Enterprise Risk Management (ERM) at CLS

- ERM at CLS is a collection of multi-disciplinary practices that identify, articulate, and action potential hazards to our finances, operations, and capabilities.
ERM Refresh

• As a function of process improvement, CLS’s ERM policy and processes are being refreshed to align with ISO 31000:2018.
  – One of the significant updates in this standard is a drive towards business integration and real-time understanding of risk.
  – ERM process development is underway after consultation with stakeholders across the business.
Risk Registers

• Risks are documented in risk registries that track:
  – Risk description,
  – Inherent risk ratings,
  – Residual risk ratings,
  – Existing mitigations,
  – Underlying risk causes, and
  – Action plans.
Risk Scoring

• To score individual risks, CLS uses an (Impact * Likelihood) formula. Impacts are scored under multiple categories, such as “Financial” or “Operational.”
• Likelihood is scored based on how likely the impact is to occur within a two-year timeframe.
• Once scored, the risk is given one of four risk ratings, from “Low” to “Very High”.

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<th>IMPACT</th>
<th>Rare 1</th>
<th>Unlikely 2</th>
<th>Possible 3</th>
<th>Likely 4</th>
<th>Almost Certain 5</th>
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Risk Landscape

- Risks are commonly shown on CLS’s heat map, seen below.

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- Very High Risks (Red, Top-Right Corner) are presented to CLS’s Board of Directors on a regular basis to provide updates and discussion opportunities.
Risk Landscape

• At present, CLS’s risk landscape shows that our largest risks are ensuring that:
  – consistent funding is available for projects and operations,
  – key physical systems are operating effectively, and
  – academic users are eager to partner with CLS when they need synchrotron light.

• Each of the very high risks have action plans that are regularly reviewed with leadership.

• While lower-risk, several other risks have been identified and are being treated with priority, such as ensuring:
  – That the facility remains a safe and compliant place to work.
  – That the facility is able to manage its cybersecurity.
ERM’s Core Processes

Stage 1 – Risk Identification
Identify what can go wrong and potential opportunities
Identify causes

Stage 2 – Identification of existing Mitigations
Document how we currently manage risks

Stage 3 – Risk Assessment and Prioritization: Ask
what level of risk is tolerable and decide if more needs
to be done

Stage 4 – Development & Implementation of Risk
Mitigation Plan

Report
Keep all relative parties informed

Communicate & Consult

Monitor & Review to Make sure it works