

RISK MATURITY CHARACTERISTICS

APPENDIX A

| Key characteristics | Risk Naive | Risk Aware | Risk Defined | Risk Managed | Risk Enabled |
|---|------------|-------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| The organisation's objectives are defined | Possibly | Yes – but may be inconsistent | √ | √ | √ |
| Management have been trained to understand what risks are, and their responsibility for them | X | Some limited training | √ | √ | √ |
| A scoring system for assessing risks has been defined | X | No consistent approach | √ | √ | √ |
| The risk appetite has been defined in terms of a scoring system | X | X | √ | √ | √ |
| Processes have been defined to determine risks , and these have been followed | X | Unlikely | √ May not be organisation-wide | √ | √ |
| All risks have been collected into one list. Risks have been allocated to specific job titles. | X | Incomplete lists | √ May not be organisation-wide | √ | √ |
| All risks have been assessed in accordance with the defined scoring system | X | Incomplete lists | √ May not be organisation-wide | √ | √ |
| Responses to the risks have been selected and implemented | X | Some responses | √ May not be organisation-wide | √ | √ |
| Monitoring controls are in place for key processes, responses and actions. | X | Some | √ May not be organisation-wide | √ | √ |
| Regular risk reviews by the organisation | X | Some / infrequent | Regular reviews – probably quarterly | Regular reviews – probably quarterly | Regular reviews – probably quarterly |
| Management report risks to Directors where responses have not managed the risks to a level acceptable to the board | X | X | √ May be informal | √ | √ |
| All significant new projects are routinely assessed for risk | X | X | Most Projects | All projects | All projects |
| Responsibility for the determination, assessment and management of risks is included in job descriptions | X | X | Limited | Most job descriptions | √ |
| Managers provide assurance on the effectiveness of their risk management | X | X | X | Some Managers | √ |
| Managers are assessed on their risks management performance | X | X | X | Some Managers | √ |