

RUNNING THE RISK?

RISK MANAGEMENT TOOL FOR
VOLUNTEER INVOLVING ORGANISATIONS

*THIS IS AN EXTRACT ONLY.
FOR A COMPLETE VERSION OF THE TEXT VISIT
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Disclaimer

This risk management booklet is intended to provide general and useful information. However, it is not proposed to be comprehensive legal advice. Readers are advised that before acting on any matters arising in this risk management booklet, they should seek specific legal advice about their situation.

Frequently Asked Questions

We are fully insured, why do we need risk management?

Insurance is only one way to manage the risks facing an organisation. It may not be the best way of managing a risk because:

- it may cost much more than other ways of controlling risk,
- it does not achieve the preferred outcome (preventing harm), it only compensates after the event/injury,
- it may not cover all risks and may be capped to a ceiling, and
- it depends on the insurance company being solvent and able to pay the compensation at the time of the claim.

Do we still need a risk management plan if volunteers in our state are protected by volunteer protection legislation?

The Commonwealth and some states in Australia are following the American example of passing laws to protect certain volunteers from being personally sued under certain conditions. The volunteer's liability is transferred to the community organisation, which may then be able to be sued for the actions of its volunteer. Your risk management plan therefore needs to take into account the provisions of any volunteer protection legislation in your state.

Note that this type of legislation does **not** give all volunteers a blanket immunity in all circumstances. (It may not apply, for example, if the volunteer was involved in a motor vehicle accident, was affected by alcohol or certain other drugs, or was acting outside the scope of the activities authorised by the community organisation or contrary to its instructions.)

Why do volunteers need to be part of our risk management plan?

A not-for-profit organisation is responsible for the actions of its volunteers and paid staff. Inappropriate volunteer behaviour can seriously harm and prevent a not-for-profit organisation from achieving its mission. Volunteers, like employees, are a valuable resource to your organisation and should be part of any risk management system. Including volunteers in your risk management system will help protect both your organisation and your volunteers. The various volunteer protection Acts do not lessen the need for appropriate risk management strategies.

To find out whether your state has passed volunteer protection laws, contact the Volunteering Centre in your state or territory. See the back cover for contact details.

*For an example of an organisation's **duty of care to volunteers**, see Case Study 1.*

Will imposing risk management plans and expectations on volunteers make it harder to recruit and train volunteers?

Volunteers want to enhance the resources of a not-for-profit organisation, not deplete them. They want to help it to achieve its mission, not hinder it. Most volunteers want to be part of a well-managed organisation that considers their needs and rights, and gives them proper training that enables them to maximise their contribution. Appropriate risk management plans which are clearly communicated will reassure volunteers and give them confidence about working for the organisation.

What are some common mistakes in risk management plans?

- They are formally prepared, but never implemented or regularly revised.
- They cover the risks that are easy to treat and leave the difficult risks untreated.
- They rely too heavily on insurance as a strategy.
- They assume the organisation's insurance covers risks that it does not.
- The risk management plan is not amended when insurance policies alter or new activities begin.

Wouldn't it be easier just to copy another organisation's risk management plan?

Not-for-profit organisations are diverse, even within the same sector. A risk management plan will be quite different even for similar organisations because of variables such as size, organisational culture, property ownership and leadership. You are far more likely to identify all of the risks relating to your organisation by working through the process of planning your own risk management strategy, than by just blindly copying another organisation's work. An understanding of what risk management means and an ownership of the strategy to protect and enhance the mission of your organisation are essential.