



Whitepaper 'Example risk management framework'

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Risk management is essential in all good business practices. The guidance below is recognized good practice collated from many sources and is intended as a guide to assist you; it is not a definitive guide to risk management in the same way that the constitution of the USA is not a definitive guide to acquiring more guns than Machine Gun Kelly.

	Risk analysis (identification, estimation, evaluation)	Risk management
Enterprise	<p>Primary risks confronted; financial, political, environment, strategic, cultural, programme and quality</p> <p>Popular techniques include; NPV (net present value), cash flow analysis, SWOT, decision trees, scenario planning, cost benefit</p>	<p>Risk avoidance, elimination, prevention, business contingency planning</p>
Programme	<p>Acquisition, funding, organization, people, projects, security, safety, quality, disaster recovery</p> <p>Techniques; simulations, PERT (programme evaluation and review technique), critical path analysis, CRAMM, cost benefit, threat analysis, root cause</p>	<p>Risk elimination, prevention, contingency planning, fix-on-fail.</p>
Project	<p>Personal, technical, cost, schedule (time), operational support</p> <p>Techniques; simulations, decision trees, risk tables, performance and reliability analysis, queuing analysis, algorithms, CFIA (component failure impact analysis), capability analysis</p>	<p>Risk prevention, contingency planning, fix-on-fail, crisis management</p>
Operations	<p>Technical, budgetary, updates, operational support, disaster recovery</p> <p>Techniques; operational audits, performance analysis, reliability and capability analysis</p>	<p>Contingency planning, fix-on-fail, crisis management.</p>

There are many, many methods that can be applied to management of risk and an ISO standard, ISO/IEC 31000 exists if you wish to consult such a document. Because the market is full of methods, we go no further than to provide you with the basic information and a recommendation to consult risk specialists should you be concerned about risk management in your enterprise.

Bibliography

ISO 31000:2009, *Risk management – Principles and guidelines*, Published by ISO/TC, 2009

Johnson B C, c.s., *BiSL® Next, a framework for business information management*, Van Haren Publishing, 2017