

Risk Fitness Quiz: How Do You Score?

Risk Assessment:

1. How well do we identify, measure and document the threats/risks that could impact on the achievement of our business objectives?

SCORE / 10

Risk Treatment:

2. How well and how often do we reevaluate the effectiveness of our risk treatment strategies?

SCORE / 10

Risk Treatment Optimization:

3. How good are we at identifying opportunities to eliminate expensive risk treatments while still maintaining an acceptable residual risk level at a lower overall cost?

SCORE / 10

Risk Testing the Future:

4. How good are we at documenting and evaluating risks when making important business decisions, launching new products/services, and preparing strategic business plans?

SCORE / 10

Planning for Serious Risk Situations:

5. Do we have contingency plans in place to deal with potentially high risk but low probability situations that could cripple business units or the organization? Do we periodically revisit these plans to reassess their adequacy?

SCORE / 10

Worst Case Scenarios:

6. How good are we at considering the possibility of high risk situations, which, if they occurred together, could have a devastating impact on the organization?

SCORE / 10

Risk Oversight Process:

10. How well briefed is the Board of Directors and Senior Management on the company's significant residual risks? Have they taken steps to ensure work units are identifying, measuring, treating and monitoring significant risks?

SCORE / 10

Regular Risk Re-evaluation:

9. How effective is our corporate process to reassess the effectiveness of our risk management processes and periodically reassess the acceptability of risk acceptance decisions?

SCORE / 10

Risk Transfer/Financing Options:

8. How effective are we at identifying risk sharing and insurance options to avoid or reduce the consequences of specific threats/risks to business objectives?

SCORE / 10

Early Warning Systems:

7. How good are we at regularly monitoring our risk status using early warning signs that indicate changes might be needed to risk treatments and/or objectives?

SCORE / 10

TOTAL RISK FITNESS SCORE / 100

