



Risk Appetite Statement for the Australasian Research Management Society (ARMS)

Introduction

The purpose of this Risk Appetite Statement (RAS) is to outline the level of risk that the Australasian Research Management Society is willing to accept in pursuit of its strategic priorities and to guide decision-making processes across all levels of the Society. This statement reflects the balance we aim to strike between risk-taking and prudent risk management to ensure sustainable growth, operational efficiency, and the protection of our members and other stakeholders' interests.

Risk Tolerance

ARMS recognises that risk is inherent in all aspects of our activities, and we are committed to taking calculated risks that support our mission, vision, and values under our Strategic Plan: Towards 2030. Our risk tolerance is defined across several key areas as follows:

1. Strategic Risks

We are willing to take moderate risks in areas that align with our strategic objectives, such as expanding our services, entering new markets, or advocating for policy changes for the benefit of our members. However, we expect these risks to be closely monitored and managed to ensure alignment with our long-term vision, goals and strategic priorities.

2. Operational Risks

We encourage innovation, we prioritise minimising risks that could disrupt core services or negatively impact our members.

3. Financial Risks

ARMS is willing to assume moderate financial risks, particularly in investments that are expected to generate sustainable revenue growth or enhance our financial position. However, we aim to ensure that any financial risk is adequately assessed, with contingency plans in place to mitigate potential losses and in alignment with our reserves policy.

4. Compliance and Legal Risks

We have a zero tolerance for non-compliance with laws, regulations, and ethical standards. Any risks that may lead to legal or regulatory violations will be avoided. We are committed to maintaining the highest standards of governance and ensuring full compliance in all our activities.

5. Reputation Risks

ARMS seeks to maintain a strong and positive reputation within the industry, and we have a low appetite for activities or partnerships that could potentially harm our brand or public trust. We actively monitor and manage reputational risks, particularly in areas related to public relations, member relations, and external communications.

Risk Management Approach

To ensure that risks are managed effectively, ARMS will:

- Continuously identify, assess, and prioritise risks to ensure that we make informed decisions and enable the reallocation of resources as needed. The Board will regularly review the Society's Risk Register to ensure that we identify emerging risks before they escalate.
- Regularly review and update this Risk Appetite Statement to adapt to changing internal and external environments.

Conclusion

ARMS understands that risk is an inherent part of achieving our mission as detailed in our Strategic Plan. By defining our risk appetite, we seek to foster a culture of informed risk-taking that enhances our ability to achieve strategic goals while maintaining the trust of our members and stakeholders.