Title	**Manage risk in an aviation environment**		
Level	**5**	**Credits**	**15**

Purpose	People credited with this unit standard are, in an aviation environment, able to: demonstrate knowledge of and apply the principles and framework of risk management; establish risk context; complete risk identification; analyse and evaluate risks; select and develop a risk treatment strategy; and develop, communicate, monitor, and review a risk management process.

Classification	Aviation > Aviation - Core

Available grade	Achieved

Guidance Information

1 Resources may include but are not limited to:
Standards Australia/Standards New Zealand. 2009. AS/NZS ISO 31000:2009 *Risk Management – principles and guidelines.* Sydney and Wellington: Standards Australia and Standards New Zealand, or subsequent amendments;
Civil Aviation Authority of New Zealand. 2013. *Aviation Risk Management – An Introduction*, CAA available at https://www.aviation.govt.nz/assets/publications/sms-resources/sms-booklet-4.pdf.

2 All references to the CAA refer specifically to the Civil Aviation Authority of New Zealand.

3 Industry standards are those set in place by the CAA.

4 Industry texts may include but are not limited to – AS/NZS ISO 31000:2009, Aviation Risk Management – An Introduction, CAA Rules, CAA Advisory Circulars, operator exposition.

5 Definitions
Knowledge refers to the knowledge, understanding, and application of the subject matter.
Organisational procedures refer to the step-by-step instructions for implementing or carrying out an organisation's policy or desired objective.

Outcomes and performance criteria

Outcome 1

Demonstrate knowledge of and apply the principles and framework of risk management in an aviation environment.

Performance criteria

1.1 The principles of risk management are described and applied in an aviation environment in accordance with industry standards and texts.

1.2 The risk management framework is described and applied in an aviation environment in accordance with industry standards and texts.

1.3 The risk management process is identified.

1.4 The relationship between the risk management principles, framework, and process are described in accordance with industry standards and texts.

Outcome 2

Establish risk context in an aviation environment.

Performance criteria

2.1 Organisational processes, procedures, and requirements for undertaking risk management are reviewed in accordance with industry standards and texts.

Range may include but is not limited to – commercial relationships, economic circumstances and scenarios, human behaviour, individual activities, legislation, management activities and controls, natural events, political circumstances, technology.

2.2 Scope for risk management process is determined in accordance with industry standards and texts.

Range may include but is not limited to – given project, specific business unit or area, specific functional such as financial management, occupational health and safety (OHS), governance, external environment, internal environment, whole organisation.

2.3 Internal and external stakeholders and their risk issues are identified.

2.4 Risk context is reviewed in accordance with industry standards and texts.

Range risk context refers to the application of risk in the following environments – political, economic, social, legal, technological, policy.

2.5 Strengths and weaknesses of current organisational structures and procedures are reviewed in accordance with industry standards and texts.

2.6 Critical success factors, goals, or objectives for the organisation included in scope are documented in accordance with industry standards and texts.

2.7 The risk criteria for the scope are determined and documented in accordance with industry standards and texts.

Range may include factors such as – the nature and types of causes and consequences that can occur and how they will be measured; how likelihood will be defined; the timeframe of the likelihood and or consequences; how the level of risk is to be determined; the risk tolerance level; whether, and if so how, combinations of multiple risks will be taken into account.

2.8 Support for risk management activities is sought from organisational management.

2.9 Relevant parties are communicated with in terms of the risk management process, and are invited to participate, in accordance with industry standards and texts.

Range relevant parties may include but are not limited to – all staff, internal and external stakeholders, senior management, specific teams or business units, technical experts.

Outcome 3

Complete risk identification in an aviation environment.

Performance criteria

3.1 Relevant parties are invited to assist in the identification of risks.

3.2 Risks that may apply to scope are researched in accordance with industry standards and texts.

Range may include but is not limited to – data or statistical information, information from other business areas, lessons learned from other projects or activities, market research, previous experience, public consultation, review of literature and other information sources.

3.3 Tools and techniques are used to generate a list of risks that apply to the scope in consultation with relevant parties.

Range tools and techniques may include but are not limited to – brainstorms, checklists, fishbone diagrams, flowcharts, scenario analysis.

Outcome 4

Analyse and evaluate risks in an aviation environment.

Performance criteria

4.1 Likelihood of risk occurring is assessed in accordance with industry standards and texts.

Range may include but is not limited to probability of a given risk occurring (such as very likely, likely, possible, unlikely, rare).

4.2 Impacts or consequences if risks occur are assessed in accordance with industry standards and texts.

Range may include but is not limited to significance of outcomes if the risk occurs (such as disastrous, severe, moderate impact, minimal impact).

4.3 Risks for treatment are evaluated and prioritised in accordance with industry standards and texts.

Range may include but is not limited to – considering the likelihood of the risk occurring, considering the impact of the risk, determining most significant risks, priorities for treatment.

Outcome 5

Select and develop a risk treatment strategy in an aviation environment.

Performance criteria

5.1 Most appropriate options for treating risks for an aviation environment are determined and selected in accordance with industry standards and texts.

Range may include but is not limited to – avoiding the risk, changing the consequences, changing the likelihood, retaining the risk, sharing the risk with a third party.

5.2 An action plan for implementing risk treatment is developed in accordance with industry standards and texts.

Range may include but is not limited to – actions required, who is taking responsibility, timelines and monitoring processes.

5.3 Risk management processes are communicated to relevant parties in accordance with organisational procedures.

5.4 All documentation is checked to ensure it is in order and is stored in accordance with organisational procedures.

Outcome 6

Develop, communicate, monitor, and review a risk management process in an aviation environment.

Performance criteria

6.1 A plan to formally and informally review the risks and the risk treatment action plan is developed.

Range includes a performance measurement system by which to determine if the risk treatment strategies are adequate.

6.2 The reports from the ongoing review of the risks and risk treatment action plan are used, internally and externally as required, to address risk.

6.3 The risk management process is evaluated in accordance with industry standards and texts.

6.4 An effective communication and consultation process for relevant stakeholders is established in accordance with industry standards and texts.

Planned review date	31 December 2027

Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	15 April 2011	31 December 2024
Rollover	2	26 April 2018	31 December 2024
Review	3	29 September 2022	N/A

Consent and Moderation Requirements (CMR) reference	0028

This CMR can be accessed at http://www.nzqa.govt.nz/framework/search/index.do.

Comments on this unit standard

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.