

# HOW TO WRITE A RISK DESCRIPTION FACTSHEET



## WHAT

DO WE NEED TO DESCRIBE A RISK PROPERLY?

We need to provide the context (including causes and consequences) to a risk so that other people can understand what we mean.

If we don't articulate our risk properly, there is a high chance they will make an incorrect assumption as to what we mean. This can lead to the wrong analysis, controls and monitors being put in place and the real risk not being managed.

For instance, one person may interpret the word "fire" to mean a physical fire, whereas someone else may think of "firing" or dismissing someone from a role, "firing" a gun, or cooking on "firing up" a BBQ.



## HOW

DO WE DESCRIBE A RISK: SENTENCE STRUCTURE

**CAUSE(s)**  
(sources)

**RISK**  
(uncertain event)

**CONSEQUENCE(s)**  
(impacts +ve/-ve)

*As a result of / due to /...*

*... there is the potential for / (uncertain event) may occur...*

*... which may result in (effects on objectives)...*

**LANGUAGE**  
**is, do, has, has not...**  
[present condition]

**LANGUAGE**  
**may, might, possibly...**  
[uncertain future]

**LANGUAGE**  
**would, will...**  
[conditional future]

*CAUSES can be anything that may lead to the risk occurring.*

*They can be direct or indirect and occur alone or in conjunction with one another.*

*Some may be facts whilst others may be risks in their own right (and therefore uncertain).*

*A RISK can be defined as anything that is uncertain, and that may positively or negatively impact on what you are trying to achieve.*

*The risk here is the one you are describing.*

*CONSEQUENCES include anything that may occur as a result of the risk materialising. They may be positive or negative.*

*Sometimes organisations define criteria for consequences. While this creates a good framework for comparing risks, you will always have some risks that do not easily fit into this framework.*

# EXAMPLES OF RISK DESCRIPTIONS



As a result of not undertaking a regular car service, ignoring engine warning lights and driving a car unsafely, **there is a potential that the car may breakdown**, resulting in incurring charges for a breakdown assistance service, paying for the car to be fixed, and being unable to complete your journey.



As a result of not adhering to the road traffic rules, breaking the speed limit and driving dangerously, **there is a potential for a car crash**, resulting in injuries or fatalities, legal action, financial costs associated with buying a new car, increased insurance premiums, and a potential driving ban.



As a result of the team not having had the correct training for the new, highly complex equipment, there is the **potential for the equipment not to be used properly by those operating it**, resulting in customers not receiving the correct product, staff receiving injuries, and damage to the company's reputation.



As a result of arson, storing flammable chemicals improperly, using a naked flame, or doing hot works in a hazardous area, **there is a potential for a fire to start**, resulting in injuries or fatalities, destruction of business premises, a loss of product, business interruption, inability to meet contractual obligations, and legal action.



As a result of the introduction of new trading legislation impacting goods and services, **there is a potential for a loss of suppliers**, resulting in increased trading costs, decreased profit margins, loss of customers, loss of product, and business interruption.



As a result of inadequately defining project requirements, underestimating the complexity of a project or not involving stakeholders at an early stage, **there is a potential for scope creep**, resulting in a loss of profit margins, dissatisfied clients, and damage to business reputation.

