

ASSESSMENT DETAILS

ESCALATION CONTACT:

Team Lead:	Contact No.:
Affected Parties:	

ACTIVITY OR SERVICE DETAILS

Purpose:	Date:
<p>Benefit: Enhances financial efficiency through expert advice. Ensures compliance with tax laws and regulations. Identifies opportunities for tax savings and refunds. Minimizes tax liabilities through strategic planning. Mitigates risks of penalties and audits through accurate filings. Provides clarity on complex tax scenarios and changes.</p>	

HAZARDS

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Client data mismanagement	Loss of sensitive information, regulatory fines, client distrust	Enhances operational efficiency and builds client confidence in the firm's reliability.	Develop comprehensive data governance policies, secure data storage solutions with backup redundancies, and audit data systems monthly. Train employees on data handling protocols and implement role-based access to sensitive information. (ALL)	Clients, employees	Before Measure: High After Measure: Med
Cybersecurity threats	Data breaches, operational disruptions, client distrust	Protects sensitive information and maintains client trust by safeguarding against cyber threats.	Implement a comprehensive cybersecurity framework that includes regular vulnerability assessments, employee training on cyber hygiene, and incident response protocols. Invest in advanced security technologies and maintain compliance with relevant cybersecurity standards. (ALL)	Clients, employees	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Data breaches	Unauthorized access, data loss, client distrust	Protects client data and enhances trust in the firm's ability to manage sensitive information securely.	Implement a multilayered cybersecurity strategy, including encryption, firewall protections, regular penetration testing, and data access controls. Provide comprehensive employee training and enforce strict password policies. Have a robust incident response plan in place. (ALL)	Clients, employees	Before Measure: High After Measure: Med
Fraudulent activities	Financial losses, regulatory penalties, reputation damage	Reinforces trust and integrity within the firm while minimizing the potential for financial losses.	Implement a zero-tolerance fraud policy, create a whistleblower hotline, enforce strict financial controls, and perform unscheduled audits to detect and deter fraudulent behavior. Provide ethics training and maintain transparency in processes. (ALL)	Firm, employees	Before Measure: High After Measure: Med
Inaccurate tax advice	Client dissatisfaction, legal disputes, financial losses	Delivers precise and timely advice, strengthening client relationships and the firm's reputation.	Establish a multi-tiered review process involving senior advisors, integrate AI tools for tax calculation accuracy, and maintain a detailed record of advice given. Conduct biannual professional development sessions to stay updated on tax laws. (ALL)	Clients, firm	Before Measure: High After Measure: Med
Legal disputes	Litigation costs, reputation damage, operational disruption	Mitigates risks of litigation while enabling the firm to handle complex client cases effectively.	Implement meticulous documentation protocols, seek preemptive legal reviews of high-stakes advice, and offer client clarity on advisory terms through detailed agreements. Establish a responsive legal support team. (ALL)	Clients, firm	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Over-reliance on key personnel	Service disruptions, reduced client trust, operational instability	Ensures business continuity and minimizes disruptions caused by unexpected absences or departures.	Identify critical roles and develop knowledge-sharing systems to prevent bottlenecks. Cross-train employees, document key processes, and implement succession plans for essential positions. (ALL)	Clients, firm	Before Measure: High After Measure: Med
Regulatory non-compliance	Legal action, fines, reputation damage	Improves the firm's credibility and operational efficiency by maintaining adherence to regulations.	Create a compliance team to monitor legal updates, conduct monthly training sessions on evolving regulations, implement automated systems to flag discrepancies, and perform quarterly audits. Ensure a clear escalation process for potential breaches. (ALL)	Employees, firm	Before Measure: High After Measure: Med
Tax law changes	Incorrect advice, client dissatisfaction, legal penalties	Keeps the firm competitive and ensures clients receive relevant and up-to-date advice.	Subscribe to legislative updates, hire specialists in dynamic tax fields, and establish a rapid response team for implementing legal changes. Conduct regular workshops to ensure all staff are up-to-date. (ALL)	Clients, firm	Before Measure: High After Measure: Med
Technological failures	Service disruptions, client dissatisfaction, financial losses	Ensures continuity of services and enhances client satisfaction through reliable operations.	Regularly update and test IT systems, establish backup solutions, and maintain a 24/7 technical support team. Conduct biannual disaster recovery simulations to ensure readiness for unexpected failures. (ALL)	Clients, firm	Before Measure: High After Measure: Med
Conflict of interest	Bias in advisory, loss of client trust, ethical disputes	Demonstrates ethical business practices, ensuring fairness and credibility with clients.	Require mandatory conflict disclosures, set up independent review committees for high-risk cases, and maintain detailed records of conflict resolutions. Provide periodic ethics training tailored to tax advisory scenarios. (ALL)	Clients, firm	Before Measure: Med After Measure: Low

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Economic downturns	Revenue losses, reduced client demand, operational instability	Enhances the firm's resilience and ability to sustain operations during economic challenges.	Develop financial strategies that include building reserves during prosperous periods to buffer against downturns. Diversify service offerings to appeal to a broader client base and explore counter-cyclical opportunities. (ALL)	Firm	Before Measure: Med After Measure: Low
Inadequate staff training	Decreased productivity, increased errors, client dissatisfaction	Promotes employee growth and ensures high-quality service delivery.	Develop a robust onboarding program, offer quarterly professional development workshops, and create mentorship opportunities. Monitor performance through regular evaluations and client feedback. (ALL)	Employees, firm	Before Measure: Med After Measure: Low
Market volatility	Uncertain revenue, client dissatisfaction, operational disruption	Strengthens the firm's ability to adapt and thrive in changing economic conditions.	Diversify service offerings to include contingency planning for clients, monitor economic trends closely, and develop adaptive pricing models to reflect market conditions. Build financial reserves for periods of instability. (ALL)	Firm	Before Measure: Med After Measure: Low
Reputational damage	Loss of clients, difficulty acquiring new business, lower employee morale	Protects the firm's public image and fosters long-term client loyalty.	Establish a proactive public relations strategy, monitor online mentions, and implement a swift response plan for potential reputational issues. Train staff in communication best practices and maintain transparency with clients. (ALL)	Firm	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