Risk Identification and Assessment

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1. **Risk Identification**
    - The systematic process of discovering potential events or conditions that could impact the achievement of organizational objectives.
2. **Identification Techniques**
    - Brainstorming workshops, historical incident data analysis, industry benchmarking, and SWOT analysis.
3. **Risk Assessment**
    - Evaluating identified risks based on **likelihood** (probability of occurrence) and **impact** (severity of consequences if it occurs).
4. **Risk Matrix**
    - A visual tool plotting likelihood against impact, helping prioritize which risks need the most urgent attention.
5. **Qualitative vs. Quantitative Assessment**
    - **Qualitative**: uses descriptive scales (low/medium/high).
    - **Quantitative**: uses numerical data (e.g., expected monetary loss, value-at-risk models).
6. **Why It Matters**
    - Accurate identification and assessment ensure limited risk management resources are focused on the risks that matter most.