

# Risk Management Methodology Document

Assignment

1h30m

✓ Status

Incomplete

## Introduction

In this exercise, you will create a Risk Management Methodology document (also known as Risk Management Plan). A Risk Management Methodology document specifies the process to follow for Risk Identification, Risk Assessment, Risk Management and Risk Monitoring for a scenario that involves risks and needs Risk Management.



Read and analyze the following case study and create a Risk Management Methodology document as per the instructions given below.

## Case Study: Risk Management Methodology for Hierarchical Access Ltd (DE)

### Background

Danny's Enterprise (DE) was once a small start-up, the e-commerce company had quickly become a major player in the online retail industry. Their website had attracted millions of customers, and their sales had skyrocketed. However, as they continued to grow, the company realized that they were becoming increasingly vulnerable to a range of risks, including cyber threats, data breaches, and supply chain disruptions. The company's leadership recognized that they needed to conduct a comprehensive Risk Assessment to identify potential risks and develop a Risk Management Methodology to mitigate those risks.

The company's CEO appointed a team of experts to conduct the Risk Assessment and develop the Risk Management Methodology. The team included IT professionals, supply chain experts, and Risk Management specialists. They started by conducting a thorough analysis of the company's operations, identifying potential risks and vulnerabilities at every stage of the process, from procurement to delivery.

The team identified several key risks that could impact the company's operations and reputation. One of the most significant risks was the potential for a data breach, which could compromise sensitive customer data and damage the company's reputation. Another significant risk was the potential for supply chain disruptions, which could impact the company's ability to deliver products to customers in a timely manner.

Based on their analysis, the team developed a Risk Management Methodology that included several key components. First, they recommended that the company establish a formal RMF that would enable the company to identify, assess, and manage risks on an ongoing basis. The framework would include a Risk Assessment process that would enable the company to identify potential risks and prioritize them based on their potential impact.

Assumptions


- DE has a small management team, with limited resources available for Risk Management.
- DE operates in a competitive market with many other providers of internet access and web hosting services.
- DE's reputation for reliability and high-quality service is a critical component of its success.
- DE relies heavily on its internet and hosting infrastructure, which is subject to both technical and operational risks.

Objectives & Deliverables

Objectives

Your task is to develop a Risk Methodology for DE that will help the company identify and manage the risks it faces. Your methodology should include an explanation on how to create the following components:


- Risk Identification: identify the potential risks that DE faces, including both internal and external risks.
- Risk Assessment: assess the likelihood and potential impact of each risk, using a risk matrix or similar tool.
- Risk Management: develop a set of Risk Management strategies that DE can use to reduce the likelihood and/or impact of each identified risk.

 Your Risk Methodology should be designed to help DE identify, assess, and manage the risks it faces, while taking into account the company's limited resources and competitive market environment. By developing a comprehensive Risk Methodology, DE can ensure that it is prepared to respond to the risks it faces and maintain its reputation for reliable and high-quality service.

Deliverables

Your Risk Methodology for DE should include the following components:

1. Purpose, scope, and users
2. Risk Assessment and Risk Treatment Methodology:
  - 2.1 **Risk Assessment:**
    1. **The process:** Explain what process you might follow. List 3 or more individuals or groups you might involve & why.
    2. **Assets, vulnerabilities, and threats:** Based on the information provided by DE, list the 3 main threats you expect DE to face and the challenges you expect them to face while managing these threats; reflect back on vulnerabilities and threats.
    3. **Determining the risk owners:** In examination of three different risks, create a "chain" of ownership of the risk from ground level to senior executive level. Explain what and how each owner may contribute to the chain.
    4. **Impact and likelihood:** Create a table that lists three threats or risks. Reflect and document the effect of these risks on C, I, or A or more than one of these, to what extent (from 0 to 10) and how likely (0 to 5)?
    5. **Risk acceptance criteria:** Explain how the most likely / highest risk item may impact DE and explain why some items in the table may be "ignored" or "minimized" based on the information provided by DE – reflect back on your risk assignments.
  - 2.2 **Risk Treatment:** Summarize the 3 main threats you have identified above, what recommended mitigations or responses you recommend for each and what priority you would give each one. Be sure to explain your prioritizations and your recommended responses. Don't forget to reference industry standard frameworks to aid you in deciding on your recommended mitigations or responses.

 You may look at the sample Risk Management Methodology document given [here](#) for your reference.



Once you have developed your Risk Management Methodology document, post it on Discord.

You may look at the Risk Management Methodology document posted by your peers and share your feedback.

✓ Mark Completed



Control Implementation, Remediation & Compliance

Previous

Next

RMF Stage 4 – Assessing Controls (Part One)



How well did this activity help you to understand the content?

Let us know how we're doing



W05D1

Mon Jul 22

> Lectures (1)

✓ Work (8)

7 hrs

- [Risk Management Methodology Document](#)
- [RMF Stage 4 – Assessing Controls \(Part One\)](#)
- [RMF Stage 4 – Assessing Controls \(Part Two\)](#)
- [GRC Quiz 2](#)
- [RMF Stage 5 - Authorizing Information Systems](#)
- [Conducting Residual Risk Assessment](#)
- [RMF Stage 6 - Monitoring Security Controls](#)
- [Writing Statement of Applicability \(SOA\)](#)

W05D1 Schedule »