

ISO 31000 – Moving forward into 2018 continued



This article continues the series started on this website last month providing details of the changes in 'ISO 31000:2009 Risk Management - Principles and Guidelines' in the new edition which is planned to be published early 2018.

'ISO 31000:2009 Risk Management - Principles and Guidelines' is one of the most well-distributed and used standards in the International Standards arena. In the September 2013 ISO Following a lot of hard work by committee members in TC 262 a Final Draft International Standard (FDIS) has been sent out last month to the National Standard bodies for ballot.

This article will provide the reader with an update into the thinking behind changes in the introduction to the document and the first two clauses – scope and terms and definitions, including the thinking behind updating of the diagrams to support explanation of the text.

The Mission of Task Group 1

The Working Group established to work on the standard was split into 4 Task Groups to allow dedicated focus on each clause.

Task Group 1 had the mission to work on the Introduction, the Scope, the Terminology and the Figures. As early as Rio this task group fixed recommendations for the work on the new version with the objective of consolidating the fundamentals of the ISO 31000 approach and clearly setting its global vision of risk management.

Introduction

The revised Introduction stresses the dynamic nature of risks and managing risk. It firmly links managing risk to organizational:

- Governance and leadership and management systems
- Strategy, achievement of objectives and informed decision making

It highlights the aspects of best practice to be found in the Standard.

This section also introduces the reader to three new diagrams which visually explain the key concepts and relationship between risk management principles, framework and process.

Scope

This short clause sets the scene for the standard, emphasizing that it can be used by any organization, and at any level of an organization.

Terms and Definitions

Terms and definitions have often been an issue between experts as each term captures an essential concept needed in their professional area. However key concepts for certain experts were confusing or even destabilizing for others. To harmonize risk management in organizations, professionals need to bring their specific views of risk together through a clear and precise generic language without excluding the precision needed for each area of expertise.

Fundamental terminology has been reduced from 29 terms in the 2009 version to 8 terms in the new document while retaining specific terms in the online resources of ISO. TG1 members discussed in detail each comment received to earlier drafts with the objective of appreciating all the possible added value to any changes and providing detailed observations and arguments. Simple common language was chosen rather than jargon and complex expressions so that ISO 31000 is accessible to all stakeholders. The notes to the definition of risk, which has not been changed, were reduced and reworded on this basis.

The interest of end users and how the new version of ISO 31000 will enhance risk management practice was at the heart of the task group's work.

The opportunity of working with TG1 is a clear example of how such a mission draws on a wealth of professional and cultural diversity, high expectations and a genuine human sharing experience. The result is not only a new version of ISO 31000 but more importantly a new meaning for risk management tomorrow.

ISO/FDIS 31000 is available by contacting your National Standardization body:

(<https://www.iso.org/committee/629121.html?view=participation>).

This series will be continued at regular intervals:

Next month we will issue another article describing the changes planned for the 'Principles' clause – a key section of the standard which articulates why risk management is such a vital activity.

ISO/TC 262 Risk management was created in 2011. Its scope is “Standardization in the field of risk management”. The objective of ISO/TC 262 is to produce and maintain high quality standards and other publications in the field of risk management, to provide for high-level advice and service on the management of risk. The intention is to promote harmonization within ISO documents with respect to risk and its management. There are four standards under the direct responsibility of ISO/TC 262 which has 54 participating countries and 17 observing countries. For more information go to riskmanagement.isotc262.org.

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