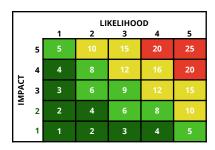
Qualitative risk assessment

Any goal worth chasing carries a certain level of risk. Sometimes, worries over the perceived consequences of that goal can prevent us from going after it. In these cases, a qualitative risk assessment (Graves, 2000) can help. Subjectively rate the likelihood and impact of each risk. This technique allows you to express your fears, but and also offers strategic choices to manage those worries so you don't have to abandon your pursuits.



What do I want to accomplish?			
How likely is that on a scale from 1-5?	How bad will the impact be on a scale from 1-5?	Risk Score: Multiply these numbers together.	Which strategy will you use to deal with this?
	How likely is that	How likely is that How bad will the impact be	How likely is that How bad will the impact be Risk Score: Multiply

Likelihood

Impact

1 - Rare

1 - In significant

2 - Unlikely3 - Moderate

2 - Minor

4 - Likely

3 - Significant

4 - Major

5 - Almost certain

4 - Major 5 - Severe Risk Score

1-4 - Acceptable

5-9 - Adequate

10-16 - Tolerable

17-25 - Unacceptable

Strategies

Avoid - Avoid the risk altogether. Get completely out of its path.

Transfer - Assign the brunt of the risk to someone else (e.g., buy insurance).

Reduce - Have another plan in place to minimize the consequences if they occur.

Accept - Simply accept the worst case if it comes to pass.