

OPERATORS PRESENTATION AVIATION SAFETY CAMPAIGN 2017

TOPIC: OPERATIONAL RISK MANAGEMENT

OUTLINE

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OPERATIONAL RISK MANAGEMENT

- ▶ [23 second video clip - Seinfeld Risk Mgmt.](#)
- ▶ Risk Management - The identification, analysis, and elimination (and/or mitigation to an acceptable or tolerable level) of those hazards, as well as the subsequent risks, that threaten the viability of an organization. (ICAO Doc . 9859)
- ▶ A formal process of SMS consisting of 4 components : 1) Safety Policy and Objectives

- ▶ 2) Safety Risk Management
- ▶ 3) Safety Assurance
- ▶ 4) Safety Promotion
- ▶ Is a structured approach with systematic actions aimed to achieve the balance between identified ,assessed risks and practical risk mitigation.

- ### Principles of ORM
- ▶ Complete elimination of risk in aviation organizations is not achievable.
 - ▶ Not all risk can be removed
 - ▶ Not all risk mitigation measures are economically viable
 - ▶ It is accepted that some residual risk of harm to people, property, or environment is considered acceptable or tolerable.

- ▶ Accept no unnecessary risk
- ▶ Accept risk when benefits overweigh the costs
- ▶ Make risk decisions at the appropriate level
- ▶ [video](#)

Elements of Risk Management

- ▶ Risk Management consists of 3 elements:
- ▶ 1) Hazard Identification
- ▶ 2) Risk Assessment
- ▶ 3) Risk Mitigation

Risk Management Process



Acceptance of Risk

- ▶ Assessment - evaluation based upon engineering, operational judgment, and/or analysis methods.
- ▶ Evaluation of the following criteria:
 - ▶ 1) Severity of the hazard
 - ▶ 2) Probability of its occurrence
 - ▶ 3) Tolerability of its effects.

- ▶ Risk Severity – categorized as Negligible, Minor, Major, Hazardous, and Catastrophic.
- ▶ Risk Probability – categorized as Extremely Improbable, Improbable, Remote, Occasional, and Frequent
- ▶ Tolerability – presented as a risk classification matrix or table. May be qualitative or quantitative by design. For ex: 5A, 25, Catastrophic , frequent or Unacceptable

- ▶ Quantifying risk does not in itself ensure or guarantee safety.
- ▶ Some level of risk is a fundamental reality.
- ▶ Risk is often a matter of perspective.
- ▶ Common risk mitigation strategies employed are 1) Avoidance 2) Reduction 3) Segregation
- ▶ ALARP – allowable lowest acceptable risk possible. As per ICAO requirements

ORM Responsibilities

Managing Director

- ▶ – Ultimate Responsibility

Managers

- ▶ – Management support to the field teams

Staff

- ▶ – All front line personnel
- ▶ Supervisors and employees

Challenges of implementation in our operations

- ▶ Delays in feedback to those reporting in
- ▶ Different environmental conditions
- ▶ Cultural issues in the remote areas
- ▶ Local authority support levels

Conclusion

- ▶ Operational Risk Management (ORM) provides a logical and systematic means of identifying and controlling risk.
- ▶ ORM requires individual effort to support and implement the basic principles on an ongoing continuous basis.
- ▶ Properly implemented , ORM will lead to and ALWAYS ENHANCE a organizations performance.
- ▶ Re-cap ; [What is risk?](#)

THANK YOU!!!
