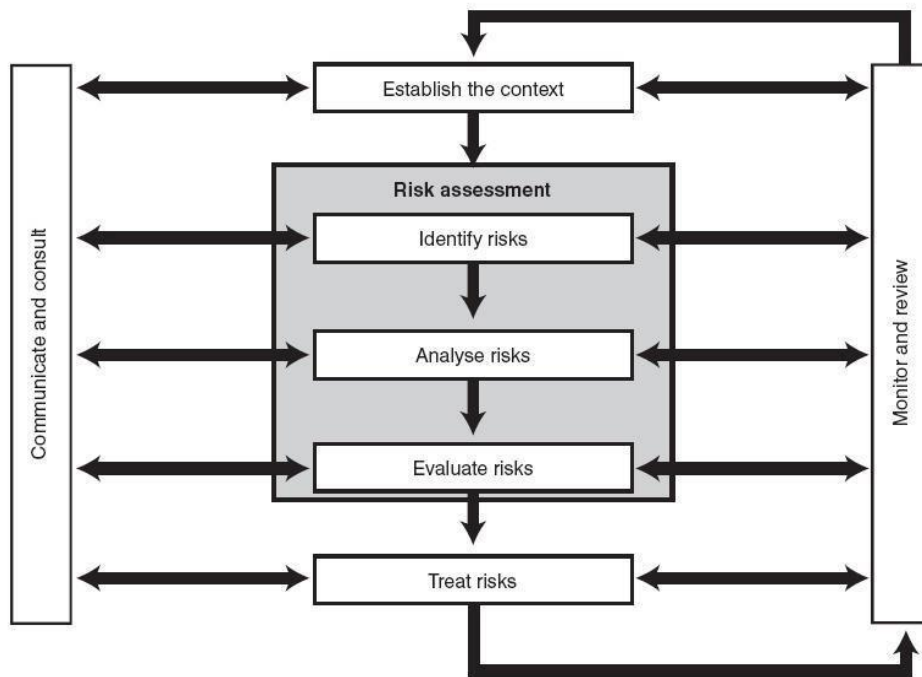


BUSINESS RISK MANAGEMENT DEVELOPMENT WORKSHOP

If risks can be anticipated and their likely severity measured, threat and vulnerability profiles can be developed for the organisation. These profiles can then drive business cases justifying the investment in future plans and controls - an investment in the future of the business.

The process will be based on international Standard ISO 31000: 2009 Risk Management



Overview of the risk management process (Source: Figure 3 from ISO 31000:2009)

To implement this Process we facilitate a Risk

Management Workshop to Establish the Context and Identify and Analyse Risks



The Workshop

Our role in the workshop is as a facilitator.

Establish the Context

This begins with a process to understand your organization's strategic objectives and risk appetite (How much can you afford to lose).

We then apply this knowledge and facilitate a Risk identification Session with key individuals within the Client's business and develop Risk Registers for risks identified.

Risk Identification and Analysis

A risk identification workshop attempts to identify and document, under a number of risk category headings, the likely effects on the organisation of its exposure to risk. The workshop can focus on a particular element or activity within the organisation (e.g. a process or operational risks), or a particular department (e.g. risks faced by the IT department) or it can explore the full range of exposures facing an organisation—from potentially catastrophic to minor events. For example, a catastrophic event may be an oil tanker hitting the factory's LPG tanks or a scandal which is broadcast by the national media, whilst a minor event may be a broken window or a staff resignation.

A schedule of key words covering many areas of risk may trigger participants' recognition of potential exposures to risk, while other tools such as a *risk identification table* may help to bring out and clarify the results of brainstorming.

A Risk Register is used to document risks identified in the Workshop

The Risk Registers

Perhaps the most important document that should be generated as a result of the risk identification process is a *risk register* and this is used in the Workshop

A *risk register* is core risk management document that contains detailed information about each identified risk exposure.

During the risk identification stage, the information recorded in the risk register will include:

- an detailed description of each risk exposure—what can happen and how it can happen



- its source/s—the cause of the exposure
- its impact/s—the potential consequences
- the likelihood of a risk actually occurring
- any existing treatment measures in place to mitigate the exposure (and the adequacy of these controls)

Sample Risk Register with Consequence table.

RISK REGISTER						
Function/ activity	.					
Completed by Date:.....					
The risk (what can happen)						
Source of risk						
Risk rating						
Likelihood code		Consequence code				
		Insignificant	Minor	Moderate	Major	Catastrophic
	Almost certain	Medium	High	High	Catastrophic	Catastrophic
	Likely	Low	Medium	High	High	Catastrophic
	Possible	Low	Medium	High	High	Catastrophic
	Unlikely	Low	Low	Medium	High	High
	Rare	Low	Low	Medium	Medium	High



Existing controls and adequacy	
Risk accepted	



Risk I.D.	Risk Description	Consequence	Likelihood	Rank	Strategy
1	Baseline organisational performance measures not available	Significant	Moderate	Medium Risk	Accept
2	Suitable staff not available for task analysis	Major	Rare	Medium Risk	Control
3	External consultant defaults on delivering materials	Major	Moderate	Medium Risk	Control
4	Steering Committee meetings delayed/members unavailable	Minor	High	Medium Risk	Control
5	Low availability of Subject Matter Experts to advise and review materials	Significant	Likely	High Risk	Control
6	A representative group not available to evaluate the pilot workshop	Significant	Rare	Low Risk	Control
7	Some training materials not ready for inclusion in pilot	Significant	Rare	Low Risk	Accept
8	Training Administrator takes maternity leave earlier than expected	Significant	Moderate	Medium Risk	Control

Documentation of Risk Management Frame Work

Once the workshop has been completed we will work with Senior Management to develop a documented Business Risk Management Frame Work (Manual)

The Risk Management Framework represent the internal arrangements for communicating on risk issues. It also sets out the roles and responsibilities of the individuals and committees that support the risk management process. The risk strategy will set out the objectives that risk management activities in the organisation are seeking to achieve. Finally, the risk protocols describe the procedures by which the strategy will be implemented and risks managed.

Next Steps

One of the advantages of the Workshop is that your staff will be trained in Identifying and analysing risks and the completion of the Risk Registers.

They will be capable of continuing the ongoing process of Risk Management



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