

Overview

Professional risk management strategies

Starting this module

This module sets out the professional risk management information you need to submit with your initial application for a professional standards scheme.

We ask for this information in line with the requirements of professional standards legislation. For example, in the Professional Standards Act 1994 (NSW), sections 10 and 36 require associations to detail their professional risk management strategies for members and how they will be implemented. How the strategies are implemented may be a condition of membership. Section 37 requires associations to provide us with information on their risk management strategies if we request it.

Understanding professional risk management strategies

In the context of a professional standards scheme, professional risk management means operating a system of risk management strategies based on consumer protection and continuous improvement processes. In this application framework, we have divided it into 2 categories: member facing and consumer facing.

This module asks about your member-facing professional risk management strategies in 4 areas:

1. **Membership requirements** (entry, annual, ongoing, fit and proper person)
2. **Continuing occupational education requirements** (continuing professional development)
3. **Quality management that your association completes** (such as member audits and quality reviews)
4. **Risk management required of members** (by your association or their firms).

We assess your other professional risk management processes in the Module 4 submodules:

[4.1 – Codes of ethics and practice](#)

[4.2 – Consumer complaints system](#)

[4.3 – Disciplinary system.](#)

We also separate professional risk management from enterprise risk management, which relates to an association's strategic risks and is covered in [Submodule 1.3 – Enterprise risk management system](#). Other professional risk management processes are covered in [Submodule 2.2 – Insurance standards](#) and [Submodule 2.4 – Scheme compliance plan](#).

Completing the questions

Enter the information about your association into the Professional risk management strategies [template](#) and submit the required supporting documents with your application. Use the Professional risk



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management strategies [guidance](#) to help you. It includes best practice examples of how to present your professional risks and related treatment plans.