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LO#06: Explain Risk Concepts and Fr	
Risk Management is the process of reducing and maintaining risk at an acceptable level by means of a well-defined and actively employed security program Involves identifying, assessing, and responding to risks by implementing controls to help the organization manage potential effects Has a prominent place throughout the system's security life-cycle	Risk Management Benefits Focuses on potential risk impact areas Addresses Risks according to the Risk level Improves the risk handling process Allows security officers to act effectively in adverse situations Enables the effective use of risk handling resources Minimizes the effect of risk on the organization's revenue Identifies suitable controls for security Capyright © by \$5.000001. All Rights Reserved. Reproduction is Strictly Probleted.

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Risk Management Framework: Enterprise Risk Management Framework (ERM) ERM defines the implementation activities specific to how an organization handles risk Provides a structured process that integrates information security and risk management activities Identify, analyze, and perform the following actions: Risk avoidance by aborting actions: Risk reduction by minimizing the likelihood or impact of risk Providing risk management process standards

Integrate the enterprise risk management with the organization's performance management Communicate the benefits of risk management Define the roles and responsibilities for managing risk in the organization Standardize the risk reporting and escalating process Set a standard approach to manage risks in the organization Assist resources in managing risks Set the scope for and application of risk management in the organization Mandate periodic review and verification for improvement to the ERM

Notes: