

Risk Assessment Toolkit

SHETRADES GUIDEBOOK



CONTENTS

01 Explanatory Note

09 Risk Assessment Toolkit – Manual Version

11 Risk Assessment Toolkit – Example

13 The Risk Taxonomy

15 Risk Treatment Measures

16 The 5 × 5 Risk Matrix



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ABOUT ITC SHETRADES

The ITC SheTrades Initiative

The International Trade Centre's SheTrades Initiative is a global movement to unlock women's full economic potential through trade.

<p>1 Champion. Quality data</p> <p>#SheTrades</p>	<p>2 Enact. Fair policies</p> <p>#SheTrades</p>	<p>3 Secure. Government contracts</p> <p>#SheTrades</p>	<p>4 Strike. Business deals</p> <p>#SheTrades</p>
<p>5 Enable. Market access</p> <p>#SheTrades</p>	<p>6 Unlock. Financial services</p> <p>#SheTrades</p>	<p>7 Grant. Ownership rights</p> <p>#SheTrades</p>	<p>#SheTrades</p> <p>#SheTrades</p>

SheTrades aims to promote a women-inclusive business ecosystem through a multi-pronged and multistakeholder approach - and it does this through its blueprint of seven global actions.

By working with governments, business support organizations, the private sector and women producers and entrepreneurs, we create the right capacities and conditions for sustainable impact at scale.

A close-up photograph of two women in a professional setting. The woman on the right is wearing glasses and a striped blazer, smiling broadly while holding a pen. The woman on the left is also wearing glasses and looking towards the first woman. The background is softly blurred, showing a blue wall and a white chair.

01

Explanatory Note

ABOUT THE TOOLKIT

This tool aims to enable institutions and/or enterprises to efficiently conduct risk analysis through a comprehensive and simplified structure.

More specifically, by using this tool, institutions and/or enterprises should be able to:

1. Identify risks which they might face¹;
2. Recognize triggers, which could contribute to the evolution of identified risks;
3. Determine the level of risks by using the 5 × 5 to conduct joint analysis of likelihood and impact indicators;
4. Select suitable risk mitigation measures;
5. Allocate responsibilities for the implementation of risk mitigation measures;
6. Better understand the available resources needed to implement the desired risk mitigation options, and if necessary, the mobilization of these resources.

LIKELIHOOD	ALMOST CERTAIN (81-100) "is expected to occur"	5 MODERATE	10 MODERATE	15 MAJOR	20 SEVERE	25 SEVERE
	LIKELY (61-80) "will occur"	4 MINOR	8 MODERATE	12 MAJOR	16 MAJOR	20 SEVERE
	POSSIBLE (41-60) "could occur"	3 MINOR	6 MODERATE	9 MODERATE	12 MAJOR	15 MAJOR
	UNLIKELY (21-40) "might occur"	2 MINOR	4 MINOR	6 MODERATE	8 MODERATE	10 MODERATE
	RARE (1-20) "may (occasionally) occur"	1 MINOR	2 MINOR	3 MINOR	4 MINOR	5 MODERATE

This risk assessment tool is supplemented by a 5 × 5 Risk Matrix and Risk Taxonomy. An example demonstrating analysis – which could be performed using the tool – is provided on page 11.

This tool does **NOT** include a risk appetite statement². It is nevertheless recommended that such general statement is elaborated and approved by the manager(s) or authority(ies) in the enterprise/institution.

If the risk appetite statement is not yet established, this tool could be used to support its development

1 | 'Risk' is used here to refer to future events which might occur; it does not however refer to events which have already taken place.

2 | According to the Financial Stability Board, risk appetite refers to the "aggregate level and types of risk a financial institution is willing to assume within its risk capacity to achieve its strategic objectives and business plan." For more information, click [here](#).

TWO VERSIONS OF THE TOOLKIT

The Risk Assessment Toolkit is presented in two versions: first, a 'dropdown' and clickable version, and second, a 'manual' version.

of risk	Risk Assessment			Current Treatment of risk (IF IN PLACE)	
now it is emerging?	How serious is the risk? (based on the 5 x 5 Risk Matrix)?			Is anything done about this risk yet?	What are the dynamics?
Risk triggers	Likelihood of occurrence of the risk	Impact of the risk	Seriousness of risk	Processes in place of relevance to the risk	Change in risk
	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Hyperlinked supplementary material </div>				
				<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Hover your cursor over the cell. The dropdown list appears when you click on the 'down' arrow </div>	
			▼		

DROPDOWN

Version 01

In the dropdown version, present-response options can be selected from the dropdown list which is integrated into the relevant cell. Supplementary materials (i.e. the 5 × 5 Risk Matrix or Choice of Risk Treatment Measures) are also integrated via hyperlinks. To access this version, a computer/laptop and Microsoft Excel software is needed.

Identification of risk		Risk assessment			Current Treatment
What is the risk and how to know it is emerging?		How serious is the risk? (based on the BSO Risk Matrix 5x5)?			Is anything done about this risk yet?
Type of risk [cause + effect]	Risk triggers	Likelihood of occurrence of the risk	Impact of the risk	Seriousness of risk	Processes in place of relevance to the risk
<i>What is the risk about [in cause + effect format]</i>	<i>What are the warning signs indicating that the risk is likely to occur?</i>	<i>What is the probability of occurrence of this risk? (Please use the risk matrix)</i>	<i>How much this risk would impact the entity, if it would occur? (Please use the risk matrix)</i>	<i>What is the overall seriousness of the risk? Derivative from the combination of the other two criteria (Please use the risk matrix)</i>	<i>Describe anything that is already done with respect to the risk</i>
[Choose one:] USE BSO RISK TAXONOMY	[Enter text:] Identify warning signs	[Choose one:] Almost certain (81-100%) Likely (61-80%) Possible (41-60%) Unlikely (21-40%) Rare (1-20%)	[Choose one:] Catastrophic Major Moderate Minor Insignificant	[Choose one:] Severe Major Moderate Minor	[Enter text:] Describe relevant measures

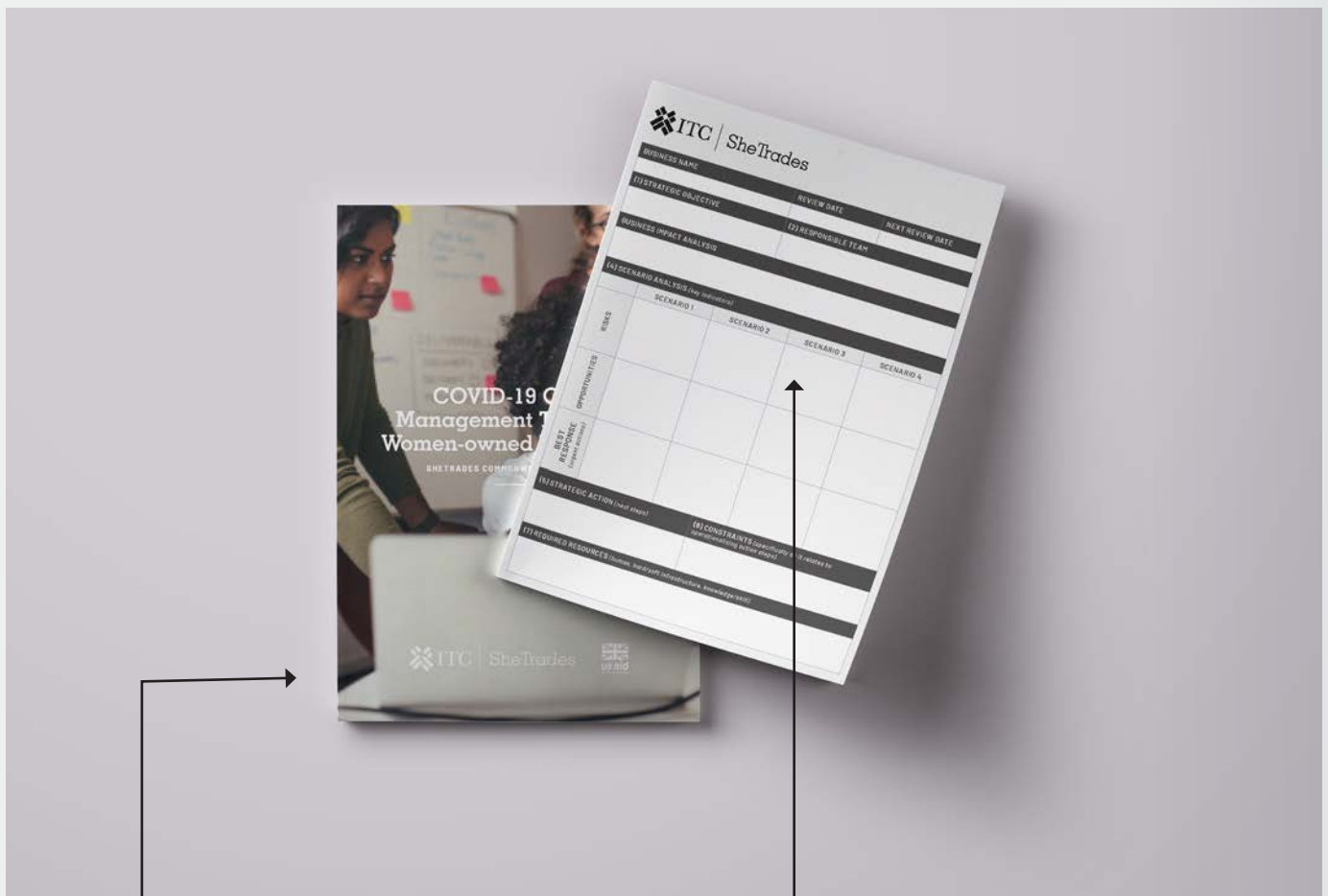
MANUAL

Version 02

In this manual option of the risk assessment tool, users can directly input responses of their choosing into the cell. This can be done either through the Excel software or writing on a printed copy of the spreadsheet. In contrast to the dropdown version, supplementary materials such as the Risk Taxonomy, 5 × 5 Risk Matrix, and the Choice of Risk Mitigation Measures, can be accessed through separate sheets.

HOW TO USE THE TOOL

The Risk Assessment Tool builds upon the Crisis Management Toolkit (CMT) and is not constrained by the latter; it is also open to more general or regular use. As such, the Risk Assessment Tool can support the CMT in two ways:

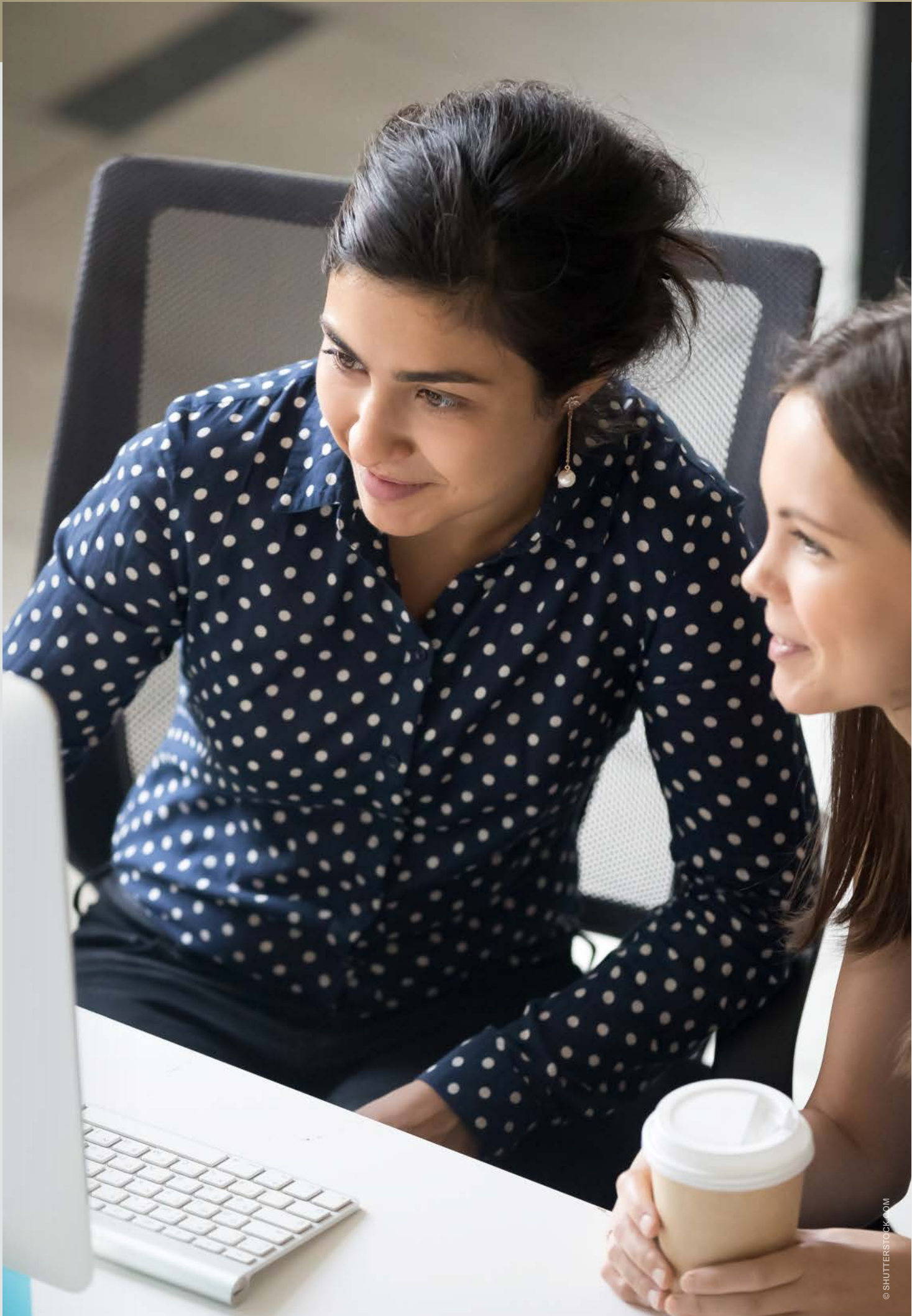


Usage 01

It can be used independently or alongside the RRAP-based analysis to better assess the overall situation in which institutions or enterprise finds itself. It can also be used to identify potential issues of concern;

Usage 02

It can be used to supplement the Step 4, 'Risks' sub-section of the RRAP Canvas. In this way, the Risk Assessment Toolkit provides a more nuanced analysis that contributes to Steps 5, 6, and 7 of the canvas.



02

Risk Assessment Toolkit





IDENTIFICATION OF RISK		RISK ASSESSMENT			CURRENT TREATMENT OF RISK (IF IN PLACE)		RESPONSIBILITY	CHOICE OF [NEXT] RISK TREATMENT	
<i>What is the risk and how do you know that it is emerging?</i>		<i>How serious is the risk? (based on the 5 x 5 Risk Matrix)?</i>			<i>Has anything been done with respect to the risk?</i>	<i>What are the dynamics?</i>	<i>Who is / will be in charge?</i>	<i>What should be done about this risk?</i>	
TYPE OF RISK [CAUSE + EFFECT]	RISK TRIGGERS	LIKELIHOOD OF RISK OCCURRENCE	IMPACT OF THE RISK	SERIOUSNESS OF RISK	PROCESSES IN PLACE TO RESOLVE THE RISK	CHANGE IN RISK	OWNER(S) OF THE RISK	CHOICE OF RISK TREATMENT (RISK RESPONSE)	DETAILS OF RISK TREATMENT
<i>What is the risk about [in cause + effect format]</i>	<i>What are the warning signs indicating that the risk is likely to occur?</i>	<i>What is the probability of occurrence of this risk? (Please use the risk matrix)</i>	<i>How much this risk would impact the entity, if it would occur? (Please use the risk matrix)</i>	<i>What is the overall seriousness of the risk? Derivative from the combination of the other two criteria (Please use the risk matrix)</i>	<i>Describe anything which has already been done with respect to the risk</i>	<i>If the risk had been assessed before, how has it evolved? *Skip if the risk is new or has never been assessed*</i>	<i>Who is responsible for managing this risk within the entity?</i>	<i>Choose the approach for addressing this risk</i>	<i>What exact measures are envisaged?</i>
<i>Choose one:</i> Use Risk Taxonomy	<i>Enter text:</i> Identify warning signs	<i>Choose one:</i> › Almost certain (81-100%) › Likely (61-80%) › Possible (41-60%) › Unlikely (21-40%) › Rare (1-20%)	<i>Choose one:</i> › Catastrophic › Major › Moderate › Minor › Insignificant	<i>Choose one:</i> › Severe › Major › Moderate › Minor	<i>Enter text:</i> Describe relevant measures	<i>Choose one:</i> › New or never assessed › Has not changed; › Decreased; › Increased; › Was eliminated/avoided	<i>Enter text:</i> Name of the responsible individual or group	<i>Choose one:</i> › Avoid/Terminate; › Transfer; › Mitigate; › Tolerate (and monitor)	<i>Enter text:</i> Describe the relevant measures

ACTION PLAN

<i>When would the measures be implemented?</i>	<i>Where do I acquire the resources that I lack?</i>	<i>Where to get the lacking resources?*</i>
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TIMEFRAME FOR IMPLEMENTATION	NECESSARY RESOURCES AND THEIR MOBILIZATION	DETAILS OF RESOURCE MOBILIZATION ACTIONS, IF ANY
-------------------------------------	---	---

<i>When should risk treatment measures be implemented?</i>	<i>What resources are needed and how exactly should they be managed? (Mark available resources which could contribute to the solutions)</i>	<i>How exactly the resources are expected to be mobilized?</i>							
	<table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 12.5%;">PEOPLE</td> <td style="width: 12.5%;">TIME</td> <td style="width: 12.5%;">EQUIPMENT</td> <td style="width: 12.5%;">WORKING SPACE</td> <td style="width: 12.5%;">INFORMATION</td> <td style="width: 12.5%;">EXPERIENCE</td> <td style="width: 12.5%;">MONEY</td> </tr> </table>	PEOPLE	TIME	EQUIPMENT	WORKING SPACE	INFORMATION	EXPERIENCE	MONEY	
PEOPLE	TIME	EQUIPMENT	WORKING SPACE	INFORMATION	EXPERIENCE	MONEY			

<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Immediately; › Within a week; › Within a month; › Within a quarter; › Continuously, before the next assessment / major change in circumstances 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Hire; › Dismiss; › Transfer; › Assign new / extra tasks; › Outsource tasks; › Second; › Train; › Motivate; › Suspend 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Extend; › Prioritize; › Reschedule 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Acquire; › Rent; › Share; › Pool together; › Update/ Upgrade; › Dispose of; Recycle 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Rent; › Offer for Rent; › Share; › Purchase 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Collect; › Systemize; › Purchase access to; › Process; › Share 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Gain; › Pay for (purchase); › Outsource ("sell"); › Share; › Pool together 	<p><i>Choose one:</i></p> <ul style="list-style-type: none"> › Not relevant nor available; › Raise; › Borrow; › Claim back / Recover; › Cut on expenses; › Reallocate funds; › Earn 	<p><i>Enter text:</i></p> <p>Provide more details about the relevant steps, if needed</p>
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IDENTIFICATION OF RISK		RISK ASSESSMENT			CURRENT TREATMENT OF RISK (IF IN PLACE)		RESPONSIBILITY	CHOICE OF [NEXT] RISK TREATMENT	
<i>What is the risk and how do you know that it is emerging?</i>		<i>How serious is the risk? (based on the 5 x 5 Risk Matrix)?</i>			<i>Has anything been done with respect to the risk?</i>	<i>What are the dynamics?</i>	<i>Who is / will be in charge?</i>	<i>What should be done about this risk?</i>	
TYPE OF RISK [CAUSE + EFFECT]	RISK TRIGGERS	LIKELIHOOD OF RISK OCCURRENCE	IMPACT OF THE RISK	SERIOUSNESS OF RISK	PROCESSES IN PLACE TO RESOLVE THE RISK	CHANGE IN RISK	OWNER(S) OF THE RISK	CHOICE OF RISK TREATMENT (RISK RESPONSE)	DETAILS OF RISK TREATMENT
<i>What is the risk about [in cause + effect format]</i>	<i>What are the warning signs indicating that the risk is likely to occur?</i>	<i>What is the probability of occurrence of this risk? (Please use the risk matrix)</i>	<i>How much this risk would impact the entity, if it would occur? (Please use the risk matrix)</i>	<i>What is the overall seriousness of the risk? Derivative from the combination of the other two criteria (Please use the risk matrix)</i>	<i>Describe anything which has already been done with respect to the risk</i>	<i>If the risk had been assessed before, how has it evolved? *Skip if the risk is new or has never been assessed*</i>	<i>Who is responsible for managing this risk within the entity?</i>	<i>Choose the approach for addressing this risk</i>	<i>What exact measures are envisaged?</i>
C2 Internal / ICT and Related	Unstable Internet connection; Bugs reported by the staff during teleconferences; Low speed internet	Likely (61-80%)	Moderate	Major	Staff attempts not to schedule more than one video call at the same time	Decreased	Ms. Jantou (IT Manager)	Avoid	Ensure the internet connection is strong for staff work without limitations and interruptions
B2 Internal / Financial	Record of unexpected actual expenses not provided for in the budget	Almost certain (81-100%)	Major	Severe	Staff is working at 90% since November 2020 to reduce payroll expenses	Increased	Ms. Abhar (CFO)	Mitigate	Minimize the budget deficit to be able to perform to the maximum extent possible
G8 External / Other	Low engagement; Beneficiaries reporting lack of availability of internet access	Possible (41-60%)	Moderate	Moderate	Beneficiaries not participating in the activities were contacted to verify reasons of their absence	Has not changed	Ms. Cerpon (Project Manager)	Tolerate (and monitor)	Monitor the situation to ascertain possible changes therein
E1 Internal / Other Operational	Criminal activity detected in the area; Employees working at night;	Possible (41-60%)	Catastrophic	Major	Employees are advised to take safety measures, especially if working at night	New or never assessed	Ms. Priwae (Security Officer)	Transfer	Engage professional security to ensure the safety of the employees and alleviate concerns

ACTION PLAN

<i>When would the measures be implemented?</i>	<i>Where do I acquire the resources that I lack?</i>							<i>Where to get the lacking resources?*</i>
TIMEFRAME FOR IMPLEMENTATION	NECESSARY RESOURCES AND THEIR MOBILIZATION							DETAILS OF RESOURCE MOBILIZATION ACTIONS, IF ANY
<i>When should risk treatment measures be implemented?*</i>	<i>What resources are needed and how exactly should they be managed? (Mark available resources which could contribute to the solutions)</i>							<i>How exactly the resources are expected to be mobilized?</i>
	PEOPLE	TIME	EQUIPMENT	WORKING SPACE	INFORMATION	EXPERIENCE	MONEY	
Within a month	Outsource	Extend	Upgrade/ Update	Offer for rent	Collect	Outsource (sell)	Reallocate funds	Systemize information about connection issues; Subscribe to a better internet package addressing these concerns
Immediately	Train	Prioritize	Upgrade/ Update	Offer for rent	Systemize	Outsource (sell)	Claim back/ Recover	Train staff to increase performance Prioritize key project assignments; Consider renting unused offices or changing offices
Continuously	Assign new / extra tasks	Reschedule	Available	Available	Collect	Available	Available	Establish monitoring mechanism on the project managers level (coordinated by Ms. Cerpon)
Within a month	Outsource tasks	Reschedule	Share	Offer for rent	Collect	Pay for (purchase)	Reallocate funds	Continue monitoring security risks; Monitor the performance of the outsourced tasks (Ms. Priwae)

GLOSSARY OF TERMS

The risk taxonomy is the categorization of risk types that could be referred to in risk identification. These risk types are non-exhaustive.

A

Internal / Compliance:

1. Non-compliance with requirements related to workplace management à resulting in complaints, legal proceedings, loss of performance efficiency and / or employee trust
 2. Non-compliance with laws and regulations related to core activities à resulting in complaints, legal proceedings, loss of stakeholder trust
 3. Non-compliance with contractual obligations à resulting in complaints, legal proceedings, loss of stakeholder trust
-

B

Internal / Financial:

1. Reduction in funding, resulting in inability to implement programmed activities
 2. Increase in actual expenses leading to overreach of the budget, resulting in inability to fully implement programmed activities
 3. Inability to secure funding for future activities, resulting in inability to implement them / threatening the enterprise's/institution's existence
 4. Misuse of funds / financial fraud, resulting in the loss of stakeholder trust
 5. Shortage of liquidity, interfering with daily operations, preventing timely salary payments to the staff
-

C

Internal / ICT and Related:

1. Cyber security breaches (including data breaches), resulting in leaks of sensitive information leading to loss of trust and reputational damage
 2. Lack or insufficiency of internet access, making the work online / in a teleconference mode impossible
-

D

Internal / People:

1. Lack of sufficiently qualified / skilled staff, delaying implementation of activities or making it impossible
2. Quantitative insufficiency of staff able to perform the available tasks, delaying implementation of activities or making it impossible
3. Lack of motivation in staff, negatively impacting overall and individual performance
4. Team work – related problems, reducing overall performance efficiency
5. Inability of staff to report to work (due to mobility restrictions; sickness; other reasons (f.e. caregiving arrangements), disrupting the normal flow of work
6. Unethical / culturally unappropriated behavior of staff, resulting in loss of stakeholder trust and/or a reputational damage

INTERNAL / Other Operational:

1. Physical security risk (f.e. accidents / attacks) affecting employees scheduled to work at night, resulting in physical / emotional harm caused to such employees, their absence from work, financial losses, reputational damages)
2. Inability to work on the premises / maintain usual working patterns at the premises, necessitating adjustments in work flow, work load and the other relevant arrangements
3. Insufficient access to relevant information, resulting in insufficiently informed decisions / outputs

EXTERNAL / Reputational:

1. Negative feedback from stakeholders, resulting in loss of partnerships, loss of public and stakeholder trust, leading to challenges in ensuring continuity of operations
 2. Negative media spotlight or publicity, resulting in loss of partnerships, loss of public and stakeholder trust -leading to challenges in ensuring continuity of operations
-

EXTERNAL / Other:

1. Change in the donor interests, impacting conceptualization or implementation of the projects and/or necessitating adjustments in the current portfolio of projects / activities
2. Change in the beneficiaries' priorities / preferences, impacting conceptualization or implementation of the projects and/or necessitating adjustments in the current portfolio of projects / activities
3. Retreat of existing partners in the joint projects, leading to the need to reconsider / modify the implementation frameworks
4. Unreliability / problems in cooperation with new partners, making implementation more difficult or leading to the need to reconsider / modify the implementation frameworks
5. Emergence of the new cross-border trade restrictions impacting stakeholders' activities, necessitating additional assessment, analytical and training efforts
6. Increase of regulatory burden of relevance to the activities of the enterprise or the institution, requiring more human and/ or financial resources
7. Changes in competition in the areas of enterprise's/institution's core competence, making it more difficult to secure new work
8. Inability of beneficiaries to engage in the programme / project activities, delaying implementation of the programme / projects or rendering it impossible

The risk matrix offers a visualization of the levels of risk based on its likelihood and impact. The resultant cell therefore indicates the overall severity of the risk.

Likelihood	ALMOST CERTAIN (81-100%) "is expected to occur"	5 MODERATE	10 MODERATE	15 MAJOR	20 SEVERE	25 SEVERE
	LIKELY (61-80%) "will occur"	4 MINOR	8 MODERATE	12 MAJOR	16 MAJOR	20 SEVERE
	POSSIBLE (41-60%) "could occur"	3 MINOR	6 MODERATE	9 MODERATE	12 MAJOR	15 MAJOR
	UNLIKELY (21-40%) "might occur"	2 MINOR	4 MINOR	6 MODERATE	8 MODERATE	10 MODERATE
	RARE (1-20%) "may [exceptionally] occur"	1 MINOR	2 MINOR	3 MINOR	4 MINOR	5 MODERATE

Impact →

- INSIGNIFICANT**
 Fairly insignificant, may lead to a short delay in the achievement of the objectives and/or have small impact on quality and costs.
- MINOR**
 Some impact, albeit no serious harm / delays/ cost increases
- MODERATE**
 Moderate, non-negligible impact
- MAJOR**
 Significant impact on the enterprise's or institution's goals goals and potential damage
- SEVERE**
 May cause key objectives to fail.



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RISK TREATMENT MEASURES

Avoiding / Tolerating Risk

Monitoring the risk to trace changes in its seriousness, without taking actions aimed at its mitigation or reduction.

Terminating Risk

Eliminating the risk by changing inherently risky practices and processes.

Mitigating Risk

Controlling the risk to reduce the likelihood of its occurrence/ or minimize its impact before its occurrence.

Transferring Risk

Shifting the risk to third parties.



#SheTrades

HER SUCCESS. OUR FUTURE.

The International Trade Centre's SheTrades Initiative is a global movement to unlock women's full economic potential through trade.

By working with governments, business support organizations, the private sector and women producers and entrepreneurs, we create the right capacities and conditions for sustainable impact at scale.

