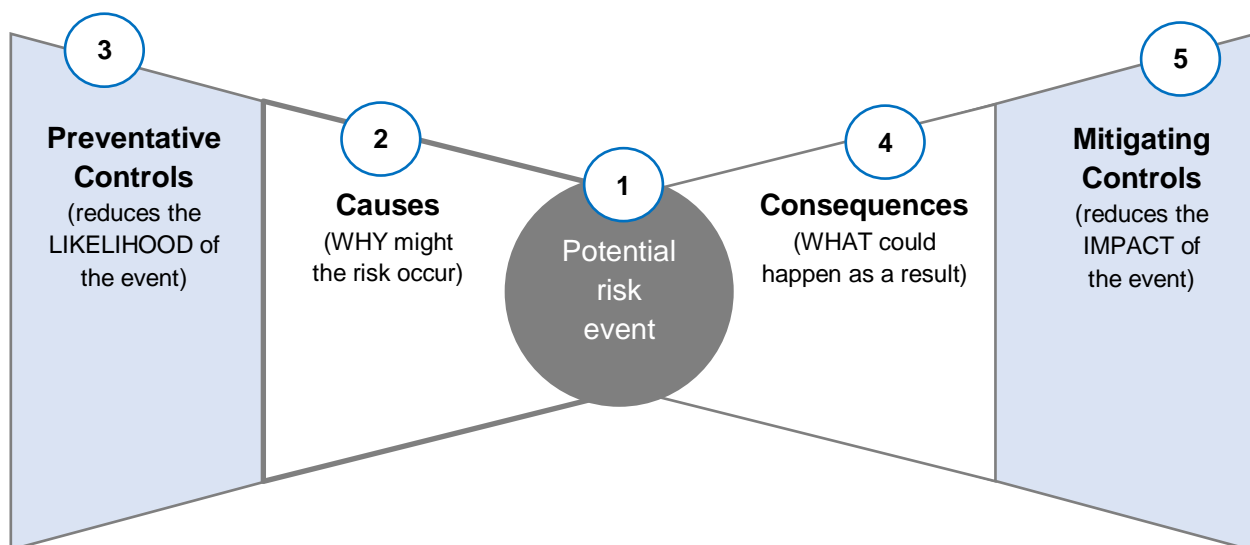


Cause Consequence Analysis

Below is an example of a method of undertaking a risk analysis within a mini-workshop session. Working through each of the 5 steps of a 'Bow-Tie' analysis will help you gain a collective and comprehensive understanding of the risk, and to start outlining further actions that will help mitigate the risk further.



The 5 steps of the process are described below:

(1) Clear risk description
This should be a concise statement describing what the risk is and how it could affect the achievement of our objectives. The risk review team should agree what is in the scope of the risk, and what is out of scope. It often helps if a risk scenario is described making it clear to the group what the potential risk event looks and feels like.
(2) Causes of the risk
These are the 'WHY's' – 'Why would this risk occur?', 'Why would that happen?' Apart from the immediate causes of the risk, we also need to have a good understanding of the underlying issues and key drivers. In order to effectively reduce the likelihood of the risk we need to understand what the root causes are.
(3) Preventative controls
<ul style="list-style-type: none"> Once we understand the root causes, we need to agree what controls are already in place that help reduce the likelihood of these causes or drivers occurring. What additional controls could we put in place to reduce the likelihood further? (these should be added as mitigating actions with action owners and due dates)
(4) Consequences of the risk
These are the 'WHAT's' – 'What would the impact be if this risk materializes?' Identifying these potential consequences in advance will help us have contingency plans in place should the risk event actually occur.
(5) Mitigating controls
<ul style="list-style-type: none"> What controls do we already have in place that would help reduce the impact of the consequences should the risk occur? What additional controls could we put in place to reduce the impact further? (these should be added as mitigating actions with action owners and due dates)