

YOUR RISK MANAGEMENT QUICK GUIDE

RISK IDENTIFICATION TABLE

Your lab's risk assessment framework should be made up of many components including workflow mapping, analysing internal audit reports and reviewing corrective action and complaint registers.

A **risk identification table** is a useful starting point in your lab's risk assessment framework. It helps you to methodically examine the various areas in the lab and its processes. It will also help clarify your thinking in terms of risks.

This example of a simple table contains some risks you could encounter:

Risk area	Possible risks
Sample receipt	<i>Sample misidentification</i> <i>Loss of sample</i> <i>No paperwork submitted by customer</i> <i>Sample registered for incorrect test method</i>
Equipment	<i>Critical equipment failure</i> <i>Use of non-calibrated equipment</i> <i>No parts immediately available for critical equipment = extensive down time</i>
Reporting	<i>Incorrect test reporting</i> <i>Test report sent to the wrong customer</i> <i>Test report not sent at all</i>
Subcontracting	<i>Incorrect identification of sample from subcontractor</i> <i>Breach of confidentiality by subcontractor</i> <i>Sample lost in transit</i>
Chemicals and reagents	<i>Shortage of critical products</i> <i>Incorrect storage of chemicals or reagents</i> <i>Use of expired chemicals or reagents</i>

Use this as a starting point for your own risk identification table. It doesn't need to be complex or overly designed as long as it's fit for purpose.

RISK RATING MATRIX

This tool is used to determine the overall risk rating of a risk by considering the likelihood and consequences should an event occur. Below is an example of a risk rating matrix. You might choose to use something with fewer categories, depending on the degree of distinction between various risk ratings you need in your organisation.

Consequences	Likelihood				
	Rare	Unlikely	Possible	Very Likely	Certain to occur
Catastrophic	Moderate	Moderate	High	Critical	Critical
Major	Low	Moderate	Moderate	High	Critical
Moderate	Low	Moderate	Moderate	Moderate	High
Minor	Very low	Low	Moderate	Moderate	Moderate
Insignificant	Very low	Very low	Low	Low	Moderate

For example, the consequences for someone being hurt could be categorised as:

Catastrophic	Death or permanent disability
Major	Serious injury requiring hospital treatment
Moderate	Injury requiring medical treatment; some downtime required
Minor	Injury requiring first aid treatment
Insignificant	Injury requiring no treatment or first aid

The likelihood of these consequences could be:

Certain to occur	Is expected in most circumstances
Very likely	Will probably occur in most circumstances
Possible	Might occur occasionally
Unlikely	Could occur on occasion
Rare	May happen at some point

Using these tables to determine the risk rating, actions can be taken to manage risk:

Risk rating	Actions
Critical	IMMEDIATE action is needed, and access restricted until the risk is lowered to an acceptable level
High	Quick action is needed (within one to two days). Tasks should not proceed until the risk is assessed and controlled
Moderate	Action is required within one week to eliminate or minimise risk
Low	Action required within a reasonable timeframe (two to four weeks) to eliminate or minimise risk
Very low	Risk should be eliminated or minimised when possible

As always if you need any support on your risk management journey email us at info@masmanagementsystems.com.au or phone Maree on 0411 540 709.