Fraser Health Board Policy – *“Integrated Risk Management”*