

## Activity 1(b). Risk appetite &amp; risk tolerance

Swinburne

*A Health Care organisation: the organisation has specific objectives for (1) high quality customer care, (2) attracting and retaining high quality medical professionals including researchers, (3) building a sustainable level of profit to fund its activities.*

*Risk appetite statement:*

*The Organization operates within a low overall risk range. The Organization's lowest risk appetite relates to safety and compliance objectives, including employee health and safety, with a marginally higher risk appetite towards its strategic, reporting, and operations objectives. This means that reducing to reasonably practicable levels the risks originating from various medical systems, products, equipment, and our work environment, and meeting our legal obligations will take priority over other business objectives.*

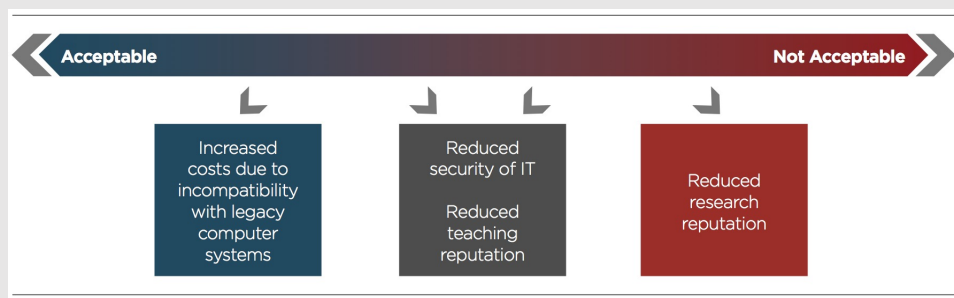
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**A University:** The University's main objective is to continue as a preeminent teaching and research university that attracts outstanding students and is a desired place of work for top faculty.

The university's risk appetite statement acknowledges that risk is present in almost every activity. The critical question in establishing the risk appetite was "How willing s the university to accept risk related to each area?" They decided to use a continuum to express this



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