

# Risk cheat sheet



**Risk:** the effect uncertainty has on an organisations objectives

1. Identify risks
2. Categorise them
  - Strategic
  - Operational
  - Compliance
  - Reputation
  - Finance
3. Rank them using a risk matrix
4. Determine the mitigation strategy
5. Are you willing to accept the risk after mitigation?

**Hazard risk**

Negative impact, short term, operational and immediate

Tolerate / limit damage / contain cost of recovery

**Control risk**

You know it will happen however there are fluctuations or unknowns around the impact

Medium impact and can feel affects for up to a year

Accept exposure / limit the damage / identify controls / respond

**Opportunity risk**

Positive impact, long term, strategic

Invest in the opportunity / know your appetite to accept this risk

RISM MATRIX				THREATS				
Likelihood	>70%	Common	Very high	11	16	20	23	25
	50-69%	Has happened	High	7	12	17	21	24
	30-49%	Realistic	Medium	4	8	13	18	22
	10-29%	Remote	Low	2	5	9	14	19
	<10%	Impossible	Very low	1	3	6	10	15
				Impact				
				Very low	Low	Medium	High	Very high
				<\$1000	\$1k-\$10k	\$10k-\$100k	\$100k-\$1mil	>\$1mil
				<1 day	1-3 days	4-10 days	11-20 days	>20 days

**To mitigate risk:** Treat, Tolerate, Transfers or Terminate

**Use this phrase when describing risk (it will help you identify your risks):**

Because of \_X\_, \_Y\_ might occur, which would lead to \_Z\_.