

Risk Articulation

Introduction

This guide has been developed to help staff across the University writing risk titles (also known as risk statements) within their risk registers. This sets out the expected information that should be included, and provides guidance on how to achieve this. Within risk management, a risk is **an uncertain event** that **if** it occurs, will have a **consequence on an objective**.

Key points to consider when writing a risk title

The following points should be considered before writing your risk title:

- What is the **objective** that the risk is linked to
- What is the **potential event** that would have an impact on the objective
- What is the **cause** of the event
- What is the **consequence** of the event (consider the impact on the objective and any associated resource/cost/reputational/penalty implications). The [University Risk Matrix](#) provides guidance on applying scores to the likelihood and impact of the risk.

Collating your risk information into a risk title

Figure 1 below sets out the information that should be included in a risk title. The example information provided is illustrative, and is not exhaustive.

Figure 1 Risk title

Cause	Effect	consequence
What would cause the risk to occur – for example: <i>Human error (in what way)?</i> <i>Lack of training/awareness?</i> <i>System or process weakness (specifying actual system/process)?</i> <i>External factor (as specific as possible)?</i> The cause should be as explicitly stated as possible	A factual statement detailing the effect – for example: <i>Breach of licence condition (specifying actual licence impacted)</i> <i>Or</i> <i>Minimum acceptable target (specifying actual target) not met</i> Note that there could be more than one effect resulting from the cause	What consequence does the effect have on your objective, including associated impacts? <i>Fine of up to £xxx?</i> <i>Enforcement action (give details if possible)</i> <i>Reputational damage</i> <i>Headline of impact on student experience</i> <i>Financial cost</i> <i>Resource implications to fix</i> <i>Wellbeing implications</i>

Example scenario

The scenario illustrated in **figure 2** overleaf sets out a key objective, and the areas to consider when writing a risk statement for one associated risk. The scenario focuses on an objective based on service provision and status, and a specific risk with regard to staff resources and skills. Note that this is not likely to be the only risk linked to the objective.

Figure 2 – scenario example

Objective	Potential Event	Cause	Consequence
To be globally recognised as providing sector leading gold star, personal service, and retaining position as a market leader	Highly skilled, experienced staff may leave	<p>It is known that a competitor is rising up through the ranks, and is offering very generous packages to skilled and experienced personnel to help to expand their customer base.</p> <p>Our own staff package, although previously well received, has been impacted by cutbacks, and salaries have not risen with equity to other providers</p> <p>The staff survey results indicate that staff satisfaction is decreasing due to an increase in workload, and there is evidence of work related stress increasing</p>	<p>Loss of skills, experience, and personal connections of the staff leaving</p> <p>Requirement to recruit in a challenging market, with the associated recruitment costs</p> <p>Further resource drain while training the new member(s) of staff, also impacting on service to customers</p> <p>Further stress on remaining staff as they would carry the burden until resolved</p> <p>Direct business impact of the loss of a personal contact to customers, requiring a rebuild from scratch</p>

Writing your risk title

In order to clearly illustrate the risk within a register, the risk title must be concise, and capture the key points. For example:

Risk title: Loss of skilled, experienced staff due to uncompetitive employment package in a challenging market, combined with low staff satisfaction. This would result in the requirement to resource the recruitment and training of new staff, placing additional strain on existing staff and negatively impacting the service provision to the customer. This would in turn negatively impact our ranking within the sector.

Benefit

A well articulated risk sets itself up to have an effective risk management plan. Using the above example, to reduce either the likelihood or consequence (or both!) of the risk, we can clearly see the following areas require addressing where possible (**figure3**). The risk mitigation can be targeted specifically in areas that would positively control the risk, and assurance can be provided to evidence that the risk is being managed.

Figure 3 – mitigation targets

Areas to address to decrease the <u>Likelihood</u> of the risk occurring	Areas to address to decreased the <u>consequence</u> should the risk occur
<p>Pay and benefits package (aimed at retention)</p> <p>Staff engagement</p>	<p>Pay and benefits package (aimed at recruitment)</p> <p>Staff development and succession planning</p> <p>Staff training package</p> <p>Customer contact – number of staff dealing with each customer</p>