1. Introduction

Risk Management is widely recognised as a vital component of quality management and good business practice. For any National Statistical Institute (NSI), the quality of its data outputs and publications are critical objectives. Concern about the risk of errors in official statistics can undermine NSI reputation and create a blame culture detrimental to staff job satisfaction, and shared responsibility for quality outputs. Multiple controls lead to additional costs and ultimately inefficiency; identifying and managing risks leads to better quality and greater efficiency.

2. ONS Risk Management Framework

The ONS strategy has four components: identifying risks, assessing them, developing appropriate mitigation strategies and contingency planning. The strategy is comprehensive, aiming at a total commitment throughout the organisation. (Reference 1). Risks are identified and assessed both at corporate level and in specific work areas for all projects. Responsibilities, reporting and monitoring arrangements are clearly defined. All aspects of risk are covered, including risks to confidentiality of data, and statistical risks such as risks to accuracy of statistics and pre-publication access to market-sensitive data.

3. Risk Assessment

The assessment of risk involves risk analysis, evaluation and ranking. Risk evaluation covers determining the exposure to each risk (both likelihood and impact), together with contributory factors. Risk assessment scores are assigned within 3-point scales for both likelihood and impact, with the overall exposure scores on a 9-point scale based on multiplicative evaluation. Critical Risks are monitored particularly closely. The monitoring process also covers changes in contributory factors.

4. Managing Statistical Risks

Starting from ONS objectives, key risks have been identified both by business area and for the ONS as a whole. At the top level, risk management covers key outputs; key processes are also considered, as shown in the framework below:

<table>
<thead>
<tr>
<th>Key Processes</th>
<th>Key Outputs</th>
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<tbody>
<tr>
<td>Risk Prioritisation</td>
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5. How does Risk Management Work in Practice?

Top-level risks are regularly reviewed by ONS Board; all managers are responsible for managing risks in their area, with exception reporting to top management. Addressing the human resources aspects is vital. The centralised ONS Methodology Directorate has a leadership role and acts as a catalyst and facilitator, providing advice and support. This includes both risk awareness training and training in risk evaluation.

6. Conclusion

The new approach to risk management represents a major culture change, from risk avoidance to well planned and targeted risk management. The current approach to risk management will be evaluated and strategy adjusted in the light of experience.

REFERENCE

1. Office for National Statistics: Risk Management’

RESUME