# Introduction

This document outlines the key information that should be documented for each risk. *To easily sort, filter and perform calculations, Risk Registers are best created as a combination of a document (of which this is a descriptive template) and a Spreadsheet. A sample Risk Register spreadsheet to accompany this document has also been created for you.*

Risk Id – A unique identification number used to identify and track the risk in the risk register. There are different possible ways of classifying the Id but what is clear is that it is best if this is codified. For example, Risk Id RF### could relate to a Financial risk, which Risk Id RC### could relate to a Compliance risk.

Category–Is the risk financial (cost and/or revenue), regulatory or compliance, timeline, resource, environment, or some other key category? Categorising risks groups them and aligns them with stakeholders who are best placed to assess/mitigate and stakeholders for whom the risk is greatest.

Description– Describe the potential risk. For instance: *Item A cannot be completed until Item B has been purchased but approval has been delayed, or Item A requires resources that have not been identified and the project is currently resource constrained.*

The following are determined in a Risk Assessment

Potential Impact– A quantitative rating of the potential impact on the project if the risk should materialize**.**Impact in a Risk Register should be scored on a scale of 1 – 10 with 10 being the highest impact.

Probability– The likelihood that the risk will occur at some point in the duration of the project. This should be quantitative like Potential Impact not qualitative (high, medium or low). If you use qualitative measures you cannot calculate a Risk Score, which is done by multiplying Probability and Impact and you can easily convert a number to a descriptor e.g. 1-3 = “Low”, 4-6 = “Medium” and 7-10 = “High”.

Likely Outcome– The likely consequence or impact of the risk if it materialises.

The following are determined in a Risk Evaluation, when all the risks have been gathered and assessed.

Ranking – This is the relative ranking of one risk in comparison to all others that have been assessed. This can be qualitative e.g. high, medium, or low, or it can be quantitative, especially if Rank is used as a sorting mechanism to decide what items most require mitigation. Remember that qualitative ranking will produce duplicate values; if you have two “High” ranking items then you should consider how you might decide which is more important?

Mitigation **–**What signs or outcomes indicate the need to implement contingency plans and what are those contingency plans. It is likely that you will need to create a separate Contingency Planning document for each high impact risk.

Prevention Plan– An action plan to prevent a given risk from occurring, often combined with the Contingency Plan described above. You should try to establish a prevention plan for every risk that you categorize, starting with those risks that have the greatest potential impact.

RACI Matrix **–** For every risk, try to establish a RACI matrix.

Who is **R**esponsible?

Who is **A**ccountable?

Who should be **C**onsulted?

Who should be **I**nformed?