

Federation University Australia Risk Matrix

		Consequence				
		Insignificant	Minor	Moderate	Major	Severe
Likelihood	Almost Certain	Medium	High	High	Extreme	Extreme
	Likely	Medium	Medium	High	High	Extreme
	Possible	Low	Medium	Medium	High	High
	Unlikely	Low	Medium	Medium	Medium	High
	Rare	Low	Low	Low	Medium	Medium

Federation University Australia Likelihood Rating Table

Likelihood Rating	Definition
Almost Certain	<p>Evidence suggests the event is imminent.</p> <p>We expect the event and consequences to occur. We've experienced situations like this before. Conditions are changing making it just a matter of time if we don't act.</p> <p>Virtually no credible control / Ineffective controls. Management has no confidence that any degree of control is being achieved due to poor control design or very limited operational effectiveness.</p>
Likely	<p>The event is likely to occur within one year.</p> <p>Similar situations have occurred at Federation University in our organisation.</p> <p>Significant control gaps. Either controls don't treat root causes, or they don't operate at all effectively and require significant improvement.</p>
Possible	<p>The event may occur within 5 years.</p> <p>Similar situations have occurred across the education sector over the years.</p> <p>While the design of controls may be largely correct in that they treat the root causes of the risk, they are partially effective and require moderate improvement. Or some of the controls don't seem correctly designed in that they don't treat root causes, just the symptoms.</p>
Unlikely	<p>The event is not likely to occur within 5 years.</p> <p>Most controls are designed correctly and are in place and effective. Some minor work to be done to improve operating effectiveness, or management has minor doubts about operational effectiveness and reliability of some controls.</p>
Rare	<p>The event will only occur in exceptional circumstances.</p> <p>Nothing more to be done except review and monitor the existing controls. Controls are well designed for the risk and address the root causes. Management always believes they're fully effective and reliable.</p>

Federation University Australia Consequence Rating Table

Impact Type:	Insignificant	Minor	Moderate	Major	Severe
FINANCIAL & COMMERCIAL Financial Sustainability Growth and Commercialisation	<ul style="list-style-type: none"> Net adverse impact to income and/or expenditure of <0.01% of revenue (in 2024 this would be < ~\$30k) 	<ul style="list-style-type: none"> Net adverse impact to income and/or expenditure of 0.01% to 0.1% of revenue (in 2024 this would be ~\$30k to ~\$300k) 	<ul style="list-style-type: none"> Net adverse impact to income and/or expenditure of 0.1% to 2% of revenue (in 2024 this would be ~\$300k to ~\$6m) Decrease in diversification of commercial activities, arrangements and/or partnerships, contained within a specific area of the University A significant portion of commercial activities, arrangements, and partnerships within a specific area of the University are misaligned with core strategy. 	<ul style="list-style-type: none"> Net adverse impact to income and/or expenditure of 2% to 10% of revenue (in 2024 this would be ~\$6m to ~\$32m) Decrease in diversification of key strategic commercial activities, arrangements and/or partnerships, university-wide impact A single key commercial activity, arrangement or partnership is considered as either existing with a high-risk partner or misaligned with core strategy Loss of key partnerships Unplanned termination of partner provider 	<ul style="list-style-type: none"> Threatens University viability Net adverse impact to income and/or expenditure of > 10% of revenue (in 2024 this would be > ~\$32m) Significant decrease in diversification of key strategic commercial activities, arrangements and/or partnerships, resulting in reliance on a single-source value-proposition, university-wide impact. A significant portion of key commercial activities, arrangements and partnerships are considered as either existing with high-risk partners or misaligned with core strategy
SOCIAL LICENCE / REPUTATION / BRAND Key stakeholders: - Students and Staff (current and prospective) - Alumni / Donors / Partners / Peers - Government; all levels - Research Investors / Customers - Community; domestic and international - Suppliers, Unions	<ul style="list-style-type: none"> Issue resolved promptly by management One-off local negative media coverage 	<ul style="list-style-type: none"> Senior Management attention required Isolated community, stakeholder and internal student/ staff complaints Repeated negative articles in local or state-wide media Government Relations: students, industry partners or other groups raise (non-public) concerns that have a raise public interest, and will attract criticism from government if they are not addressed appropriately or concerns are raised publicly – e.g., campus safety, diversity, equity etc, academic quality, proper use of resources etc. 	<ul style="list-style-type: none"> University Executive and Senior Management attention required Short term impact to Brand: Substantial impact to enrolment at campus, school or unit level Multiple negative articles in local, state-wide, or national media Government Relations: students, industry partners, media or other groups raise public concerns, media about university management, integrity, or other matters of significant public interest – e.g., campus safety, diversity, equity etc, academic quality, proper use of resources etc. 	<ul style="list-style-type: none"> Vice Chancellor and University Executive attention required Significant impact on enrolments Sustained negative local OR national media coverage Government relations: Federal, State or Local Government, or a regulator or oversight agency publicly criticise, make a policy decision, or undertake other actions that detrimentally impact the university, or Opposition Federal or State MP publicly criticise the university – e.g., concerns regarding university management, integrity or public affairs or policy advocacy activity. 	<ul style="list-style-type: none"> Council intervention required Total internal and external community outrage Long term brand impact: Failing to attract enough industry partners Sustained negative local AND national OR local AND international and national media coverage Government Relations: Federal or State Government withdraws support - e.g., expresses a lack of support for the Council or senior-leadership team; removes regulatory settings for major services to services to be offered.
PEOPLE Health and Safety (Physical & Psychosocial) Culture and values	<ul style="list-style-type: none"> Any injury or disease that needs first aid treatment only Isolated occurrences of low employee experience 	<ul style="list-style-type: none"> First Aid with follow up medical care required Any injury or disease that is likely to result in a person being incapacitated from normal activity for a continuous period of up to 7 days Temporary impairment or disability leading to loss of time from work or study up to 7 days Low employee satisfaction, that can be managed through a single function owner. 	<ul style="list-style-type: none"> Any injury or disease that is likely to result in a person being incapacitated from normal activity for a continuous period of 7 or more days Hospital admission required Ongoing or repeated notification of related health and safety concerns. Loss of time from work or study exceeding 7 days Low employee satisfaction, that must be managed across multiple stakeholder groups 	<ul style="list-style-type: none"> Intensive care Hospital admission more than 7 days A fatality or total and permanent disability. Loss of senior/critical staff Major impact on employee satisfaction, leading to low engagement and morale, and/or high rates of absenteeism Staff lose trust in senior management 	<ul style="list-style-type: none"> Multiple deaths or serious permanent disabilities Loss of multiple senior staff Systematic and extreme decline in overall employee satisfaction, leading to sustained low engagement, low retention figures and/or sustained high rates of absenteeism. Significant staff mistrust of senior management
LEARNER EXPERIENCE Students & researchers	<ul style="list-style-type: none"> Student experience metrics change by < 5% Negligible Impact on enrolment and/or retention equates to < 0.01% 	<ul style="list-style-type: none"> Student experience metrics change by ≥5% - < 10% Minor impact on student enrolment and/or retention figures Minor impact on learner experience or how students interact with the university, that can be managed through a single function owner. 	<ul style="list-style-type: none"> Student experience metrics change by ≥10% - <30% Moderate impact on student enrolment and/or retention figures Moderate impact on how learners interact and engage with the university, which requires some coordination and change management across multiple stakeholder groups, including: <ul style="list-style-type: none"> viability of academic offering 	<ul style="list-style-type: none"> Student experience metrics change by ≥30% to < 50% Major impact on student enrolment and/or retention figures Major impact on how learners interact and engage with the university, which requires some coordination and change management across multiple stakeholder groups, including: <ul style="list-style-type: none"> viability of academic offering Deterioration in meeting the university's academic quality standards 	<ul style="list-style-type: none"> Systematic and extreme decline in overall satisfaction, student experience metrics change by ≥ 50% Significant loss or reduction in university wide student enrolment and/or retention figures

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Impact Type:	Insignificant	Minor	Moderate	Major	Severe
RESEARCH & RESEARCH TRAINING	<ul style="list-style-type: none"> Loss of research funding that is either insignificant or not in line with research strategy. 	<ul style="list-style-type: none"> Minor decline in research capacity: Minimal impact on University's research funding and/or activities and will not affect research rankings. 	<ul style="list-style-type: none"> Moderate decline in research capacity: loss of: <ul style="list-style-type: none"> Some research funding, contracts, and industry engagement HDR enrolments and completions metrics Moderate decline in research outputs, knowledge transfer, publications and/or research ranking(s) (for example THE). Research misconduct which will not impact the reputation and integrity of the University but is subject to scrutiny by funding agencies. Investment in research not in line with research strategy 	<ul style="list-style-type: none"> Major decline in research capacity, loss of: <ul style="list-style-type: none"> Major research funding, contracts, and industry engagement from key partners Registration of Human Research Ethics Committee Research centres, clusters Key research talent Major challenges in recruiting HDR candidates or major decline HDR completions metrics Major decline in research outputs, knowledge transfer, publications and/or research ranking(s) (for example THE). Research misconduct which will impact the reputation and integrity of the University and is subject to scrutiny by funding agencies. 	<ul style="list-style-type: none"> Severe decline or impact on ability to secure future research capacity, loss of: <ul style="list-style-type: none"> Key research funding, contracts, and industry engagement Research centres, clusters Key research talent, including major challenges in recruiting HDR candidates or major decline HDR completions metrics Significant decline in research outputs, knowledge transfer, publications and/or research ranking(s) (for example THE). Systemic lack of investment in research, or systemic investment in research not in line with the University's broader research strategy, causing an inability to meet the research requirements for Australian universities
GOVERNANCE & LEGAL - Governance (Compliance with policies and procedures) - Legal (Compliance with laws, regulations, contracts, licenses, court judgements)	<ul style="list-style-type: none"> Inadvertent minor non-compliance of governance or legal obligation(s) - no material impact on students or staff, uncovered internally and resolved through existing management processes, no fines or penalties 	<ul style="list-style-type: none"> Intentional minor non-compliance of governance or legal obligation(s) - no material impact on students or staff, uncovered internally and resolved through existing management processes, no fines or penalties 	<ul style="list-style-type: none"> Moderate breach of governance or legal obligation(s) - no significant impact on students or staff, uncovered internally and resolved, no fines or penalties Requirement to show cause by regulators or University put on notice. Granted provisional accreditation of courses Breach of corporate systems exposing internal, but non-confidential and non-sensitive data 	<ul style="list-style-type: none"> Major breach of governance or legal obligation(s) - significant impact on students or staff, uncovered internally and resolved, no fines or penalties Breaches of standards which cause conditional registration or voluntary undertaking. Loss of accreditation or significant conditions imposed by regulators for multiple courses or a single flagship course. Breach of corporate systems exposing confidential/sensitive but not restricted data, exposure of personal data limited to a particular cohort. 	<ul style="list-style-type: none"> Loss of registration. Suspension or loss of accreditation to operate or provide educational services. Significant breach of governance or legal obligation(s) - severe impact on students or staff Large scale breach of corporate systems exposing highly sensitive, restricted information, and/or protected personal information i.e. health records, bank records.
ENVIRONMENTAL SUSTAINABILITY	<ul style="list-style-type: none"> Minimal damage, remediation expenses below \$10,000 Non-renewable energy consumption changes by 2% p.a. for a location, or causing financial impact across the university aligned with financial & commercial category 	<ul style="list-style-type: none"> Minor damage, impact confined to site, remediation expenses \geq \$10,000 and $<$ \$250,000 External regulatory warning Non-renewable energy consumption changes by 5% p.a. for a location, or causing financial impact across the university aligned with financial & commercial category 	<ul style="list-style-type: none"> Moderate damage, short-term impact on environment (but not affecting eco-system) and/or local social surroundings. Remediation expenses \geq \$250,000 and $<$ \$1 million. External remedial notice or direction Non-renewable energy consumption changes by 10% p.a. for a location, or causing financial impact across the university aligned with financial & commercial category 	<ul style="list-style-type: none"> Major damage, medium-term impact on environment and/or local social surroundings. Remediation expenses between less than \geq \$1 million and $<$ \$5 million Infringement notice Non-renewable energy consumption changes by 20% p.a. for a location, or causing financial impact across the university aligned with financial & commercial category 	<ul style="list-style-type: none"> Significant damage, long term environmental impairment of eco-system and/or local social surroundings. Remediation expenses above \$5 million. Civil or criminal prosecution Non-renewable energy consumption changes by 30% p.a. for a location, or causing financial impact across the university aligned with financial & commercial category
SERVICE DELIVERY Business Continuity	<ul style="list-style-type: none"> Limited compromise of non-critical (non-essential) information, physical or material assets, business services (bronze level) or operational capabilities, in isolated University operations that can be replaced, repaired, or recovered from (within Maximum Allowable Outage where specified). 	<ul style="list-style-type: none"> Compromise of non-critical (non-essential) information, physical or material assets, business services (silver level) or operational capabilities, in isolated University operations that can be replaced, repaired, or recovered from (within Maximum Allowable Outage where specified), to an extent that while the organisation can perform its primary functions, the efficiency and effectiveness of the functions is noticeably reduced or impeded but is tolerable 6 months to 1 year. 	<ul style="list-style-type: none"> Compromise of critical (essential) information, physical or material assets, business services (gold level) or operational capabilities that can be replaced, repaired, or recovered from (within Maximum Allowable Outage where specified) and during a time period not critical in the University calendar, where the efficiency and effectiveness of the functions is noticeably reduced or impeded but tolerable 1-7 days 	<ul style="list-style-type: none"> Compromise of critical (essential or important) information, physical or material assets, business services (core or platinum level) or operational capabilities to an extent that the organisation cannot perform one or more of its primary functions, impeding operations for a longer than tolerable period (7+ days) 	<ul style="list-style-type: none"> Compromise of critical (essential or important) information, physical or material assets, business services (core or platinum level) or operational capabilities to an extent that the organisation cannot perform one or more of its primary functions, impeding operations (7+ days) during an operationally critical time, or for a longer than tolerable period (7+ days) Compromise of information that would be expected to cause damage to the national interest

Risk evaluation framework

Protecting Value		Creating Value
Risk Averse	Balanced Risk	Reward Focused
<p>FedUni takes a cautious approach to risk taking.</p> <p>Strategies and plans must be based on sound assumptions and/or have minimal uncertainty.</p> <p>Those risks that cannot be effectively treated are shared with an outside party with the capacity and capability to effectively treat the risk, or the risk is avoided.</p>	<p>FedUni takes a balanced, managed risk approach to balance the cost of risk mitigation to the outcomes achieved.</p> <p>Strategies and plans may have a degree of uncertainty to achieve an intended outcome where effective measures are in place to monitor the risk and limit adverse outcomes.</p> <p>A range of risk treatment options (to reduce the likelihood, consequence or both) will be considered with selection depending on the context and benefit to FedUni and its stakeholders.</p>	<p>After completing adequate research FedUni takes a higher level of risk to pursue opportunities.</p> <p>FedUni is comfortable to pursue strategies and plans with a significant level of uncertainty for increased benefit, understanding the possibility of loss (<i>within defined limits and RAS</i>).</p> <p>Risk is treated where appropriate and then accepted as it is core to FedUni's purpose, strategy and desired outcome.</p>