

Risk Management Tool

Risk Identification Categories of Risk

Project, Contract or Other Event

Financial

Technology

Governance

Reputation

1A _____	1B _____	1C _____	1D _____
2A _____	2B _____	2C _____	2D _____
3A _____	3B _____	3C _____	3D _____
4A _____	4B _____	4C _____	4D _____

Prioritize
Risk

1E _____	1F _____	1G _____	1H _____
2E _____	2F _____	2G _____	2H _____
3E _____	3F _____	3G _____	3H _____
4E _____	4F _____	4G _____	4H _____

Hazard

Compliance

Client Service –
for Child Service Providers
please note slide 9

Human Capital

Financial Risks (examples)

- Loss of Income
- Rising Costs
- Liquidity
- Economy
- Federal/State budget
- Investment risks
- Borrowing rates
- Inadequate budgeting or planning
- Unreliable accounting records
- Fraud

Technology Risks

- Obsolete equipment (leading to inefficiency or incompatibility)
- Access to current technology
- Lack of understanding of technology

Governance Risks

- Improperly prepared or engaged board of directors
- Inefficient governance practices
- Straying from the mission
- Lack of innovation
- Poor strategy

Reputational Risks

- Damage to public image
 - Can be of various types (e.g. image of poor quality service, slow delivery, unethical environment, etc.)
- Poor relationships with donors
- Unsatisfied clients/program participants

Hazard Risks

- Fire, flood and other losses or impairments of physical assets
- Insurable

Compliance Risks

- Noncompliance with laws and regulations
 - Grant-related
 - Non grant-related
- Violating terms of contracts
- Compliance with donor restrictions
- Civil wrongs (torts)

Client Service Risks – part A

- Harm caused to clients in connection with services we provide
- Theft of client property
- Transportation accidents
- Overall satisfaction of clients, program participants
- Changing client needs, desires
- Quality of service
- Breaches of confidentiality

Client Service Risks – part B

Child Service Providers

- Risk assessment of new service providers is a standard and ongoing process for CBC of Brevard. Thus, the majority of the risk assessment process has previously been completed and the levels of risk factors assigned.
- The risk identification process for Child Service Providers is completed during the procurement process using:
 - The Request for Administrative Qualifications of Service Providers, and
 - The Service Provider Risk Assessment Form (part of CBC Procedure: CG-360)

Human Capital Risks

- Loss or lack of availability of personnel (employees, volunteers, contractors)
- Loss or lack of availability of specific expertise (e.g. technical skills)
- Leadership; succession
- Diminished morale
- Diminished skills of existing personnel

RISK ASSESSMENT & PRIORITIZATION

How likely is it to happen?
What if it did happen?

RISK ASSESSMENT CHART

Risk Assessment - Project, Contract or Other Event:	Date of Assessment:
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Assessment: Completed By:	List all Participants:
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Risk Category	Identified Risk	Probability of Occurrence	Impact of Occurrence	Consequence of Occurrence	Response to Risk (List How)

Risk Prioritization – Probability Chart

Probability – How likely is this risk to occur?

H	High	Exhibits high risk cue(s): Has happened frequently; Has a very significant chance of happening in the future; and/or, For a single event has already happened.
M	Medium	Has happened occasionally or has a reasonable but not completely expected chance of happening in the future.
L	Low	Has happened very infrequently or is expected not to happen except infrequently.
NA	Not Applicable	This risk is irrelevant to this project or operation.
NI	Need Information	Impossible to determine probability with the current available information. Information must come from an outside source. Consider High Probability until otherwise identified.

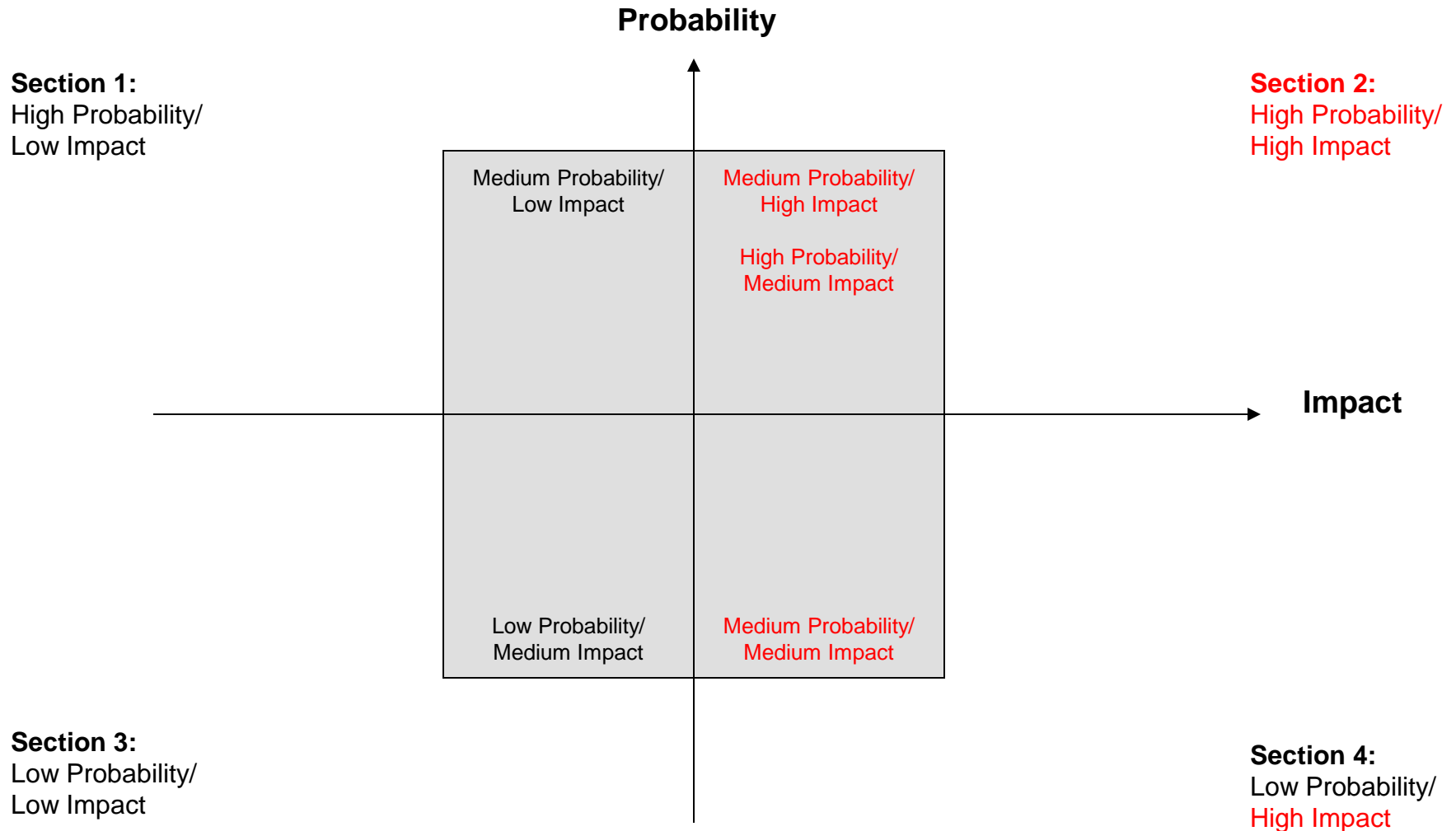
Risk Prioritization – Impact Chart

Impact – What will happen if the risk becomes an issue?

H	High	The issue will have a major impact on the system and is likely to cause significant disruption in service or a very visible event.
M	Medium	The issue will have some impact on systems and be visible to a number of users. A possible disruption in service for some non-critical users is expected.
L	Low	No service disruption or negative effects are expected. Any negative impact can be corrected without significant effort or visibility.
NA	Not Applicable	This risk is irrelevant to this project or operation.
NI	Need Information	Impossible to determine probability with the current available information. Information must come from an outside source. Consider High Impact until otherwise identified.

RISK ASSESSMENT GRID

Project, Contract or Other Event



RISK RESPONSE

What do we want to do about it?

Risk Response Chart

Response – Decide how to respond to each risk?

A	Avoidance	List How (Involves changing the project plan to remove the treat. This can be done by changing or reducing the scope of the project.)
E	Elimination	List How (Could involve adopting a less complicated process, conducting additional tests on the product, building redundancy into a system, and/or designing a quality control or reconciliation process.)
R	Reduction	List How (Insurance, etc.)
ST	Sharing or Transferring Risk	List How (Partnership, Use of Outside Contractor, etc.)
AC	Acceptance	No action to be taken.