

## Risk management Matrix

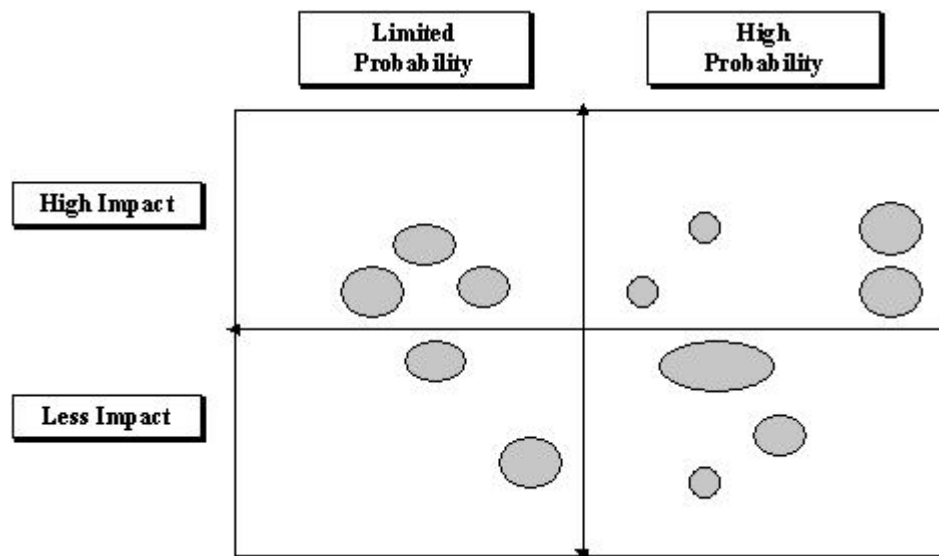
### Short description

The risk management matrix is based on two axes:

- The likelihood of an adverse outcome
- The scale of the impact if things don't go to plan

The degree of risk will fall into one of the four quadrants. The relevant strategies for responding to the degree of risk are set out in each of the quadrants.

It works as follows: Possible problems should be identified, through interviews, brainstorming etc. The problems are placed in one of the four quadrants. When this is done, then plan accordingly for how they will be managed.



High likelihood / low impact means: Contingency plans

High likelihood / high impact means: Detailed management

Low likelihood / low impact means: Occasional review

Low likelihood / high impact means: Regular review

The following format could also be used:

- Risk Likelihood (high/medium/low)
- Impact (high/medium/low)
- Priority (red / amber / green)

Risk never is static. Therefore regular risk assessments should be carried out to ensure that circumstances have not led to the need for a revised assessment and handling strategy.

### Strengths

- Reduces uncertainty
- Increases sustainability of the program and program(results)
- Increases adjustability
- Identifies program weaknesses, bottlenecks and opportunities

### **Limitations**

- Time intensive
- Knowledge of local (relevant) networks and linkages is a precondition.
- Often difficult to measure the results of activities as there are many external variables