Event Risk Management Framework

1. Understand your Risk Ecosystem

1.1 **Review business strategy** – what is your mission, values and objectives

1.2 Identify & document **mission critical activities**, functions and assets (people, process, information etc)

1.3 **Identify risk stakeholders** both external and internal

1.4 Establish organizational / event **criteria for risk appetite/tolerance**

1.5 Establish **criteria & rating metrics** for **likelihood and consequence**

RISK ASSESSMENT

2. Identify the Risks

2.1 **Review the risk environment / identify risks:**
(1) what has happened before (incidents & claims)
(2) What has happened at other events
(3) what keeps you up at night (the unknowns)

2.2 **Categorize (group) risks** & document them in your **Event Risk Register**

2.3 Identify **risk sources** - the hazards & threats that may cause or trigger the risk event

3. Analyze the Risks

3.1 **Identify** existing **risk control measures**

3.2 **Benchmark existing risk controls** against industry best practices & assess "what's missing"

3.3 Evaluate **effectiveness of risk controls** – conduct resilience / vulnerability assessment

3.4 Conduct **business impact analysis** – what are the potential consequences and impact to the event's critical success factors

4. Evaluate the Risks

4.1 Assign **likelihood**

4.2 Assign **consequence**

4.3 Calculate **RISK LEVEL: LIKELIHOOD x CONSEQUENCE**

4.4 Assess whether the **risk level** is within risk appetite?

4.5 If no, **identify risk treatment** options

While R=L x C is based on semi-quantitative metrics, it should be noted that due to inherent subjectivity and bias ,the risk level (numerical score) should be regarded as a 'risk estimate' , not as a definitive risk statement

5. Treat the Risks

5.1 **Select risk treatments:**
(1) accept *risk as being "as low as reasonably possible"*
(2) Reduce *likelihood & or consequence;* **(3) Avoid** *risk source (hazard or threat)/ cease activity;* **(4) Share / thin the risk through indemnification, insurance, contracts etc*

5.2 Conduct **cost benefit analysis** – does the cost justify the outcome?

5.3 Identify & assign **Risk Owners & Control Owners**

5.4 **Prioritize & rank** your risks

5.5 Draft / prepare **Event Risk Assessment & Management Plan**

6. Risk Reviews & Reporting

6.1 Establish risk governance guidelines /policy: organizational policy statement, risk working group (roles & responsibilities) & reporting format for senior management / board

6.2 Implement risk assurance program – audit & evaluation program to assess effectiveness of controls