

Risk Management - Vocabulary

Objectives:

At the end of this episode, I will be able to:

Understand how risk is defined.

Explain the difference between a threat and a vulnerability.

Identify the role that likelihood and impact play in understanding risk.

Define what a countermeasure and residual risk is.

External Resources:

Risk Management - The Basics

What Is Risk?

MUST KNOW CONCEPTS !!: NIST SP800-30R1 page 12

Risk: The probability (likelihood) that a given threat source will exercise a particular vulnerability and the resulting impact should that occur

Threat - an event or situation that if it occurred, would prevent the organization from operating in its normal manner

Vulnerability - weakness

Likelihood - chance something might happen

Impact - what a threat will cost (quantitative/qualitative)

Countermeasure (control) - mechanism applied to minimize risk

Residual Risk - remaining risk(s) after all countermeasures/controls have been applied

$\text{Risk} = \text{Threat} * \text{Vulnerability}$