

INTEGRATED MANAGEMENT &
ASSURANCE SOLUTIONS



WHAT IS RISK BASED THINKING?

www.imasolutions.com.au

RISK BASED THINKING EXPLAINED

"Always Striving for Better Practice"

Compliance Re-Born

WRITTEN BY KARICE GRUNDON PCQI

Back in 2015 there was a game-changing shift for ISO 9001 (Quality Management Systems - Requirements). Everyone was used to the normal Plan-Do-Check-Act (PDCA) cycle. Everyone knew they had boxes to tick and processes to follow. And yet...there was still something missing.

Enter Risk Based Thinking.

This new requirement was adopted into the standard, and soon after other standards followed suit, and for good reason!

Risk Based Thinking opened the flood gates for possibilities and potential. FINALLY the standard recognised that the focus needed to shift from a REACTIVE management system to a PROACTIVE management system.

Prior to 2015, the focus was heavily set on the ACT part of the management system. After all the Planning, the doing and the checking, whoops! Things have gone wrong. Then the effort is spent on doing thorough root cause analysis, corrections and figuring out what we should do to stop it happening again.

This shift from reactive to proactive got organisations thinking about things BEFORE they happened and planned for them BEFORE they happened.



Risk Based Thinking has kind of always been implied in the older standards, but 2015 really set the scene.

This paved the way for the standard to become less rigid in its requirements. Gone are the days the standard demands a process for this, a procedure for that, a record of that...it's really let go of the reins, so you can adapt your Management System to your organisation, not try to squash your organisation into a box.

No two industries are the same, and neither are any two businesses within the same industry. 2015 has really celebrated this, and through the application of risk based thinking, you have the freedom to design your management system for your best practices.

You really are in charge of your own destiny!

Where to now?

Step 1: Do you know what your risks and opportunities REALLY are? Undertake a management review on the strategic direction for your organisation

Step 2: Do a risk analysis. Figure out what will make you and what will break you.

Step 3: Complete a gaps analysis. Where are those biggest risks? Does your system effectively support success in these areas?

Step 4: De-clutter. Where is the dead-weight and overkill in your system? Get rid of anything that doesn't serve you in your strategic direction. Don't waste time, money and other resources on heavy lifting low risk areas that you never really use or have little to no effect on delivering your conforming outputs.

*“A bend in the road is not
the end of the road...
Unless you fail to make the
turn.”*
— *Helen Keller*

