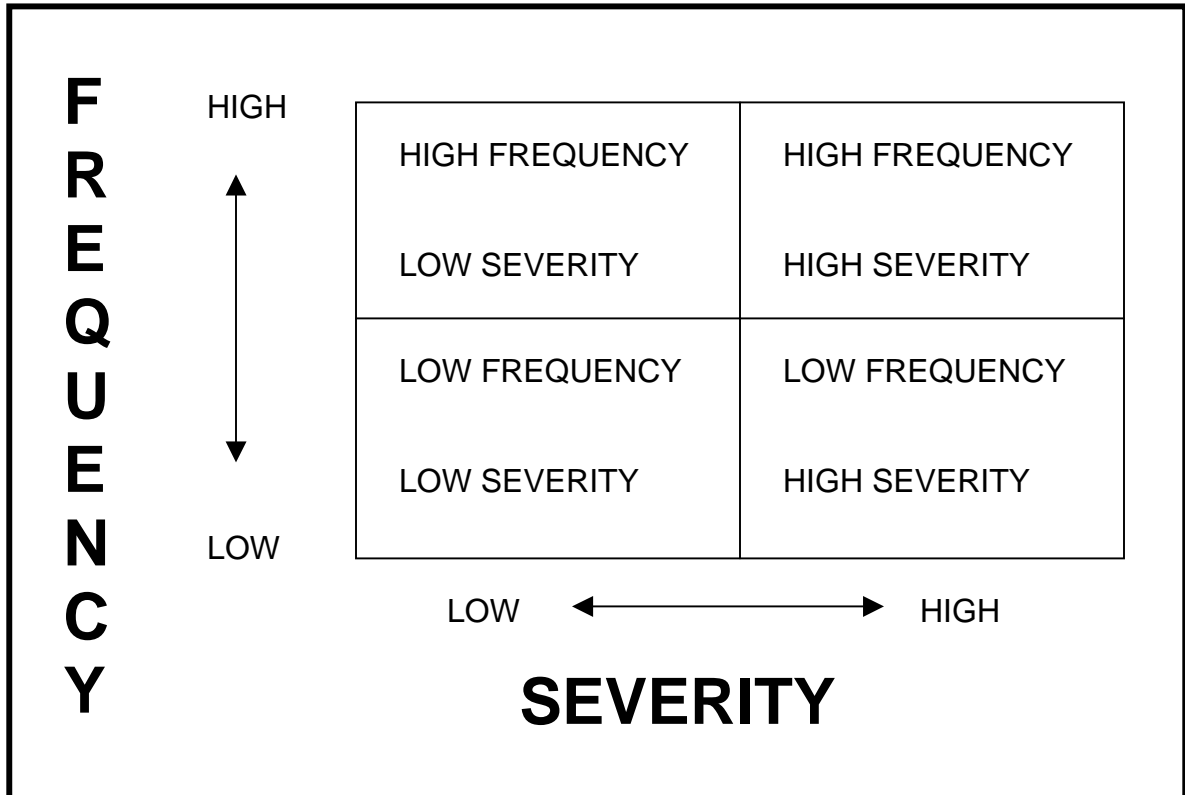


RISK EVALUATION



In evaluating risk determine the likelihood that a harmful event may occur. When evaluating probability look at the number of times a specific event has occurred over a given period of time. With this information you can determine where the incident fits into one of the four categories above. What is important is to remember that usually the most severe incidents are the least common and that the fact that simply because an event has never occurred in an organization or region does not mean that the incident will never occur.

During risk evaluation the following questions should be answered?

- What is the risk?
- Has the risk occurred locally?
- How does this organization compare to the national occurrence of this event?
- What is the probability of different outcomes?
- What are the consequences should these outcomes occur

The next step is to prioritize or rank the areas that need to be addressed. Determine the potential outcome based upon 3 factors. Severity, probability and exposure.

$$\text{Total Risk} = (\text{S})everity \times (\text{P})robability \times (\text{E})xposure$$