

# Risk Management

# Hazard Assessment

The hazard assessment process quantifies the potential for loss, otherwise referred to as risk, by considering the **probability** that the hazard will result in a mishap and **severity** of consequences should a mishap occur. The Risk Assessment Matrix (RAM) is used to quantify risk exposure from hazards.

The Risk Assessment Code (RAC) measures the risk level as derived from the severity and probability ratings for the hazard. The RAC helps prioritize hazards such that the hazards that pose the greatest risks are addressed first.

## RISK ASSESSMENT MATRIX

RISK ASSESSMENT MATRIX			PROBABILITY					
			Likelihood of Mishap if Hazard is Present					
			A Almost Certain (Continuously experienced)	B Likely (Will occur frequently)	C Possible (Will occur several times)	D Unlikely (Remotely possible but not probable)	E Rare (Improbable; but has occurred in the past)	
SEVERITY	Consequence if Mishap Occurs	Catastrophic (Death, Loss of Asset, Mission Capability or Unit Readiness)	I	1	1	1	2	3
		Critical (Severe Injury or Damage, Significantly Degraded Mission Capability or Unit Readiness)	II	1	1	2	3	3
		Moderate (Minor Injury or Damage, Degraded Mission Capability or Unit Readiness)	III	2	2	3	4	4
		Negligible (Minimal Injury or Damage, Little or No Impact to Mission Capability or Unit Readiness)	IV	3	3	4	4	4
			Risk Assessment Codes (RAC)					
			1=Extremely High 2=High 3=Medium 4=Low					

RAC	Risk Category	Action Required
1	EXTREMELY HIGH	Stop. Immediate Correction.
2	HIGH	Consider stopping. Urgent Correction Needed.
3	MEDIUM	Corrective Attention Needed
4	LOW	Possible Acceptance