

## **Using a Risk Assessment Matrix – A Guide**

**Disclaimer:** *This document is not intended as legal advice. Your organizational goals, purpose, bylaws, and values should drive the creation of this document.*

Using a matrix to address challenges can be a way for a group of people to dive in together and discuss their perspectives on how they see the issues and topics playing out in their collective space. The gift is not just in the categorization but in the dialogue. Please note that part especially – it is not just you at your desk unpacking things into quadrants or categories, it is the group journey that is essential. There are many versions of a risk matrix that are general to the overall health of the organization and more specific when it comes to people, money, programs, legality, partnerships and more.

This simple overall risk matrix invites the team to:

- 1) Establish the context of the risk
- 2) Name and analyze the severity of the risk by placing it in the appropriate quadrant on the matrix where you measure probability on one axis and impact to mission on the other.

Here are a few prompts to get you started. You can use all the options or just one. Be sure to stop at each and map the collective answer in the correct quadrant.

### **Option 1: The “what you know now” approach**

- What are the known-knowns: Current challenges?
- What are the known-unknowns: Emerging concerns?
- What are the wild cards: Low-probability, high-impact events?
- What trends or events could disrupt your work in the next 1–3 years?

### **Option 2: The “crystal ball” approach**

- What does this future look like?
- What would be the biggest risks to your organization?

### **Option 3: The “key resilience levers” approach**

In each category, consider how each changes your risk level and the probability of impact.

- Leadership
- Funding models
- Community partnerships
- Tech/data systems
- Policy influence

### Prioritize your next steps

Next step after any or all of the options. This step should involve board and management discussion to establish priorities:

- What risks are you willing to accept?
- What steps will you take to mitigate risk?

Consider these questions to determine if your risk assessment shifts or if there is knowable action as a result:

- What small changes now could make a big difference later?
- What strengths or allies could you draw on?
- What bold moves might be necessary?

Don't expect to manage every risk!

This seemingly simple exercise can have a profound impact on the team, helping to quiet anxiety about things that are less a risk than first understood and focusing the group on the areas that can be managed and planned for.

