

HOW TO BUILD AND USE RISK IMPACT v ACTION MAP FACTSHEET



WHAT

IS AN IMPACT VERSUS ACTION MAP?

A method to prioritise risks by measuring their potential impact to the organisation/ project/ task against the level of action required to manage them to a tolerable level. This clearly shows where action needs to be taken.



A visual tool to high-light the risks outside the desired tolerance levels.

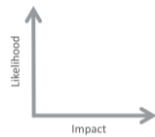
A way to highlight risks where action is required immediately or where controls are weak.



WHY

DO PEOPLE USE THEM?

Prioritises attention on the risks that require immediate focus.



Avoids unnecessary debate on likelihood and different forms of risk ratings.

Provides a brainstorming, communication, and alignment tool.



Prompts robust discussion and action to be had regarding the extent to which risks truly need to be managed.

WHEN & WHERE

ARE THEY USED?

For any decision-making activity, including when different options need to be compared.



To track changes over time, including changes to the context and/or objectives and their impact on the risks, as well as the risks themselves.

As a high-level reporting dashboard.



HOW

ARE THEY BUILT?

Action needed reflects the extent to which additional action is required to manage the risk to the desired level. If there is nothing more you can do to manage a risk, position the risk at the bottom of the axis in line with "no action needed".

Lots of action needed

Is action needed?

No action needed

Risk status can change over time, arrows are placed on the map to show the relative movement of risks from one position to another.



Risks (both potential opportunities and threats) are placed on the map based on the potential impact the risk may have relative to other risks, and level of additional action required to manage that risk.

Tolerance line represents the trigger point for additional action beyond which is currently being taken to manage the risk. If a risk is positioned below the line, it indicates that no additional action can be taken or is desired to be taken. If a risk is placed above the line, it indicates that action is required immediately to move the risk down into the tolerance zone once more

Potential impact on objectives includes both positive and negative impacts. Impact can be measured in terms of many different aspects including health & safety; finance; environment; social; legal; reputation; technical. Criteria can be added here, or a blank relative scale can be used.

RISK IMPACT VS ACTION NEEDED MAP

