Approved By:	Board	Number:	8-2
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Last Review Date:	September 14, 2017	Last Revision Date:	September 26, 2017
SUBJECT:	**Enterprise Risk Management**		

Policy
In its duty to provide governance oversight and as stipulated by Accreditation Canada in
the standard set for governance oversight of risk management the Board oversees the hospital's risk management program. GRH's Board adheres to an enterprise risk management approach. This approach brings together the risks of the organization under one framework, providing a corporate-wide view of the potential risk exposure of the hospital. Enterprise risk will encompass business, resource, compliance, financial controls, and hospital reputation risk.

The Board will promote a blame-free culture; one in which people are made to feel safe and encouraged to report errors and failings as a means to more effectively identify and manage enterprise risk.

The Board will ensure that management has an effective enterprise risk management cycle process that is implemented, monitored and regularly evaluated. This process will effectively:

- **Identify risks**: identify risks through an organization-wide assessment of risks that threaten the hospital's achievement of its objectives
- **Analyze and quantify risks:** understand the context of identified risks and create likelihood and severity assessments of identified risks
- **Integrate risks:** aggregate all risks reflecting correlations, associations, and effects on the hospital, and express the results in terms of the impact on the hospital's key strategic and operational priorities.
- **Assess/prioritize risks:** determine the contribution of each risk to the aggregate risk profile and prioritize accordingly for mitigation
- **Mitigate/control risks:** employ any number of strategies including decision to avoid, reduce, or transfer risk.
- **Monitor and review:** continually gauge the risk environment and performance of the risk management strategies.

Using an enterprise risk management framework created for health care, management will review all aspects of the hospital's operation with a view to uncovering explicit and implicit risks. This assessment will be conducted once every three (3) years through the departments of Risk Management and Internal Audit. The resulting enterprise risk management plan advises the

annual GRH operating plan in the identification of priority hospital initiatives.

Accountability
The Governance and Community Engagement Committee has the accountability, on
behalf of the Board, to ensure that management has an adequate process in place for enterprise risk management. The Governance and Community Engagement Committee will ensure that management has processes and tools in place that effectively identifies: unusual risks to the organization, and mechanisms to monitor plans to prevent and manage such risk.

The Audit Committee has the accountability, on behalf of the Board, to oversee the GRH enterprise risk management program, i.e., provide oversight of the process and ensure that the identified risks are being addressed by the appropriate Board Committee and management. The Audit Committee will ensure that there is appropriate progress and completion of plans to mitigate risks identified through the risk management program.

Board Committees will be responsible for overseeing risk management in their assigned risk groups. The risk groups assigned to Board Committees are: business risk to Quality and Patient Safety Committee, resource risk to Resources Committee, compliance risk to Governance and Community Engagement Committee, financial controls risk to Audit Committee, and hospital reputation risk to Governance and Community Engagement Community Engagement Committee. A table of risk groups and categories within each group is defined in Appendix A.

Reporting

Management will report on risk management to the Board no less than annually on the status of the risk management program.

The GCEC will review Board Policy, 8-2, Enterprise Risk Management once every three years.

Management will report no less than semi-annually to the Audit Committee on the status of the enterprise risk management program. The report to the Audit Committee will include an update report on the hospital's progress and completion of plans identified in the risk management program.

Management will report no less than semi-annually to the appropriate Board Committees on the status of the risk mitigation plans identified in the respectively assigned risk groups.

Business Risk
Quality and Patient Safety Committee

Risks that may relate to the delivery of health care that include internal and external factors impacting on the operations of the organization

Quality Care & Patient Safety

Admission, transfer and discharge process
Patient assessment
Infection control
Treatments/procedures/surgery
Consults/referrals
Safe medications
Care & service availability
Care standards

Policies

Clinical policies
Administrative policies
Internal guidelines

Operations & Business Support

Quality & risk management
Supply chain management
Food, laundry
Facilities management
Health information management
Security services
Communication

Standards

Accreditation standards
Professional regulatory bodies

Resource Risk
Resources Committee

Risks related to the resources used by the organization to accomplish its objectives

Human Resources & Staff Relations

Human resource planning
Competency and staff development
Performance management
Labour relations

Financial

Funding allocation
Planning and budgeting
Insurance
Fraud

Information Systems/Technology

E-Health strategy
Infrastructure
Access control
Data integrity

Physical Assets

Asset management
Equipment acquisition, maintenance,
Equipment replacement & obsolescence
Capital construction

Compliance Risk
Governance and Community Engagement Committee

Risks that originate from the requirement to comply with a regulatory framework, policies, directives or legal agreements

Environment, Health & Safety

Environmental impact
Hazardous material handling
Occupational Safety
Occupational Health
Disaster management

Legal & Regulatory

Professional staff by-laws
Legislation and regulations
Contracts and agreements
Professional licensing/ credentialing
Organizational structure

Corporate Governance

Strategic goals and objectives
Performance reporting and measurement
Governance Relations

Financial Controls Risk
Audit Committee

Financial

Financial Internal Controls

Hospital Reputation Risk
Governance and Community Engagement Committee

Reputation & Public Image

Community Relations
Board Culture and ethics
Community partnerships

Note:
On June 28, 2016 the Board tasked the Health Information System (HIS) Renewal Committee to undertake certain duties related to the renewal of the HIS which otherwise might fall to the Audit, Resources and QPS Committees.

For years 2017-2020, quarterly risk reporting for risks principally associated with HIS renewal will be overseen by the HIS Renewal Committee.