

ASSESSMENT DETAILS

ESCALATION CONTACT:

Team Lead:		Contact No.:	
Affected Parties:			

ACTIVITY OR SERVICE DETAILS

Purpose:		Date:	
Benefit: Encourages disciplined savings habits. Ensures compliance with pension regulations. Maximizes returns with expert management strategies. Provides long-term financial security for retirement. Reduces risks with diversified investment portfolios. Supports financial independence in retirement.			

HAZARDS

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Aging infrastructure	Increased maintenance costs, Operational inefficiencies, Reduced competitiveness	Lowering capital expenditure on infrastructure upgrades in the short term frees up funds for investment in new technologies or business expansion.	Regularly assess and upgrade physical and IT infrastructure to meet current standards. Allocate budget for maintenance and modernization projects. Implement preventive maintenance schedules to extend asset life and performance. (ALL)	Organization, Employees	Before Measure: High After Measure: Med
Client data inaccuracies	Erroneous reporting, Financial losses, Reduced client trust	Reducing costs associated with extensive data verification processes allows investment in other value-adding activities, enhancing overall business efficiency.	Implement rigorous data validation and verification processes. Use automated systems to minimize human error and ensure data integrity. Regularly audit data management practices to identify and correct inaccuracies promptly. (ALL)	Clients, Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Compliance breaches	Legal penalties, Reputational damage, Operational delays	Streamlining operations by accepting certain compliance risks can reduce related costs, allowing for greater focus on strategic initiatives.	Establish a robust compliance program with clear policies and procedures. Conduct regular training and audits to ensure adherence to regulations. Use compliance management software to track and report compliance status effectively. (ALL)	Organization, Employees	Before Measure: High After Measure: Med
Cyberattacks	Unauthorized data access, System compromise, Financial losses	Reducing immediate cybersecurity investments enables the allocation of funds to other areas that may offer greater strategic benefits and foster innovation.	Deploy advanced cybersecurity measures, including intrusion detection systems and regular vulnerability assessments. Train employees on recognizing and responding to cyber threats. Establish protocols for incident response and recovery. (ALL)	Clients, Employees, Organization	Before Measure: High After Measure: Med
Data breaches	Unauthorized access to sensitive information, Loss of client trust, Financial penalties	Reducing immediate expenditure on extensive cybersecurity measures allows for the reallocation of resources to other strategic projects that could drive growth and innovation.	Implement robust cybersecurity protocols, including firewalls, encryption, and multi-factor authentication. Conduct regular security audits and employee training on data protection. Establish an incident response plan to quickly address any breaches. (ALL)	Clients, Employees, Organization	Before Measure: High After Measure: Med
Data loss	Loss of critical information, Disruption of operations, Reputational harm	Reducing investment in extensive backup systems allows resources to be allocated to areas that drive business growth and innovation.	Implement comprehensive data backup and recovery solutions. Use encryption and secure storage methods to protect data integrity. Regularly test backup systems to ensure reliability in the event of data loss incidents. (ALL)	Organization, Clients	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Economic downturns	Investment losses, Reduced client confidence, Cash flow challenges	Maintaining investment flexibility allows the organization to capitalize on lower asset prices during downturns, positioning for growth when the economy recovers.	Build diversified investment portfolios to spread risk. Maintain strong liquidity positions and reduce leverage during uncertain economic periods. Develop contingency plans to adjust strategies in response to economic changes. (ALL)	Organization, Clients	Before Measure: High After Measure: Med
Fraud and financial misconduct	Financial loss, Legal consequences, Reputational damage	Redirecting resources from extensive fraud prevention can be invested in innovative financial products and services, potentially increasing market share and profitability.	Implement strict internal controls and segregation of duties. Conduct regular audits and background checks on employees. Use advanced monitoring systems to detect and prevent fraudulent activities. (ALL)	Organization, Employees	Before Measure: High After Measure: Med
Geopolitical instability	Investment losses, Disrupted supply chains, Regulatory challenges	Pursuing high-growth opportunities in emerging markets can yield higher returns, enhancing portfolio resilience and overall performance.	Diversify investments across stable regions and monitor geopolitical developments closely. Develop flexible investment strategies to adapt to changing political landscapes. Engage with geopolitical risk experts to inform decision-making. (ALL)	Organization, Clients	Before Measure: High After Measure: Med
High operational costs	Reduced profitability, Limited growth opportunities, Client dissatisfaction	Maintaining higher operational costs can ensure quality and service levels without compromising on critical investments that drive growth and client satisfaction.	Conduct regular cost analysis to identify and eliminate inefficiencies. Implement cost-saving technologies and optimize resource allocation. Negotiate favorable terms with suppliers and service providers to reduce expenses. (ALL)	Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Inadequate governance	Poor decision-making, Reduced accountability, Reputational damage	Faster decision-making and increased agility can result from accepting some governance risks, enabling swift responses to market opportunities and challenges.	Establish a strong governance framework with clear roles and responsibilities. Conduct regular board and management reviews to ensure accountability. Implement policies that promote transparency and ethical decision-making. (ALL)	Organization	Before Measure: High After Measure: Med
Inadequate risk management	Increased exposure to threats, Financial losses, Missed opportunities	Streamlining decision-making processes by accepting certain risk management inadequacies can reduce administrative overhead, allowing for more agile and responsive business operations.	Develop a comprehensive risk management framework that identifies, assesses, and mitigates risks. Assign dedicated risk management personnel and integrate risk considerations into strategic planning. Regularly review and update risk policies to address emerging threats. (ALL)	Organization	Before Measure: High After Measure: Med
Insider threats	Unauthorized data access, Financial loss, Reputational harm	Fostering a more open and trusting workplace culture can enhance employee morale and productivity, even with some level of insider threat risk.	Enforce strict access controls and monitor employee activities. Conduct regular security training and awareness programs. Implement policies for reporting suspicious behavior and respond swiftly to potential insider threats. (ALL)	Organization, Employees	Before Measure: High After Measure: Med
Intellectual property theft	Loss of competitive advantage, Financial loss, Reputational harm	Focusing resources on innovation and development, even with some intellectual property theft risk, can lead to advancements that outpace competitors relying heavily on protection measures.	Protect proprietary information through patents, trademarks, and copyrights. Implement strict access controls and monitor for unauthorized use of intellectual property. Educate employees on the importance of safeguarding intellectual assets. (ALL)	Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Interest rate fluctuations	Increased borrowing costs, Reduced investment returns, Cash flow challenges	Capitalizing on favorable interest rate movements can enhance investment returns and improve overall financial performance.	Use interest rate hedging instruments to manage exposure. Diversify investments to balance the impact of rate changes. Continuously monitor economic indicators to anticipate rate movements and adjust strategies accordingly. (ALL)	Organization, Clients	Before Measure: High After Measure: Med
Lack of innovation	Reduced competitiveness, Missed opportunities, Client dissatisfaction	Embracing inherent risks in innovation can lead to groundbreaking developments and a strong market position, driving long-term success and differentiation.	Foster a culture of innovation by encouraging creative thinking and investing in research and development. Collaborate with industry experts and stay abreast of technological advancements. Allocate resources for experimenting with new ideas and implementing successful innovations. (ALL)	Organization	Before Measure: High After Measure: Med
Legal liabilities	Lawsuits, Financial penalties, Reputational harm	Allowing for some legal liabilities can enable the pursuit of innovative ventures and strategic partnerships that drive business growth.	Maintain comprehensive legal insurance and engage experienced legal counsel. Implement strict compliance and risk management protocols. Regularly review and update contracts and agreements to minimize exposure to legal risks. (ALL)	Organization	Before Measure: High After Measure: Med
Liquidity shortages	Inability to meet obligations, Financial distress, Reduced client confidence	Investing excess cash into higher-yield opportunities can enhance returns and capital growth, leveraging available liquidity more effectively.	Maintain adequate liquidity reserves and establish lines of credit with financial institutions. Monitor cash flow regularly and forecast future liquidity needs. Develop contingency plans for unexpected cash demands. (ALL)	Organization, Clients	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Market volatility	Significant investment losses, Reduced asset values, Client dissatisfaction	Embracing market volatility can lead to higher returns during favorable conditions and provide opportunities for aggressive growth, aligning with a higher-risk, higher-reward investment strategy.	Diversify investment portfolios across various asset classes and geographies. Utilize hedging strategies to mitigate potential losses. Continuously monitor market trends and adjust strategies proactively. (ALL)	Clients, Organization	Before Measure: High After Measure: Med
Natural disasters	Business disruption, Damage to assets, Financial loss	Allocating fewer resources to disaster preparedness allows for investment in growth and expansion initiatives, supporting long-term business objectives.	Develop and maintain a comprehensive disaster recovery and business continuity plan. Secure physical assets and data through appropriate safeguards. Conduct regular drills and update plans based on emerging threats. (ALL)	Organization, Employees	Before Measure: High After Measure: Med
Project management failures	Delayed projects, Increased costs, Missed opportunities	Encouraging innovation and experimentation through accepting certain project management risks can lead to breakthrough projects and competitive advantages.	Adopt standardized project management methodologies and tools. Provide training for project managers and ensure clear communication channels. Monitor project progress regularly and address issues proactively to keep projects on track. (ALL)	Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Regulatory changes	Non-compliance penalties, Operational disruption, Increased costs	Maintaining flexibility in response to regulatory changes can avoid the costs and delays associated with constantly adapting to new regulations, fostering a more agile organization.	Stay informed about evolving financial regulations through continuous education and monitoring regulatory bodies. Engage with legal experts to ensure compliance. Update internal policies and procedures promptly in response to new laws. (ALL)	Organization	Before Measure: High After Measure: Med
Reputational damage	Loss of trust, Reduced client base, Financial impact	Taking calculated reputational risks allows the organization to pursue bold initiatives and innovate without being overly constrained by potential negative perceptions, fostering a dynamic brand image.	Maintain transparent communication with stakeholders and address issues promptly. Uphold high ethical standards and corporate governance practices. Monitor public perception and engage in proactive reputation management strategies. (ALL)	Organization	Before Measure: High After Measure: Med
System failures	Disruption of operations, Loss of client data, Reputational harm	Allocating funds away from extensive system redundancy can enhance other critical areas, potentially increasing overall operational efficiency and competitive advantage.	Invest in reliable IT infrastructure with redundant systems and backup solutions. Schedule regular maintenance and updates to software and hardware. Develop a comprehensive disaster recovery plan to ensure business continuity during outages. (ALL)	Clients, Employees, Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Technology obsolescence	Reduced productivity, Increased maintenance costs, Competitive disadvantage	Delaying some technology upgrades can result in cost savings, allowing funds to be redirected to other critical business areas and fostering flexibility.	Invest in scalable and upgradable technology solutions. Stay informed about technological advancements and industry trends. Allocate budget for regular technology updates and replacements to keep systems current. (ALL)	Organization, Employees	Before Measure: High After Measure: Med
Client dissatisfaction	Loss of clients, Negative reviews, Reduced revenue	Experimenting with new services and approaches can lead to innovative solutions that better meet client needs, potentially increasing client loyalty and satisfaction.	Provide exceptional customer service and maintain open lines of communication. Regularly solicit and act on client feedback to improve services. Implement client relationship management systems to personalize interactions and address concerns promptly. (ALL)	Clients, Organization	Before Measure: Med After Measure: Low
Operational inefficiencies	Delayed processes, Increased costs, Reduced client satisfaction	Allocating resources from addressing certain inefficiencies can support high-impact projects that drive growth and competitive differentiation.	Streamline processes through automation and continuous improvement methodologies. Monitor key performance indicators to identify and address bottlenecks. Invest in employee training to enhance productivity and effectiveness. (ALL)	Organization, Employees	Before Measure: Med After Measure: Low
Talent retention	High employee turnover, Loss of expertise, Increased hiring costs	Encouraging a more flexible and dynamic workforce can promote creativity and adaptability, enhancing overall organizational performance.	Offer competitive compensation packages and opportunities for professional development. Foster a positive workplace culture and provide clear career progression paths. Implement employee engagement and recognition programs. (ALL)	Employees, Organization	Before Measure: Med After Measure: Low

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Third-party vendor risks	Service disruptions, Data breaches, Non-compliance issues	Leveraging specialized services and expertise through third-party vendors promotes operational flexibility and can lead to cost efficiencies.	Conduct thorough due diligence and regular assessments of third-party vendors. Establish clear contractual agreements outlining responsibilities and security standards. Monitor vendor performance and compliance continuously. (ALL)	Organization, Clients	Before Measure: Med After Measure: Low
Unforeseen hazard	Illness, injury, death		Ongoing dynamic risk assessment conducted by all relevant personnel. Any identified potential risks should be immediately reported to the appropriate supervisor or risk manager, and corrective action should be taken as necessary. (ALL)	All	N/A

NOTES

Extra notes & evaluation:

Completed by

Reviewed/Approved by

Risk Assessment Date

Review Required Date