

Risk Management Worksheets

Risk Assessment Worksheet

Organization:	Process Owner:
Planning Timeframe:	Risk Assessment Date:

Identify and Rate Risks for Business Events (strategic, operational, financial, compliance)	Rating Risk <u>P</u> robability (1 to 5)	Rating Risk <u>C</u> onsequence (1 to 5)	Risk Index <u>P</u> x <u>C</u> = <u>I</u> (1 to 25)	Risk Assessment Low - Med - High (01-08) (09-16) (17-25)	Action Type	Action Reference
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

Consider scenarios that may impact your business: supply chain disruption, technology shifts, competitive pressures, currency changes, raw material shortages, oil price increases, work stoppage, economic downturn, increased regulations, etc.

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Rating of Risk Consequences

Rating	Consequence	Criteria (Impact of Risk to Business)
1	Incidental	<i>Negligible business impact.</i> Local media attention quickly remedied. Nothing reportable to regulator. No injuries to employees or third parties. Isolated staff dissatisfaction. Financial loss up to \$x.
2	Minor	<i>Slight business impact.</i> Local damage to reputation. Reportable incident to regulator with no follow-up. No or minor injuries to employees or third parties. Some morale problems and turnover increase. Financial loss of \$x to \$x.
3	Moderate	<i>Limited business impact.</i> Short-term negative media coverage. Report of breach to regulator with immediate correction. Out-patient medical treatment for employees or third parties. Widespread staff morale problems and high turnover. Financial loss of \$x to \$x.
4	Major	<i>Serious business impact.</i> Negative media coverage. Significant loss of market share. Report to regulator requiring major corrective action. Limited in-patient care for employees or third parties. High turnover of experienced staff. Financial loss of \$x to \$x.
5	Extreme	<i>Disastrous business impact.</i> Long-term negative media coverage. Dramatic loss of market share. Significant litigation, prosecution, or fines. Significant injuries or fatalities to employees or third parties. Multiple leaders leave. Potential closure of business. Financial loss of \$x or more.

Note: Assign rating for the highest consequence criteria anticipated.

Rating of Risk Probability (Over Planning Timeframe)

Rating	Probability	Criteria (Likelihood of Risk Occurrence)
1	Rare	Unlikely to occur, but possible
2	Unlikely	Unlikely, but can be reasonably expected to occur
3	Possible	Will occur several times
4	Likely	Will occur frequently
5	Almost Certain	Continually experienced

Mitigation Action Types

Type	Option	Description
1	Avoid Risk	Withdraw from the activity
2	Eliminate Risk	Eliminate the risk source
3	Change Risk	Change probability or consequence
4	Share Risk	Outsource risk or insure against it
5	Retain Risk	Accept risk by informed management decision

Risk Index: **Low (1-8)** - **Medium (9-16)** - **High (17-25)**

		Consequence Range >>>				
		1	2	3	4	5
Probability Range >>	1	1	2	3	4	5
	2	2	4	6	8	10
	3	3	6	9	12	15
	4	4	8	12	16	20
	5	5	10	15	20	25

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Mitigation Action Worksheet

Organization:	Process Owner:
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Reference Number	Risk Level	Action Type	Description of Action	Person Assigned	Due Date mm/dd/yy	Actual Date mm/dd/yy

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Risk Assessment Process

1. Identify relevant business objectives.
2. Identify events that could affect the achievement of objectives.
3. Determine risk tolerance.
4. Assess inherent likelihood and impact of risks.
5. Evaluate the portfolio of risks and determine risk responses.
6. Assess residual likelihood and impact of risks.

Inherent and Residual Risk

Inherent risk is the current level of risk assuming existing responses operate according to design.
Residual risk is the estimated risk after responses under consideration are put into place.

Optimal Risk-Taking

