Situational Assessment Worksheet Guide

Author: David Signoretti
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Worksheet

Situational assessment worksheet

Categories

Staring at the highest level, first define the issue by category. The different types will allow the subdivision of items. They are thus allowing us to better organize and divide the work into groups. By identifying the categories enable the team to determine who within the organization would be responsible for managing the risk.

- Financial,
- Health and Safety
- Organization,
- Resources,
- Labour Relations,
- Scope,
- System,
- Technology.

Problem Statements (Impact)

Organized by category, define issues or situations, and that has an impact on the operations. You can identify these by a look at the following examples:

- Number of recurring investigations,
- Stakeholder completes,
- Known operational inefficiencies,
- Time on task,
- Technology.

Describe the problem

Describe the problem using the following structure:

- What the risk is,
- Where the risk occurs,
- When it occurs,

Response (Vulnerability)

Each risk should identify the response plan on how to mitigate and deal with the incident should it occur. By having a preplanned and rehearsed response plan, you can drastically reduce your vulnerability.

Triggers (Likelihood and Velocity)

Systems of checks and balances provide allowing for early identification of issues that could put an origination at risk. A trigger is a condition or other event that will cause a risk to take place. Identify triggers during the risk analysis. Understanding risk triggers help a person develop a more efficient risk response. They also describe how often and how fast an issue will present to an organization.

How to Score

The rating score for each assessment has values from one to five, with one having the least impact and five having the most significant impact. The tables below outline the scoring and definition of each. After evaluating the score for each risk, add the values for each of the categories. The amount of the total will define the risk value for each item. After identifying and scoring the risks, add the totals up for your overall score.

Low Risk		Medium Risk		High Risk	
1 to 6	Green	7 to 13	Yellow	14 to 20	Red

Risk Assessment

Definition - Risk assessment is the determination of a quantitative or qualitative estimate of risk related to a well-defined situation and a recognized threat. There are four risks categories:

- Impact,
- Likelihood,
- Vulnerability,
- Velocity.

Impact

Impact (or consequence) refers to the extent to which a risk event might affect the enterprise. Impact assessment criteria may include financial, reputational, regulatory, health, safety, security, environmental, employee, customer, and operational impacts.

Rating	Descriptor	Definition
5	Catastrophic	• Significant financial impact > 70% of income , • A complete shutdown of the operations, • Long-term negative media coverage, • Significant prosecution and fines, litigation including class actions, • Fatalities to employees, third parties, or vendors.
4	Major	• The financial loss of 30% to 70% of income, • A complete shutdown of operations requiring activation of AWS, • Negative media coverage, • Report to regulator requiring a significant project for corrective action

		• Significant injuries to employees, third parties, or vendors.
3	Moderate	• The financial loss of < 30% of income, • Partial loss of functionality of the operations and may require activation of DR, • Short-term negative media coverage, • Minor injuries to employees, third parties, or vendors.
2	Mild	• Local media attention quickly remedied, • The limited impact on the operations, • Not reportable to the regulator, • Limited injuries to employees, third parties, or vendors.
1	Insignificant	• No Local media attention, • No impact on the operations, • Not reportable to the regulator, • No injuries to employees, third parties, or vendors.

Vulnerability

Vulnerability refers to the susceptibility of the entity to a risk event regarding criteria related to the entity's preparedness, agility, and adaptability. The vulnerability is related to impact and likelihood.

Rating	Descriptor	Definition
5	Very High	• No scenario planning performed, • No process level capabilities to address risks, • Responses not implemented, • No contingency or crisis management plans in place.
4	High	• Some scenario planning, • Low process level capabilities to address risks, • Responses partially implemented or not achieving control objectives, • Some contingency or crisis management plans in place.
3	Medium	• Stress testing and sensitivity analysis of scenarios performed, • Medium process level capabilities to address risks, • Responses implemented and achieved objectives most of the time, • Most contingency and crisis management plans in place, limited rehearsals.
2	Low	• Strategic options defined, • Medium to high process level capabilities to address risks, • Responses in place, • Contingency and crisis management plans in place, some rehearsals.
1	Very Low	• Real options deployed to maximize strategic flexibility, • High enterprise level/process level capabilities to address risks, • Redundant response mechanisms in place and regularly tested for critical risks,

		• Contingency and crisis management plan in place and rehearsed periodically.

Likelihood

Likelihood represents the possibility that a given event will occur. Use qualitative terms, as a percent probability, or as a frequency.

Rating	Descriptor	Probability	Frequency
5	Very High	Greater than 90%,	Up to once in 1 year or more
4	High	65% and 89%,	One year to 5 years
3	Medium	35% and 64%,	Five years to 10 years
2	Low	11% and 34%,	Ten years to 20 years
1	Very Low	Less than 10%.	25 years or more

Velocity

The speed of onset refers to the time it takes for a risk event to manifest itself, or in other words, the time that elapses between the occurrence of an event and the point at which the company first feels its effects.

Rating	Descriptor	Definition
5	Instantaneous	Very rapid onset, little or no warning,
4	Very Rapid	Onset occurs in a matter of hours to a few days,
3	Rapid	Onset occurs in a matter of weeks,
2	Slow	Onset occurs in a matter of months,
1	Very Slow	Prolonged onset occurs over a year or more.

References

[1] D. P. Curtis and M. Carey, "Risk Assessment In Practice," Deloitte & Touche LLP, 2012.

[2] Public Health Ontario, "Services And Tools," 2018. [Online]. Available: http://www.publichealthontario.ca/en/ServicesAndTools/ohpp/Pages/default.aspx.