

# Risk

**“The possibility that human actions or events lead to consequences that have an impact on human value.”**

**Ortwin Renn**

“The possibility that human actions or events lead to consequences that have an impact on human value.”

Ortwin Renn

**“A risk is the likelihood of an incident and its consequence for an asset”**

**Refsdal et al.**



chances of something  
happening that causes  
problems for something

# Risk

- In simple terms we can think of this as something going wrong that causes harm or loss.
- Risk is really the chance of something happening and ramification for a given thing.
- ‘something happening’ can be considered more formally as an **incident**.
- An irrelevant or low value thing is no real interest, a thing of value or **asset** to something.

# Risk

- The something could be an individual, enterprise, body but is generally referred to as the **party**.
- Chance is the probability or the **likelihood** of something happening.
- Ramification refers to the **consequences** of a given incident occurring.
- When considering the consequence and likelihood we arrive at the **risk level**.



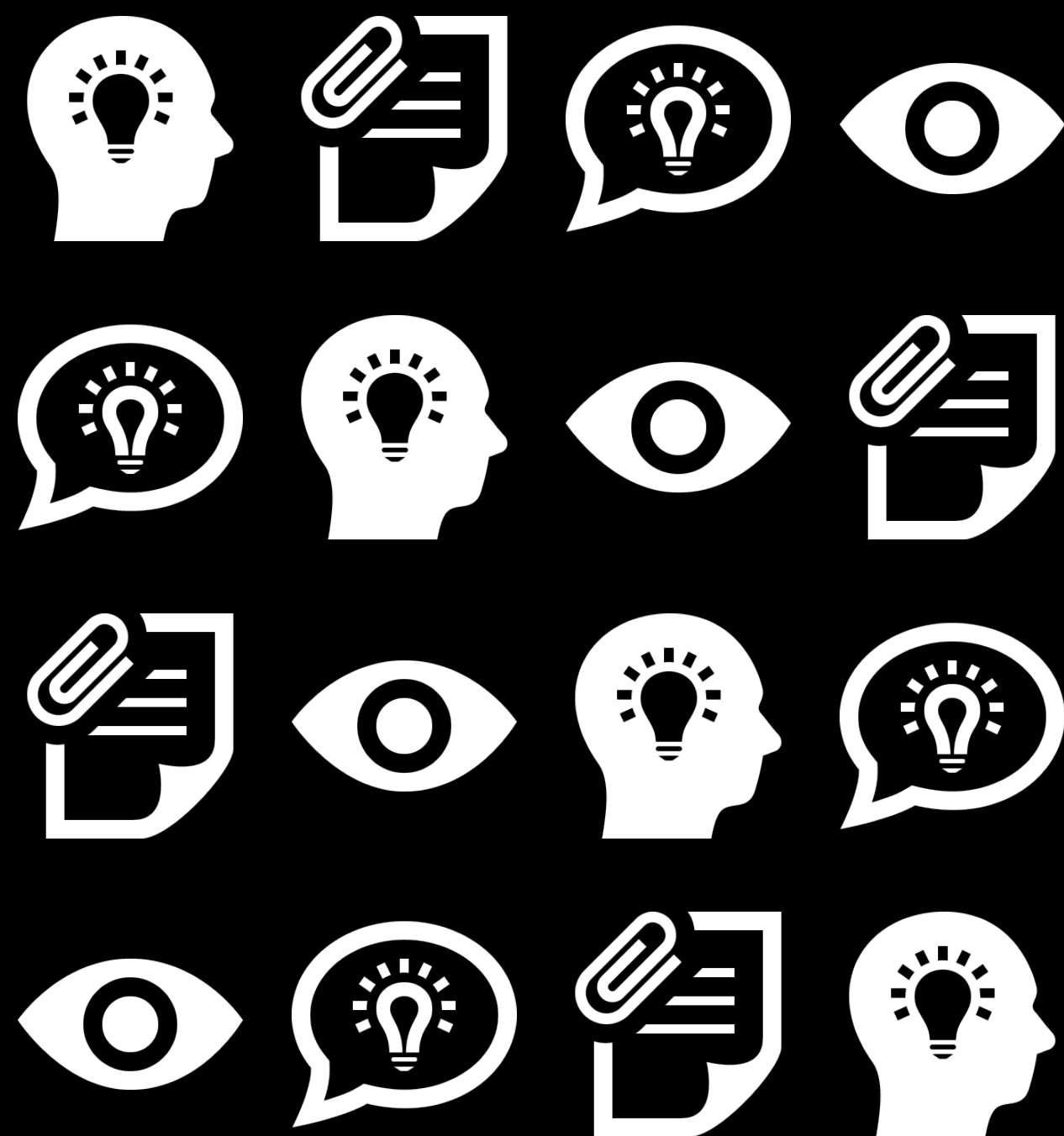
# Challenge

## Risk

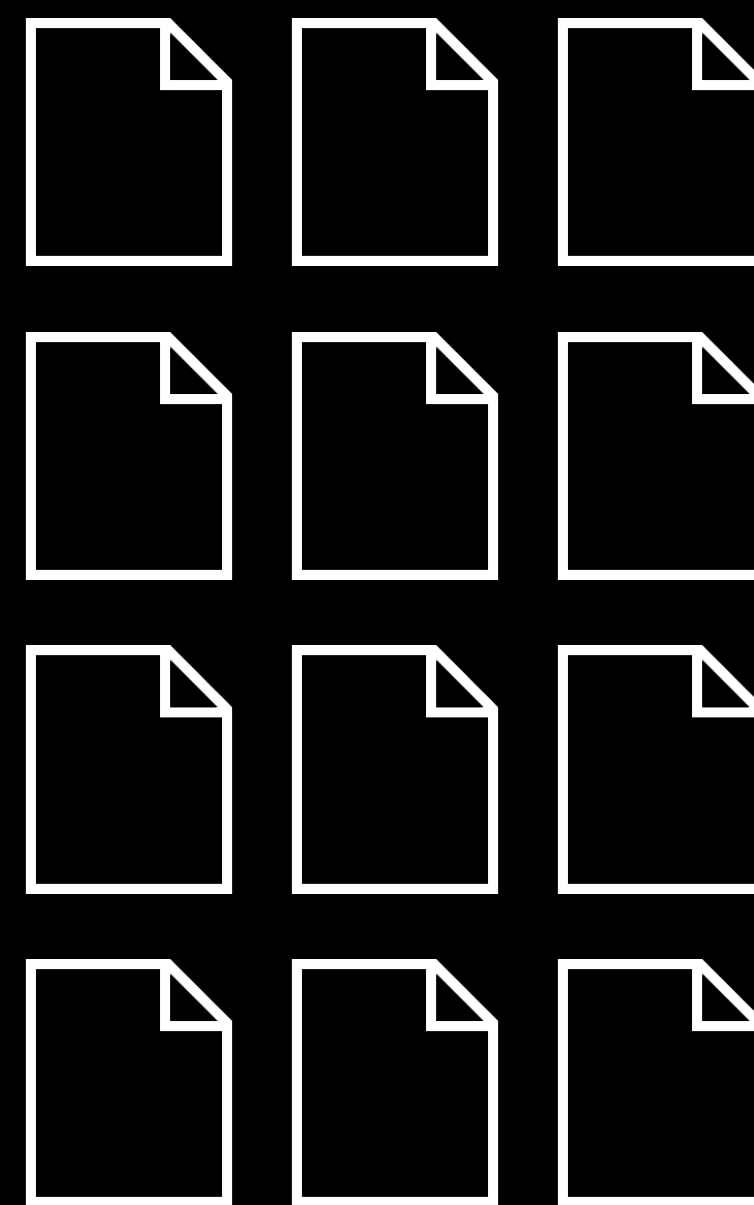
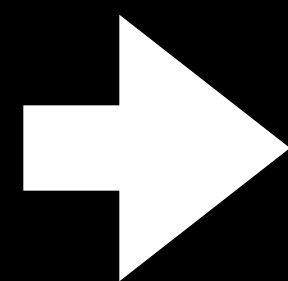
- Making soft assumptions into hard judgements.
- Balancing perceptions with actual evidence.
- Risk assessment involves many aspects but is broadly the process of turning the soft assumptions into hard judgements.



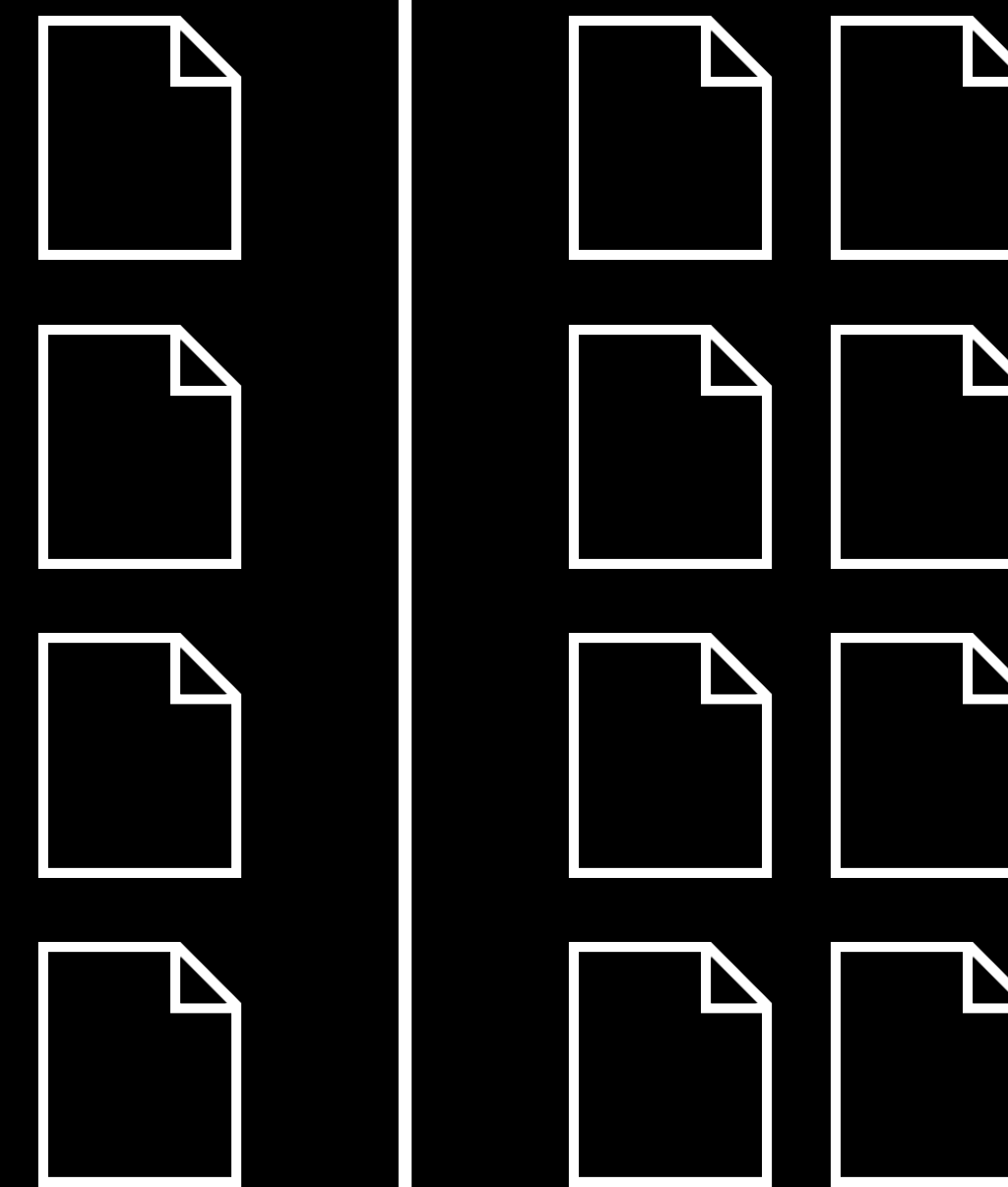
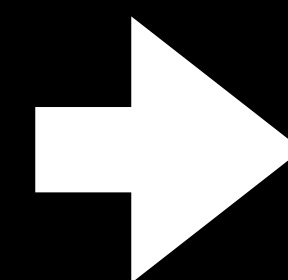




Observations and  
Perceptions



Reasoning and  
Evidence



Prioritised and  
Ranked

**RISK**

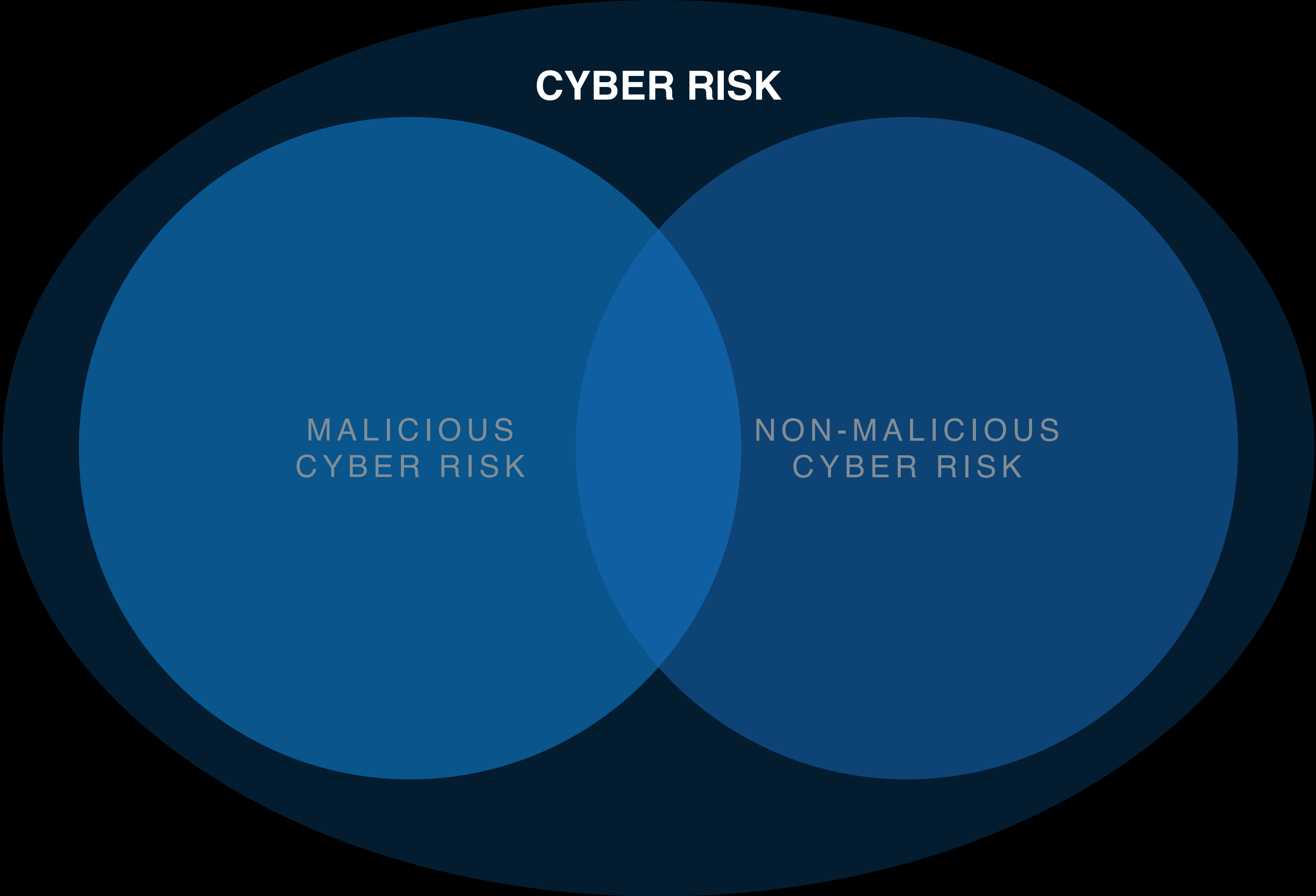


# Risk

- The nature of risk can be categorised as **malicious** or **non-malicious**.
- Risk can also be considered both malicious and non-malicious.
- Risk could also be the product of both a malicious and non-malicious threat.

# Cyber risk

- Cyber risk is the product of a cyber threat.
- Cyber threats can be thought of any threat that makes use of a cyber space.
- A cyber system failing due to physical damage, say malicious intent or from flooding is risk, but not a cyber-risk.
- Cyber risks are the union of malicious and non-malicious ones.



**CYBER RISK**

MALICIOUS  
CYBER RISK

NON-MALICIOUS  
CYBER RISK



# Risk