

ENTERPRISE RISK MANAGEMENT

Framework and tools to identify, assess, and manage critical risks

01 ERM Framework Cover

02 5x5 Heat Map Risk Matrix

03 Master Risk Register Template

04 Top 3 Critical Risks Deep Dive

05 Mitigation, Triggers, and Recovery Plan

ERM FRAMEWORK COVER

GOVERNANCE AND CADENCE

Risk management framework overview, including governance, escalation, and decision cadence for the steering committee

RISK UNIVERSE DEFINITION

Project or entity scope boundaries, key interfaces, and assumptions used to define the risk universe

RISK OFFICER OWNERSHIP

Risk Officer ownership, including reporting lines, documentation standards, and single accountable contact

REVIEW AND VERSION CONTROL

Review date and version control to ensure the committee reviews the latest risk view

ERM RISK COVERAGE

Operational, financial, and strategic risk coverage scope aligned to ERM categories and severity taxonomy

5X5 HEAT MAP RISK MATRIX

LIKELIHOOD VS IMPACT BANDS

Likelihood versus impact grid with defined bands: Low, Medium, High, Extreme to remove scoring ambiguity

SEVERITY COLOR ZONES

Color-coded severity zones for executive readability: Green Acceptable, Yellow Monitor, Red Critical

RISK PLACEMENT RULES

Risk placement rules for operational, financial, and strategic risks using consistent scoring definitions

CROSS-RISK AGGREGATION

Aggregation view guidance for steering committees to prioritize cross-risk themes and patterns

LEGEND AND INTERPRETATION

Legend and interpretation notes to ensure consistent understanding across risk owners and reviewers

MASTER RISK REGISTER TEMPLATE

Risk ID	Category	Description	Inherent Score	Residual Score
R-001	Operational	Example: Process failure causing service disruption	Medium	Low
R-002	Financial	Example: Budget variance from cost overrun or pricing risk	High	Medium
R-003	Strategic	Example: Portfolio misalignment reducing value realization	High	Medium

TOP 3 CRITICAL RISKS DEEP DIVE



COMMITTEE-READY DECISIONS

Escalation triggers, monitoring indicators, and expected control outcomes for committee action

TOP-3 SEVERITY JUSTIFICATION

Evidence links from heat map placement and register scoring demonstrate why each is top-3

STRATEGIC OBJECTIVES IMPACT

Root triggers mapped to scenario pathways with the impact narrative on strategic objectives

FINANCIAL AND CONTROLS IMPACT

Root triggers mapped to scenario pathways with the impact narrative on financial outcomes and controls

OPERATIONS IMPACT

Root triggers mapped to scenario pathways with the impact narrative on operations and performance

MITIGATION, TRIGGERS, AND RECOVERY PLAN

01

PROACTIVE CONTROLS

Define specific actions, control owner, frequency, and assurance method for each critical risk

02

TRIGGER POINTS

Specify early warning thresholds that move the risk from Monitor to Critical with clear escalation paths

03

RECOVERY CONTINGENCIES

Outline response playbooks, resource needs, and decision authority if triggers are breached

04

OWNER ASSIGNMENT

Name accountable owners and backup contacts, including RACI alignment to steering committee reporting

05

MONITORING AND REPORTING RHYTHM

Define KPIs, evidence artifacts, and review cadence to update residual scores