

SCORING CHART FOR IMPACT				SCORING CHART FOR LIKELIHOOD				
	Factor	Score	Effect on Corporate Objectives		Factor	Score	Description	Indicator
Threats	Critical	4	Critical impact on corporate objectives and performance and could seriously affect reputation. Long term damage that may be difficult to restore with high costs.	Threats	Very likely	4	>75% chance of occurrence	Regular occurrence Frequently encountered - daily/weekly/monthly
	Major	3	Major impact on corporate objectives and performance, could be expensive to recover from and would adversely affect reputation in the medium to long term.		Likely	3	40% - 75% chance of occurrence	Within next 1-2 yrs Occasionally encountered (few times a year)
	Significant	2	Significant impact on corporate objectives, performance and quality, could have medium term effect and be potentially expensive to recover from		Unlikely	2	10% - 40% chance of occurrence	Only likely to happen 3 or more years
	Minor	1	Minor impact on the corporate objectives and performance, could cause slight delays in achievement. However if action is not taken, then such risks may have a more significant cumulative effect.		Very unlikely	1	<10% chance of occurrence	Rarely/never before
Opportunities	Factor	Score	Effect on Corporate Objectives	Opportunities	Factor	Score	Description	Indicator
	Exceptional	4	Result in major increase in ability to achieve one or more strategic objectives		Very likely	4	>75% chance of occurrence or achieved in one year.	Clear opportunity, can be relied on with reasonable certainty to be achieved in the short term.
	Significant	3	Impact on some aspects of the achievement of one or more strategic objectives		Likely	3	40% to 75% chance of occurrence. Reasonable prospects of favourable results in one year.	May be achievable but requires careful management. Opportunities that arise over and above the plan.
					Unlikely	2	10% to 40% chance of occurrence or some chance of favourable outcome in the medium term.	Possible opportunity which has yet to be fully investigated by management.
				Very Unlikely	1	<10% chance of occurrence or some chance of favourable outcome in the medium term	Has happened rarely/never before	

Risk Matrix – Likelihood and Impact

Likelihood					
		LOW	MEDIUM	HIGH	HIGH
Very Likely	4	LOW	MEDIUM	MEDIUM	HIGH
Likely	3	LOW	MEDIUM	MEDIUM	HIGH
Unlikely	2	LOW	LOW	MEDIUM	MEDIUM
Very Unlikely	1	LOW	LOW	LOW	LOW
Impact		Minor 1	Significant 2	Serious 3	Major 4

THE RISK MATRIX (With Scores)			
4	8	12	16
3	6	9	12
2	4	6	8
1	2	3	4