EMPOWER DEVELOPMENT

TYPES OF RISK

✓ Market risk
✓ Credit risk
✓ Insurance and demographic risk
✓ Operational risk
✓ Liquidity risk
✓ External risk
✓ Frictional risk
✓ Aggregation and diversification

SIMPLE RISK DESCRIPTION TABLE

✓ Risk name
✓ Scope of risk
✓ Nature of risk
✓ Stakeholders relating to the organisation
✓ Risk assessment
✓ Risk controls
✓ Risk owner

RISK CONTROL

✓ Preventive
✓ Corrective
✓ Directive
✓ Detective

Chapter 5 – Tools and techniques 2: Assessment and measurement of risk

COMMON CATEGORY NAMES

✓ BS 31000
✓ COSO
✓ AIRMIC/ALARM/IRM
✓ FIRM
✓ PESTLE

RISK RANKING

✓ Risk comparison
✓ Risk factor indices

NUMERICAL DEFINITION OF PROBABILITY

✓ Frequency lower than once in ten years
✓ Once in ten years
✓ Once in five years
✓ Annually
✓ More than five times a year

MEASURING IMPACT

✓ Health damage, injury or loss of life
✓ Asset loss
✓ Time and resources
✓ Business survival
✓ Defining impact
✓ Aggregate loss
✓ Risk aggregation

NUMERICAL DEFINITION OF IMPACT

✓ Negligible
✓ Marginal
✓ Critical
✓ Catastrophic

EMPOWER DEVELOPMENT