Professional Certificate in Public Sector Risk Management

Identifying and Assessing Risks

Acceptable Risk is the level of risk that an organization is willing to accept in order to achieve its objectives, it is also known as the risk tolerance of the organization. Related terms include risk appetite and risk threshold. Acceptable risk is an important concept in the course Professional Certificate in Public Sector Risk Management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may have a low acceptable risk tolerance for risks that affect public safety, but a higher acceptable risk tolerance for risks that affect financial performance.

Accountability is the state of being responsible for one's actions and decisions, it is an important concept in risk management as it helps to ensure that individuals and organizations are held accountable for their actions. Related terms include transparency and answerability. In the context of risk management, accountability refers to the ability to identify and hold individuals or organizations responsible for risk management decisions and actions. For example, a government agency may have a clear accountability framework in place to ensure that individuals are held accountable for risk management decisions.

Actuarial Analysis is a method used to analyze and assess risk using statistical and mathematical techniques. Related terms include actuarial science and risk modeling. Actuarial analysis is an important tool in risk management as it helps organizations to quantify and assess risks, and to develop strategies to mitigate or manage them. For example, an actuary may use statistical models to estimate the likelihood and impact of a particular risk, such as a natural disaster.

Assurance is the confidence that an organization has in its ability to manage and mitigate risk. Related terms include risk assurance and internal audit. Assurance is an important concept in risk management as it helps organizations to ensure that their risk management processes are effective and that they are able to manage risks to an acceptable level. For example, a government agency may have an internal audit function that provides assurance that the agency's risk management processes are effective.

Audit is a process of examining and evaluating an organization's risk management processes and controls. Related terms include internal audit and external audit. Audit is an important tool in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, an external auditor may conduct an audit of a government agency's risk management processes to identify areas for improvement.

Benchmarking is the process of comparing an organization's risk management processes and performance with those of other organizations. Related terms include best practice and industry benchmark. Benchmarking is an important tool in risk management as it helps organizations to identify areas for improvement and to develop strategies to mitigate or manage risks. For example, a government agency may benchmark its risk management processes against those of other government agencies to identify best practices.

Business Continuity is the ability of an organization to continue operating in the event of a disaster or major disruption. Related terms include business continuity planning and disaster recovery. Business continuity is an important concept in risk management as it helps organizations to ensure that they can continue to operate and deliver services in the event of a disaster or major disruption. For example, a government agency may have a business continuity plan in place to ensure that it can continue to provide essential services in the event of a natural disaster.

Business Impact Analysis is a process used to identify and assess the potential impact of a risk on an organization's operations and services. Related terms include business continuity planning and risk assessment. Business impact analysis is an important tool in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may conduct a business impact analysis to identify the potential impact of a cyber attack on its operations and services.

Capacity is the ability of an organization to absorb and respond to a risk. Related terms include resilience and robustness. Capacity is an important concept in risk management as it helps organizations to assess their ability to manage and mitigate risks. For example, a government agency may have a high capacity to respond to a natural disaster, but a low capacity to respond to a cyber attack.

Compliance is the state of conforming to laws, regulations, and standards. Related terms include regulatory compliance and risk compliance. Compliance is an important concept in risk management as it helps organizations to ensure that they are meeting their legal and regulatory obligations, and that they are managing risks to an acceptable level. For example, a government agency may have a compliance framework in place to ensure that it is meeting its regulatory obligations.

Control is a measure taken to mitigate or manage a risk. Related terms include risk control and risk mitigation. Control is an important concept in risk management as it helps organizations to reduce the likelihood or impact of a risk. For example, a government agency may implement a control to prevent unauthorized access to sensitive information.

Corporate Governance is the system of rules and practices by which an organization is directed and controlled. Related terms include board of directors and risk governance. Corporate governance is an important concept in risk management as it helps organizations to ensure that they are managed and directed in a way that is consistent with their objectives and values. For example, a government agency may have a board of directors that is responsible for overseeing risk management.

Cost-Benefit Analysis is a method used to evaluate the costs and benefits of a risk management decision. Related terms include cost-effectiveness analysis and risk-benefit analysis. Cost-benefit analysis is an important tool in risk management as it helps organizations to make informed decisions about risk management. For example, a government agency may conduct a cost-benefit analysis to evaluate the costs and benefits of implementing a new risk management control.

Credit Risk is the risk that a borrower will default on a loan or other credit obligation. Related terms include credit scoring and credit assessment. Credit risk is an important concept in risk management as it helps organizations to assess the likelihood of default by a borrower. For example, a government agency may use credit scoring to assess the creditworthiness of a borrower.

Crisis is a situation that poses a significant threat to an organization's operations, reputation, or survival. Related terms include crisis management and emergency response. Crisis is an important concept in risk management as it helps organizations to prepare for and respond to crises. For example, a government agency may have a crisis management plan in place to respond to a natural disaster.

Cyber Risk is the risk of a cyber attack or other cyber-related threat. Related terms include cyber security and cyber threat. Cyber risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of a cyber attack. For example, a government agency may have a cyber security framework in place to protect against cyber threats.

Data Quality is the accuracy and reliability of data used for risk management. Related terms include data governance and data management. Data quality is an important concept in risk management as it helps organizations to ensure that their risk management decisions are based on accurate and reliable data. For example, a government agency may have a data governance framework in place to ensure the quality of its data.

Decision-Making is the process of making risk management decisions. Related terms include risk-based decision-making and decision analysis. Decision-making is an important concept in risk management as it helps organizations to make informed decisions about risk management. For example, a government agency may use decision analysis to evaluate the potential risks and benefits of a new policy.

Disaster Recovery is the process of recovering from a disaster or major disruption. Related terms include business continuity planning and emergency response. Disaster recovery is an important concept in risk management as it helps organizations to ensure that they can recover from a disaster or major disruption. For example, a government agency may have a disaster recovery plan in place to ensure that it can recover from a natural disaster.

Due Diligence is the process of conducting a thorough review of a risk or potential risk. Related terms include risk assessment and risk analysis. Due diligence is an important concept in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may conduct due diligence on a potential contractor to assess its creditworthiness.

Emerging Risk is a risk that is new or evolving, and that may not be well understood. Related terms include emerging threat and emerging issue. Emerging risk is an important concept in risk management as it helps organizations to identify and assess new or evolving risks. For example, a government agency may identify emerging risks related to climate change or cyber threats.

Enterprise Risk Management is a framework for managing risk across an organization. Related terms include risk management framework and enterprise risk management framework. Enterprise risk management is an important concept in risk management as it helps organizations to manage risk in a holistic and integrated way. For example, a government agency may have an enterprise risk management framework in place to manage risk across the organization.

Environmental Risk is the risk of environmental harm or damage. Related terms include environmental impact and environmental sustainability. Environmental risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of environmental harm or damage. For example, a government agency may have an environmental sustainability framework in place to reduce its environmental impact.

External Risk is a risk that arises from outside an organization. Related terms include external threat and external factor. External risk is an important concept in risk management as it helps organizations to identify and assess risks that arise from outside the organization. For example, a government agency may identify external risks related to terrorism or natural disasters.

Financial Risk is the risk of financial loss or damage. Related terms include financial management and financial sustainability. Financial risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of financial loss or damage. For example, a government agency may have a financial management framework in place to manage financial risk.

Governance is the system of rules and practices by which an organization is directed and controlled. Related terms include corporate governance and risk governance. Governance is an important concept in risk management as it helps organizations to ensure that they are managed and directed in a way that is consistent with their objectives and values. For example, a government agency may have a board of directors that is responsible for overseeing risk management.

Hedging is a strategy used to mitigate or manage a risk. Related terms include risk hedging and risk mitigation. Hedging is an important concept in risk management as it helps organizations to reduce the likelihood or impact of a risk. For example, a government agency may use hedging to manage foreign exchange risk.

Internal Control is a process used to manage and mitigate risk. Related terms include internal control framework and risk control. Internal control is an important concept in risk management as it helps organizations to ensure that their risk management processes are effective and that they are able to manage risks to an acceptable level. For example, a government agency may have an internal control framework in place to manage financial risk.

Internal Risk is a risk that arises from within an organization. Related terms include internal threat and internal factor. Internal risk is an important concept in risk management as it helps organizations to identify and assess risks that arise from within the organization. For example, a government agency may identify internal risks related to employee misconduct or system failures.

Key Risk Indicator is a metric used to measure and monitor risk. Related terms include risk indicator and key performance indicator. Key risk indicator is an important concept in risk management as it helps organizations to measure and monitor risk, and to identify areas for improvement. For example, a government agency may use key risk indicators to measure and monitor financial risk.

Liability is the state of being responsible for a risk or loss. Related terms include legal liability and financial liability. Liability is an important concept in risk management as it helps organizations to assess the potential costs and consequences of a risk. For example, a government agency may have liability insurance to protect against legal liability.

Loss is the result of a risk materializing. Related terms include risk loss and potential loss. Loss is an important concept in risk management as it helps organizations to assess the potential costs and consequences of a risk. For example, a government agency may have a loss prevention strategy in place to reduce the likelihood of loss.

Market Risk is the risk of market fluctuations or changes. Related terms include market volatility and market uncertainty. Market risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of market fluctuations or changes. For example, a government agency may have a market risk management framework in place to manage market risk.

Mitigation is the process of reducing the likelihood or impact of a risk. Related terms include risk mitigation and risk reduction. Mitigation is an important concept in risk management as it helps organizations to reduce the likelihood or impact of a risk. For example, a government agency may implement mitigation measures to reduce the likelihood of a cyber attack.

Monitoring is the process of tracking and reviewing risk management processes and controls. Related terms include risk monitoring and risk review. Monitoring is an important concept in risk management as it helps organizations to ensure that their risk management processes are effective and that they are able to manage risks to an acceptable level. For example, a government agency may have a risk monitoring framework in place to track and review risk management processes.

Operational Risk is the risk of operational failure or disruption. Related terms include operational management and operational sustainability. Operational risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of operational failure or disruption. For example, a government agency may have an operational risk management framework in place to manage operational risk.

Opportunity is a potential benefit or gain that arises from a risk. Related terms include risk opportunity and potential opportunity. Opportunity is an important concept in risk management as it helps organizations to identify and assess potential benefits or gains that may arise from a risk. For example, a government agency may identify opportunities related to innovation or growth.

Organizational Risk is the risk that arises from an organization's structure or operations. Related terms include organizational management and organizational sustainability. Organizational risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of risks that arise from the organization's structure or operations. For example, a government agency may have an organizational risk management framework in place to manage organizational risk.

Performance is the achievement of an organization's objectives and goals. Related terms include performance management and performance measurement. Performance is an important concept in risk management as it helps organizations to assess their ability to achieve their objectives and goals, and to identify areas for improvement. For example, a government agency may have a performance management framework in place to track and review performance.

Policy is a statement of an organization's intentions and objectives. Related terms include risk policy and risk management policy. Policy is an important concept in risk management as it helps organizations to communicate their risk management approach and to ensure that all employees understand their roles and responsibilities in managing risk. For example, a government agency may have a risk management policy in place to guide risk management decisions.

Probability is the likelihood of a risk materializing. Related terms include risk probability and likelihood. Probability is an important concept in risk management as it helps organizations to assess the likelihood of a risk materializing, and to develop strategies to mitigate or manage the risk. For example, a government agency may use probability to assess the likelihood of a natural disaster.

Procedure is a document that outlines the steps to be taken to manage a risk. Related terms include risk procedure and risk protocol. Procedure is an important concept in risk management as it helps organizations to ensure that risk management processes are followed consistently and that all employees understand their roles and responsibilities in managing risk. For example, a government agency may have a risk management procedure in place to guide risk management decisions.

Process is a series of steps taken to manage a risk. Related terms include risk process and risk management process. Process is an important concept in risk management as it helps organizations to ensure that risk management processes are effective and that all employees understand their roles and responsibilities in managing risk. For example, a government agency may have a risk management process in place to identify, assess, and mitigate risks.

Regulatory Risk is the risk of non-compliance with laws, regulations, or standards. Related terms include regulatory compliance and regulatory management. Regulatory risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of non-compliance with laws, regulations, or standards. For example, a government agency may have a regulatory compliance framework in place to manage regulatory risk.

Reputation is the state of being respected or trusted by stakeholders. Related terms include reputation management and reputation risk. Reputation is an important concept in risk management as it helps organizations to assess the potential impact of a risk on their reputation, and to develop strategies to mitigate or manage the risk. For example, a government agency may have a reputation management framework in place to protect its reputation.

Resilience is the ability of an organization to absorb and respond to a risk. Related terms include resilience management and resilience framework. Resilience is an important concept in risk management as it helps organizations to assess their ability to manage and mitigate risks, and to develop strategies to improve their resilience. For example, a government agency may have a resilience framework in place to manage and mitigate risks.

Risk is the possibility of a negative outcome or consequence. Related terms include risk management and risk assessment. Risk is an important concept in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may identify risks related to financial management or operational performance.

Risk Appetite is the level of risk that an organization is willing to accept in order to achieve its objectives. Related terms include risk tolerance and risk threshold. Risk appetite is an important concept in risk management as it helps organizations to determine their risk management approach and to develop strategies to mitigate or manage risks. For example, a government agency may have a low risk appetite for risks that affect public safety, but a higher risk appetite for risks that affect financial performance.

Risk Assessment is the process of identifying and evaluating risks. Related terms include risk analysis and risk evaluation. Risk assessment is an important concept in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may conduct a risk assessment to identify and evaluate risks related to financial management or operational performance.

Risk Awareness is the state of being aware of risks and their potential consequences. Related terms include risk education and risk training. Risk awareness is an important concept in risk management as it helps organizations to ensure that all employees understand the risks that the organization faces, and their roles and responsibilities in managing those risks. For example, a government agency may provide risk awareness training to all employees to ensure that they understand the risks that the organization faces.

Risk-Based Decision-Making is the process of making decisions based on risk management principles. Related terms include risk-informed decision-making and risk-based approach. Risk-based decision-making is an important concept in risk management as it helps organizations to make informed decisions that take into account the potential risks and consequences of different options. For example, a government agency may use risk-based decision-making to evaluate the potential risks and benefits of a new policy.

Risk Control is a measure taken to mitigate or manage a risk. Related terms include risk mitigation and risk reduction. Risk control is an important concept in risk management as it helps organizations to reduce the likelihood or impact of a risk. For example, a government agency may implement risk controls to reduce the likelihood of a cyber attack.

Risk Culture is the attitude and behavior of an organization towards risk management. Related terms include risk awareness and risk education. Risk culture is an important concept in risk management as it helps organizations to ensure that all employees understand the importance of risk management and their roles and responsibilities in managing risk. For example, a government agency may have a strong risk culture that encourages employees to identify and report risks.

Risk Framework is a structure for managing risk across an organization. Related terms include risk management framework and enterprise risk management framework. Risk framework is an important concept in risk management as it helps organizations to manage risk in a holistic and integrated way. For example, a government agency may have a risk framework in place to manage risk across the organization.

Risk Governance is the system of rules and practices by which an organization's risk management is directed and controlled. Related terms include corporate governance and risk management governance. Risk governance is an important concept in risk management as it helps organizations to ensure that their risk management processes are effective and that they are able to manage risks to an acceptable level. For example, a government agency may have a risk governance framework in place to oversee risk management.

Risk Management is the process of identifying, assessing, and mitigating risks. Related terms include risk assessment and risk mitigation. Risk management is an important concept in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may have a risk management framework in place to manage risk across the organization.

Risk Mitigation is the process of reducing the likelihood or impact of a risk. Related terms include risk reduction and risk control. Risk mitigation is an important concept in risk management as it helps organizations to reduce the likelihood or impact of a risk. For example, a government agency may implement risk mitigation measures to reduce the likelihood of a natural disaster.

Risk Monitoring is the process of tracking and reviewing risk management processes and controls. Related terms include risk review and risk audit. Risk monitoring is an important concept in risk management as it helps organizations to ensure that their risk management processes are effective and that they are able to manage risks to an acceptable level. For example, a government agency may have a risk monitoring framework in place to track and review risk management processes.

Risk Policy is a statement of an organization's intentions and objectives for managing risk. Related terms include risk management policy and risk governance policy. Risk policy is an important concept in risk management as it helps organizations to communicate their risk management approach and to ensure that all employees understand their roles and responsibilities in managing risk. For example, a government agency may have a risk management policy in place to guide risk management decisions.

Risk Procedure is a document that outlines the steps to be taken to manage a risk. Related terms include risk protocol and risk process. Risk procedure is an important concept in risk management as it helps organizations to ensure that risk management processes are followed consistently and that all employees understand their roles and responsibilities in managing risk. For example, a government agency may have a risk management procedure in place to guide risk management decisions.

Risk Reduction is the process of reducing the likelihood or impact of a risk. Related terms include risk mitigation and risk control. Risk reduction is an important concept in risk management as it helps organizations to reduce the likelihood or impact of a risk. For example, a government agency may implement risk reduction measures to reduce the likelihood of a cyber attack.

Risk Register is a document that records and tracks risks. Related terms include risk log and risk inventory. Risk register is an important concept in risk management as it helps organizations to identify and assess risks, and to develop strategies to mitigate or manage them. For example, a government agency may have a risk register in place to record and track risks related to financial management or operational performance.

Risk Reporting is the process of communicating risk information to stakeholders. Related terms include risk disclosure and risk transparency. Risk reporting is an important concept in risk management as it helps organizations to communicate risk information to stakeholders, and to ensure that all stakeholders understand the risks that the organization faces. For example, a government agency may have a risk reporting framework in place to communicate risk information to stakeholders.

Risk Tolerance is the level of risk that an organization is willing to accept in order to achieve its objectives. Related terms include risk appetite and risk threshold. Risk tolerance is an important concept in risk management as it helps organizations to determine their risk management approach and to develop strategies to mitigate or manage risks. For example, a government agency may have a low risk tolerance for risks that affect public safety, but a higher risk tolerance for risks that affect financial performance.

Risk Training is the process of educating employees on risk management principles and practices. Related terms include risk awareness and risk education. Risk training is an important concept in risk management as it helps organizations to ensure that all employees understand the risks that the organization faces, and their roles and responsibilities in managing those risks. For example, a government agency may provide risk training to all employees to ensure that they understand the risks that the organization faces.

Security is the state of being protected from harm or threat. Related terms include security management and security risk. Security is an important concept in risk management as it helps organizations to assess the likelihood and impact of security threats, and to develop strategies to mitigate or manage them. For example, a government agency may have a security management framework in place to protect against security threats.

Stakeholder is a person or organization that has an interest in an organization's risk management. Related terms include stakeholder management and stakeholder engagement. Stakeholder is an important concept in risk management as it helps organizations to identify and assess the risks that affect stakeholders, and to develop strategies to mitigate or manage those risks. For example, a government agency may have a stakeholder management framework in place to engage with stakeholders and to manage risks that affect them.

Strategic Risk is the risk that arises from an organization's strategic objectives and goals. Related terms include strategic management and strategic planning. Strategic risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of strategic risks, and to develop strategies to mitigate or manage them. For example, a government agency may have a strategic risk management framework in place to manage strategic risks.

Supply Chain Risk is the risk of disruption or failure in an organization's supply chain. Related terms include supply chain management and supply chain resilience. Supply chain risk is an important concept in risk management as it helps organizations to assess the likelihood and impact of supply chain disruptions or failures, and to develop strategies to mitigate or manage them. For example, a government agency may have a supply chain risk management framework in place to manage supply chain risks.

Sustainability is the ability of an organization to operate in a way that is environmentally, socially, and economically sustainable. Related terms include sustainable development and sustainable risk management. Sustainability is an important concept in risk management as it helps organizations to assess the likelihood and impact of sustainability risks, and to develop strategies to mitigate or manage them. For example, a government agency may have a sustainability framework in place to manage sustainability risks.

Threat is a potential negative outcome or consequence. Related terms include risk and vulnerability. Threat is an important concept in risk management as it helps organizations to identify and assess potential negative outcomes or consequences, and to develop strategies to mitigate or manage them. For example, a government agency may identify threats related to cyber attacks or natural disasters.

Training is the process of educating employees on risk management principles and practices. Related terms include risk awareness and risk education. Training is an important concept in risk management as it helps organizations to ensure that all employees understand the risks that the organization faces, and their roles and responsibilities in managing those risks. For example, a government agency may provide training to all employees to ensure that they understand the risks that the organization faces.

Transparency is the state of being open and honest in communications. Related terms include transparency management and transparency reporting. Transparency is an important concept in risk management as it helps organizations to communicate risk information to stakeholders, and to ensure that all stakeholders understand the risks that the organization faces. For example, a government agency may have a transparency framework in place to communicate risk information to stakeholders.

Uncertainty is the state of being uncertain or unsure about the likelihood or impact of a risk. Related terms include uncertainty management and uncertainty analysis. Uncertainty is an important concept in risk management as it helps organizations to assess the likelihood and impact of risks, and to develop strategies to mitigate or manage them. For example, a government agency may have an uncertainty management framework in place to manage uncertainty related to climate change or economic trends.

Vulnerability is the state of being exposed or susceptible to a risk. Related terms include vulnerability management and vulnerability assessment. Vulnerability is an important concept in risk management as it helps organizations to identify and assess potential vulnerabilities, and to develop strategies to mitigate or manage them. For example, a government agency may have a vulnerability management framework in place to manage vulnerabilities related to cyber security or physical security.

Warning is a signal or indicator that a risk is likely to materialize. Related terms include warning sign and warning signal. Warning is an important concept in risk management as it helps organizations to identify and assess potential risks, and to develop strategies to mitigate or manage them. For example, a government agency may have a warning system in place to detect early warning signs of a potential risk.

Workshop is a meeting or session where stakeholders come together to discuss and address risks. Related terms include risk workshop and risk management workshop. Workshop is an important concept in risk management as it helps organizations to bring stakeholders together to discuss and address risks, and to develop strategies to mitigate or manage them. For example, a government agency may hold a risk workshop to discuss and address risks related to financial management or operational performance.