



Risk Management Plan

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National Development Programme-NDP

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Declaration

This workbook is a part of the NDP Risk Management Planning Guideline and it is designed to provide a standardized template for documenting NDP Risk Management Plan. This plan is developed by NDP M&E Unit under the guidance of Risk Management Committee. This plan has eight contents including documents history. The last update was on April 2021

(Md. Alauddin Khan)
Executive Director

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1. Document history

This document was first developed in July, 2014 for 2014-2015 fiscal years and it has updated in every July for next fiscal year. The updates of document history is given bellow:

Activity	Date	Lead Person
Risk Management Plan first developed	01/07/2014	Kazi Masuduzzaman
Most recent update performed	01/01/2021	Md. Labu Mia
Date of next update scheduled	01/07/2021	Md. Labu Mia
Endorsed by Executive Director	01/07/2014	Kazi Masuduzzaman
Endorsed by Risk Management Committee	01/07/2014	Kazi Masuduzzaman
Action plan reviewed	01/07/2020	Kazi Masuduzzaman

2. Background

At the end of 1988, there was a devastating flood that engulfed large areas of land and caused huge damage of lives, livelihoods and properties in Bangladesh. Sirajgonj district was particularly vulnerable at that time due to its geographical location which is situated on the bank of the river Jamuna. A number of national and international NGOs came forward to provide support to the flood victims. A group of dedicated local youths, including Md. Alauddin Khan, the Executive Director at present, voluntarily involved themselves with those NGOs in emergency response and rehabilitation operations. Being very close to the harsh realities of the poor people of the area, they realised that merely carrying out relief and rehabilitation operations was not enough. They have decided that long term solutions and implement long term programs for sustainable development. These programs would require the effective participation of the entire community in planning, management and monitoring processes and be backed up with needs-based credit supports. Future programs would also need to build the capacity of individuals and communities through technically viable activities in order for true development to take place. It encourages them to form an organization independently and accordingly on the 1st January 1992 “**National Development Programme (NDP)**” emerges as an NGO.

NDP is a non-governmental organization. By virtue of constitution, it is a non-profit, non-political voluntary development organization. The key objective of NDP is *to strengthen capacity of the targeted participants (beneficiaries) and create opportunities to bring them into the mainstream of development process*. Now NDP has been implementing 31 different programme/projects and its operational area covers seventeen districts under Rajshahi, Rangpur and Dhaka division in the northern region of Bangladesh. NDP always places an emphasis on human rights, good governance and gender equality, transparency and accountability. Through its dedicated efforts for long twenty-seven years, NDP has become the symbol of hope for the poor people as it serves for them and would like to development works for long time as it is needed.

As we know that risks are the integral part of development process and even if we don't realize it. Risk management is one of the key stands of NDP as we are implementing # program and projects. NDP realized that instead of sporadic initiatives for risk management they should have a standard risk management plan so that they could move with proper initiatives to reduce risks at different level bas on their risk assessment, prediction and mitigation plan. Considering this reality NDP has developed risk management plan to save resources including cash, kind and human and also to develop organizational credibility.

3. Definition Risk Management

Risk management is the process of identifying, assessing, mitigating, and controlling threats to an organization. These threats could stem from financial uncertainty, legal liabilities, management, accidents, or natural disasters. Because of the growing information security-related threats, companies' risk management programs are under intense scrutiny from industry and governing bodies. Protecting digital assets like protected health information, cardholder data, personally identifiable information, intellectual property, or financial statements is a top priority.

4. Objectives of Risk Management Plan

Objectives of the risk management plan are to protect the organization, its assets and staffs from unexpected situation that are defined as risk. By identifying, analyzing and ranking the risks a way out is developed to mitigate the risks. Main Objectives of the risk management are following:

- To detect and identify potential risks of Organization, programs and projects efficiently considering Internal and External actors, factors and diverse situation.
- To analyze the risks from different perspectives and also identify causes and effects of risks considering short and long term impact
- To prepare and develop a plan for controlling measures of risks which will protect resources and goodwill of organization.
- To develop a control mechanism for monitoring and follow-up risk mitigation activities and document of organizational learning as memories.

5. Principles of Risk Management

Risk management standards have been developed by several organizations, including the National Institute of Standards and Technology and the ISO. These standards are designed to help organizations to identify specific threats, assess unique vulnerabilities to determine their risk, identify ways to reduce these risks and then implement risk reduction efforts according to organizational strategy. The ISO recommended the following target areas, or principles, should be part of the overall risk management process:

- The process should create value for the organization.
- It should be an integral part of the overall organizational process.
- It should factor into the company's overall decision-making process.
- It must explicitly address any uncertainty.
- It should be systematic and structured.
- It should be based on the best available information.
- It should be tailored to the project.
- It must take into account human factors, including potential errors.

- It should be transparent and all-inclusive.
- It should be adaptable to change.
- It should be continuously monitored and improved upon.

6. Risk Management Committee

A risk management committee has been formed in the initial stage of developing the risk management plan. The committee has formed with seven members from higher management of NDP where Executive Director has chaired as convener and others six are members of the committee. The committee will be responsible for identifying new risk for the organization and plan to mitigate those risks. The committee will also help to include the mitigation plan to other related policies and develop ToR as per department of NDP. The committee would review the Risks Management plan annually. List of Committee members are given below:

SL	Name	Designation	Position in Committee
1.	Md. Alauddin Khan	Executive Director	Convener
2.	Dr. ABM Shazzad Hossain	Director (P&RM)	Member
3.	Md. Shah Azad Iqbal	Director (Programme)	Member
4.	Milon Kumar Roy	Deputy Director (F&A)	Member
5.	Kazi Masuduzzaman	Assistant Director (M&E)	Member
6.	Nurun Naher	Manager(HRM)	Member
7.	KM Jahangir Alam	Manager(Audit)	Member

7. Risk Management Plan

The risk management plan has been developed by following such as identify the risks, Prioritize and analyzed risks and the possibility of the risk occurrence. Finally a risk mitigation plan has developed against the risk including responsible person/unit.

Broadly Risks will be identified as Internal (a. Management & Operation, b. Programmatic) and external threats/barrier/challenges and we have understanding that internal risks are within control of organization and external risks are not in control of organization and organization could develop a proper plan to reduce the magnitude of external risks for the great interest of Organization/NDP

Table of Risk Management Plan based on Internal and External Risks

SL #	Name of risk	Analysis of risk	Rank of the risk	Trend of risk	Mitigation way
1.	Conflict of Executive/ General Committee. Internal Management	Conflict always enhances the speed of a committee but over conflict may occur harmful something. Conflict may be occurred among members of Executive/ General committee for various reasons and as a result it break the discipline and credibility of organization.	Poor	Very Low	-Proper coordination among all committee members. -As per Constitution, arrange quarterly meeting in time with Executive committee, annual general meeting and arrange fair election.
2.	Staff dispute and drop out (Internal and Management)	Staff dispute and dropout is a common matter in Non Government Organization. For various reason it has been occurred and organization has face problem to operate the programme/project smoothly.	Moderate	High	-Financial and others benefits for staff has been increased day by day with reviewing HR policy considering market -Training and Motivation for the staffs has arranged regularly.
3.	Gender based violence Internal Management	As a gender friendly organization NDP has always gave priority to female staff. But female staff has always risk of gender based violence in working place by other staff and stakeholders.	Severe	High	-NDP has developed Gender policy. -NDP Management has kept special eyes for security of the female staff. --NDP has zero

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					tolerance policy against the gender violence
4.	Violation of Human Rights Violence Internal Management	As a humanitarian organization NDP has commitment to protect rights of its staff. But in every organization risk of human rights violence may be occurred by the other staffs or stakeholders.	Profound	Medium	-NDP has a different policy to protect human rights like Gender Policy, Humanitarian HR policy, Child Protection Policy etc. -NDP management always encouraged all staff to practice Core humanitarian standards and Human rights principles.
5.	Lack of capable staff (Internal Management)	Lack of skilled and capable staff may be a risk for the organization to achieve organization goal and objectives.	Moderate	High	-NDP has provided training regularly. -NDP has always given proper benefit by developing staff friendly HR policy that encourages the staff to capacitate themselves.
6.	Conflict of interest (Internal Management)	Conflict of interest among the managerial decision may be a risk to ensure the quality of staff, assets, activities etc.	Mild	Low	-NDP has anti fraud policy and Conflict of Interest register. -NDP has always preferred to follow national integrity strategy in all level to mitigate risk of conflict of interest. - Develop independent recruitment and procurement committee
7.	Electric Short Circuit/ Fire Incident (Internal and Operation)	Electric Short Circuit and firing may be occurred in any situation. As a result all papers, furniture may spoil including human life.	Severe	Low	-Regular check up of electric line. -Fire Extinguisher has set up in office area. -Using high quality of construction product.
8.	Damage of	Significant policies like HR	Moderate	Medium	-NDP has a Research

SL #	Name of risk	Analysis of risk	Rank of the risk	Trend of risk	Mitigation way
	Policy or other documents (Internal and Operation)	policy, Anti-Corruption Policy, Gender policy etc and documents like registration papers, bank papers, constitution, deed of land, project etc may be damaged by losing, stealing or firing etc.			and Documentation Unit. This R & D unit preserved all kinds of documents as well as finance and accounts department also. -IT department preserved a lot of documents jointly with R&D unit in NDP website.
9.	Lack of quality and proper price in Procurement (Internal operational)	Procurement is another sensitive point of an organization. Purchase low quality product or purchase in high price is a Risk	Profound	High	-NDP has developed procurement policy to ensure procurement transparency. -NDP has ensured quality of product by sample testing and agreement with listed vendor. - Develop independent procurement committee
10.	Realization of loan/ Overdue from field (Internal Programmatic)	As a Micro Finance Based Organization NDP has distributed about 20 billion BDT among the MF members without proper security. It will be a risk if Borrower does not repay the loan.	Moderate	High	-Loan is distributed in very carefully by checking affordability among the members. -Daily, Weekly, Monthly and yearly target are followed to realize the loan.
11.	Financial corruption/ misappropriation (Internal Programmatic)	Where Financial transaction is occurred there may be risk of financial corruption/ misappropriation by staff and other stakeholders.	Moderate	High	- NDP has followed the financial policy to operate the financial transaction safely. -NDP has zero tolerance policy against the Financial corruption/ misappropriation -NDP has developed Anti-corruption policy to protect financial

SL #	Name of risk	Analysis of risk	Rank of the risk	Trend of risk	Mitigation way
					<p>corruption/ misappropriation.</p> <p>-NDP has independence Audit and F&A Department to compliance financial transparency.</p> <p>-Training and motivation are provided to staff.</p> <p>-NDP gave emphasis to follow Integrity Strategy in all level.</p>
12.	Work in Hard to Reach area (Internal Programmatic)	In char area it is hard to reach and carry cash and others logistics due to lack of transport facility. On the other hand journey by boat during rainy season is highly risky and communication is always tough which will hamper the implementation of programme/project and also monitoring from head office.	Moderate	High	<p>-Faithfull and experience staff has deployed in Hard to reach area.</p> <p>-Char allowance are pay to them.</p> <p>-NDP is committed to keep staff safe and secure from such kind of unexpected situation.</p> <p>-Banking system is more flexible for them.</p>
13.	Lack of quality control of programs / project (Internal Programmatic)	NDP has always preferred quality of activities. But a risk is always remained to ensure quality of project/ programs for lack of proper monitoring and lack of dedicated staffs.	Moderate	Medium	<p>-NDP has different operational department to look over and ensure quality of programs/ project.</p> <p>-NDP has independent Monitoring and Evaluation unit to keep the activities in track.</p> <p>-Proper reporting system is also another mechanism to ensure quality.</p> <p>-NDP has always recruit quality staffs to ensure project and programme quality.</p>

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14.	Political influence to organization (External)	Local and National Political party may influence the organization to involve with the party and contribute to them. As result NDP would be faced problem by power party or anti party.	Mild	Low	-As a non-political organization NDP has always discourage to involve with politics.
15.	Political unrest situation (External)	During Election and other political unrest situation like Political Movement, Hartal, Obstacle it would be risk for the staffs to move field smoothly and operate field activities properly.	Moderate	Medium	NDP has directed all staff to be secure and safe during political unrest situation. Management also decided to pause the activities if needed.
16.	Theft, robbery and hijack (External)	All valuable documents, cash money, furniture may be theft and robbed from office and hijacked from filed area. As a result monetary and human life risk may be raises.	Severe	Low	-Office security has increased. -Management has directed to field staff to move in group during carrying cash. - Field Office are hired in secured place.
17.	Reducing fund and grant flow (External)	After graduation of country as Developing country International funding agency has reduced their fund and grant in Bangladesh. As fund and grant dependable organization NDP may face fund crisis.	Moderate	High	-NDP has planned to create own funding by launching various savings scheme. -Special Emphasis kept on planning and resource mobilization activities. -NDP has involved with funding Network and emphasis on localization.
18.	Natural Disaster (External)	Bangladesh is one of the most disaster prone countries of the world. NDP working area is mostly covered by various hazards regularly. During natural disaster risk of project activities/work schedule may	Profound	Medium	- Need to increase DMF fund day by day - NDP has Emergency response and contingency plan to reduce damages/loses of disaster. -NDP Management has

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		dismantle and diseases of staff may be increased massively.			always helped their staff to work with proper environment and give alternative plan. -NDP has staff welfare fund to provide medical support.
19.	Threats to IT and communication (External)	As software based organization NDP may have to face risk of Hacking of website, software. Besides hardware failure can damaged necessary files. Emergency communication may be hampered due to network problem.	Moderate	Medium	-NDP has backed-up all data in primary and secondary level. -All computer are has protected by licensed anti-virus software. -Head office and reachable field office has broadband internet connection to provide continuous internet service.
20.	To get proper decision/ support in timely from Govt./Donner Agency (External)	As registered voluntary and Non Govt. Development organization NDP has to implement all the activities with concern with Govt. and Donner agency. But sometimes NDP has to face problem To get proper decision/ support in timely from Govt./Donor Agency. As a result budget would be unspent and timeline may be failed to implement the activities.	Mild	Medium	-NDP has liaison with Govt. agency and arrange an inception meeting for every project in District and Upazilla level Public Administration. -NDP always communicate with Govt./Donner Agency to get permission of activities. -Plan of the project was reviewed with the proper concern of Govt./Donner Agency.

8. Conclusion

To ensure organizational credibility and achieve vision and mission properly, Risk Management Plan is essential for an organization. The risk management committee will oversee and provide guidance to reduce organizational risk factors. Organize periodical orientation sessions for all staff to increase their awareness and knowledge and accountability for mitigating the risks. This plan will follow all other policies and there should have ToR of each department of organization to mitigate sector wise risks. Through mitigating risks NDP will become a Credible and potential organization and will be able to achieve its goal and objectives.

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