

## Risks

Agencies should use qualitative risk analysis to score risks. Qualitative risk analysis is the process of rating or scoring a risk based on the agency’s perception of the severity of consequences and likelihood of occurrence. Risks are identified as a high, medium, or low on two dimensions: impact (severity) and probability (likelihood). If an agency does not have an established risk and issue scoring system, the tables below provides a set of guidelines to assess and score the risk impact.

Table 11: Risk Impact Values

Impact Rating	Value	Impact Rating Criteria
Low	1	No or minimal impact
Medium	2	Moderate impact
High	3	Extensive impact

Since risks are a forecast of a potential issue, a probability value must be derived. The table below provides the values for scoring the risk probability.

Table 2: Risk Probability Values

Probability	Value	Probability Rating Criteria
Low	1	Unlikely but possible to occur
Medium	2	Likely to occur at some time
High	3	Likely to occur often or soon

The risk score is calculated using the product of the impact and probability values. This score sets the prioritization of the risk and aids in the mitigation and response planning, as well as frequency of risk monitoring. The table below illustrates the derived calculations.

Table 3: Impact and Probability Calculations

Risk Rating Matrix		Risk Probability		
		Low = 1	Medium = 2	High = 3
Risk Impact Rating	Low = 1	1	2	3
	Medium = 2	2	4	6
	High = 3	3	6	9

## Issues

Issues that impact an agency’s readiness and transformation efforts should be identified and evaluated. Identified issues should include a resolution plan focusing on the most effective and efficient closure of issues to mitigate impacts. Issues are evaluated and categorized by priority according to impact:

- Critical – Impacts the ability of the agency to move forward with work without resolution
- High – Impacts the ability of the agency to meet deadlines or milestones
- Low – All impacts not listed as Critical or High