

## Risk Management – Top Ten Tips

**Strike a balance**...Risk assessment often gravitates to technical risks so enforce a balance. Suggest holding a separate risk review first; just to address non-technical risk, with a cross-functional group from all key areas.

**Get all the risks out**...Always brainstorm beyond the point when people run out of ideas. Risks come from worries, and worries tend to “pop out” when you least expect them, so brainstorm again and periodically afterwards

**Draw on all the experts in the organisation**...By their nature risks are spotted by all different types of people in different functions and at different levels.

**Draw out mitigation and contingency action**...People often get confused about the distinction. Don't get hung up on it. If you're stuck remember a parachute jump; Mitigation is checking the weather forecast, contingency is having a back-up parachute. Both mitigation and contingency are valid in most cases

**Keep your risk management live and continual**...Risk is ever changing, they come and go, new ones rear up. A risk assessment must never be a one off process. Adjust your risk ratings as you go

**Drive your risk action plans**...Risk identification requires free thinking and flexibility, risk actions require good management. All actions must be owned and dated. Consider creating milestones in your business plan for the elimination/reduction of the major risks.

**Control through documentation**...Maintain a risk register, which goes right from risk identification through to actions owners and dates. Keep it up to date and very visible

**Be tough on prioritisation**...All risk management is an investment in action to give a benefit balanced with the probability of that action being needed. There always seems more risk reduction action than can be resourced or afforded. So prioritise hard. Start with the very highest risks and drive them down. Only then move down a level to the next, and so on

**Don't be afraid to talk about people**...People have a greater impact on company success than anything else. They are also not that easy to predict or control. It follows that risks are also associated with people too. Don't be afraid to tackle this head on.

**Make it part of the culture**...This is the fluffy one you always get in a list of principles. The key point is that you need to form good habits on risk management and this is not easy for people. So encourage the openness and candour it needs to work. Praise good risk thinking.