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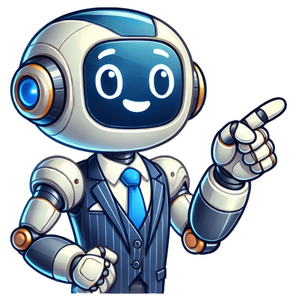

Blog June 25, 2019 13 min read Risk matrices come in many different shapes and sizes. Choosing the appropriate template for a project occasionally results in heated debates between risk management professionals.In the following blog article, we break down the three most popular sizes of a risk matrix 33, 44, and 55 and reveal the pros and cons of each. Youll also learn about tools to leverage to continuously improve your risk assessments.In addition, weve also written a separate article onassessing risks of employee exposures to COVID-19in the workplace. We hope youll find it useful.READ MOREWhat is a 33 Risk Matrix?As a refresher, arisk matrixis a tool that safety professionals use to assess the various risks of workplace hazards. EHS workers assess risks by evaluating the severity of a potential hazard, as well as the probability that it will occur.A risk assessment matrix contains a set of values for a hazards probability and severity. A 33 risk matrix has 3 levels of probability and 3 levels of severity.For example, a standard 33 risk matrix contains the following values:Severity:Marginal:The hazard may either be controlled, or would commonly result in less than minor, illness, injury or system damage.Moderate:The hazard may commonly cause severe injury or illness or major system damage, requiring immediate corrective action.Critical:The hazard may commonly cause death or major system loss, requiring immediate cessation of the unsafe activity or operation.Probability:Improbable:Unlikely but possible to occur during standard operationsOccasional:Likely to occur some time during standard operationsProbable:Likely to occur often during standard operationsBy multiplying ahazards probability and severity values, you can calculate the acceptability level of its risk. For more information on how to perform a risk assessment, see our more detailed guide. 33 risk matrices are generally straightforward to use. When a risk matrix is easily understood, its more likely to encourage an informed discussion of how severe hazardous scenarios can be.What are the drawbacks of using a 33 risk matrix?On the other hand, because the 33 matrix has a basic design its open to errors. (Its simple, so I dont have to think very hard). For that reason, it might become difficult to truly determine where the boundary between acceptable and unacceptable lies. In addition, with a 33 matrix, there are only three categories of risks low, medium and high. For complex hazards or projects, a 44 or 55 matrix may be more appropriate, as they allow for more nuanced risk assessments. A 44 risk matrix contains 4 levels of probability and severity.For example, a standard 44 matrix has the following values:LikelihoodImprobable(unlikely, though possible)Remote(could occur occasionally)Probable(not surprised, will occur in given time)Frequent(likely to occur, to be expected)SeverityNegligible(the hazard will not result in serious injury or illness, or has a remote possibility of damage)Marginal(the hazard could cause illness, injury, or equipment damage but its effects would not be serious)Critical(the hazard can result in serious injury or illness, property or equipment damage)Catastrophic(the hazard is capable of causing death and illness)What are the benefits of using a 44 risk matrix?The 44 risk matrix offers more complexity than the simpler 33 template. Too small or too large a matrix may not give a sufficient, or too vague of an assessment, so for many projects, a 44 matrix is just right.What are the drawbacks to using a 44 risk matrix?Critics argue that it can become all too easy for potential risks to be classified in the medium range and therefore for management to view risk assessments as a tick the box exercise. When this occurs, its possible forcommon safety hazardsto be taken less seriously despite still posing potential risk.What is a 55 risk matrix?A 55 risk matrix contains 5 levels of probability and severity.LikelihoodImprobable(unlikely to occur)Remote(unlikely, though possible)Occasional(likely to occur occasionally during standard operations)Probable(not surprised, will occur in a given time)Frequent(likely to occur, to be expected)SeverityNegligible(the hazard will not result in serious injury or illness, or has a remote possibility of damage)Marginal(the hazard could cause illness, injury, or equipment damage but its effects would not be serious)Moderate(the hazard can result in serious injury or illness, property or equipment damage)Critical(the hazard can result in serious injury or illness, property or equipment damage)Catastrophic(the hazard is capable of causing death and illness)What are the benefits of using a 55 risk matrix?Of the three matrix sizes, the 55 format allowsEHS professionalsto conduct risk assessments with the most detail and clarity.What are the drawbacks to using a 55 risk matrix?Some argue that a 55 matrix is too complex and too much work to use for smaller projects. For some tasks, it becomes questionable whether this level of granularity is really necessary.Does one size really fit all?Should an entire company employ a single common risk assessment matrix or should each department have its own specific one? The former allows for a consistent approach. But the latter allows for more highly targeted assessments. Ultimately, its best for an organization to be able to adjust the size and design of its risk matrix as needed.How can Safety Management Software help?Risks pose real-time threats, and you have to be able to make informed decisions to mitigate them quickly. Trying to manage assessments using paper and spreadsheets is unwieldy and limits participation. Usingsafety management software(like Vector EHS!), you can continually update and easily modify your risk matrix to meet your specific operational needs.By using a web-based matrix and assessment tool, it also becomes easier to share them across your organizations locations.You can easily add as many levels to your risk matrix as you like and set probability and severity values and their scores. Adding or archiving levels can be accomplished with a simple click of the mouse.Risk management software also allows you to get a clear picture of risks throughout your organization. You can roll-up the data to get a global perspective or zero in on a single facility or department, examining each and every significant hazard along with identified controls.With safety software, theres also less chance that your risk assessments will grow old and out of date. When assessing a new risk, you can determine the period in which the hazard will need to be re-evaluated and ensure that this is completed in a timely fashion.Web-based risk matrices can automatically calculate a hazards risk after you choose its probability and severity, saving you time. After identifying steps to mitigate the risk, safety software can even help you take your assessment a step further by allowing you to calculate the hazards residual risk after controls are set.Learn more about howVector EHS management softwarecan help you to conduct easy, accurate risk assessments today. Discover a more effective way to manage your safety data.Learn More Posted 5 years ago Most organisations wont need to use risk matrices, but they can be useful for working out the level of risk associated with a particular hazard and for prioritising hazards.To create a 55 risk matrix, first assign a numerical value from 1 to 5 as the likelihood of the event happening, where 1 indicates that theres a very low chance of it happening and 5 means that its almost certain to happen.Then assign a numerical value, again from 1 to 5, representing how bad the injury could be or its severity, where 1 is the lowest it would cause a fairly minor injury, and 5 means that the consequences would be the most serious, maybe even fatal.You then multiply the two values together. (Its really important to remember to multiply and NOT add the numbers.)You then need to plot your hazard on the matrix to see if it falls in the low, medium or high-risk area.Lets look at an example a new employee with no training in charge of a fork-lift truck the likelihood of an accident is extremely high 5, the severity of the injury which could result from the accident is also very high 5. So, the risk level is 55 = 25 which is the highest it could be.You replace the new employee with a fully trained member of staff, and the likelihood of an accident reduces to 1, however its really important to remember that the severity of any injury could still be 5. So, the risk would now be 15 = 5.Using a risk matrix allows you to evaluate each risk and helps to indicate which hazards to deal with first. Its not about just doing the easy things first. A risk matrix helps you to develop a prioritised action plan. Risk Assessment TrainingNo matter what type of organisation you have and the type of work you do, its essential to identify the health and safety risks involved in it and completing risk assessments is a structured way to do this. Risk assessments make a real difference to health and safety and all organisations must do them. This course will cover how to create an effective Risk Assessment and provide you with a free tool to complete your risk assessments. Get started with your free no-obligation trial today! Skip to main contentShape the future together: with a secure, GDPR-compliant whiteboard hosted in Germany. Conceptboard combines visual collaboration with data-driven insights for decisions you can build on.Get in touchStart free trialConceptboard combines everything you need for productive collaboration. A central place for ideas, decisions and implementation. Whether youre in the office, working from home or on the move: with Conceptboard, you have all the functions you need in one place, on a platform that meets your security requirements.Visualise workflows, strategies and concepts on an infinite whiteboardWork simultaneously with your team: live or time-delayedSecure data storage: fully GDPR-compliant, made & hosted in GermanyFuture-proof your team with a solution you can trust.When everything becomes more complex, collaboration becomes a key skill. Conceptboard gives your team structure, security and clarity for real collaboration that is sustainable and shapes the future.Complex projects require clarity. Conceptboard offers you exactly that: clear processes, transparent communication and a platform that adapts to your working methods. In real time or asynchronously your team remains capable of acting at all times, no matter how many stakeholders, time zones or ideas are involved.You dont manage complexity with more tools, but with intelligent networking. Conceptboard works directly in the browser, without any installation and can be seamlessly connected to your existing systems such as Microsoft 365, Jira or Confluence. For a workflow that really flows.Whether agile start-up, established corporation or public administration: Conceptboard grows with your requirements. With scalable functions, customisable templates and a platform that is as flexible as your everyday life. So that collaboration is not only possible, but productive.In a digitally networked world, security is not an extra, but a prerequisite for trust. Conceptboard is hosted in Germany, meets the highest data protection standards (GDPR) and uses certified data centers. So you can concentrate on what matters: working together.More about data securityDiscover how companies from a wide range of industries successfully integrate Conceptboard into their daily workflows. Our customers show just how versatile and effective Conceptboard is in practice. Get inspired and see how you, too, can benefit from our solutions."Conceptboard has become the virtual space where we meet for collaboration. Thanks to the impulses from the individual teams, it is now the central platform for creative collaboration and efficient teamwork in our company, and it is indispensable.""As a leader, I feel that leadership is about getting people working together. It's about collaboration, it's about active listening, and Conceptboard is a platform for enabling leadership to happen.""After many tests of similar apps, Conceptboard is the clear winner for me. Thanks to the "infinite" screen, it enables me to present complex projects of large and small customers in a perfectly clear manner""Conceptboard has become an indispensable tool for us, enabling us to work with flexibility and effectiveness in an increasingly digital world""Conceptboard makes it easy and simple to manage our packaging review process. It quickly became our favorite Marcom tool; it allowed us to collaborate with the different departments involved, and it helped improve the quality and consistency of our brand.""The partner program offers plenty of oportunities for my creativity, experience and experimentation. In collaboration with Conceptboard team, I can design new processes and structure for my customers in an appealing way - whether in face-to-face, online or hybrid concepts.""We were surprised with how quickly our teams were able to seamlessly adopt Conceptboard into their workflow. Conceptboard makes the entire collaboration process fluid, saving us time and resources so we can be as environmentally sustainable as possible.""With the introduction of Conceptboard, we have taken a significant step towards achieving our goals for the Ki:GO movement: participation, self-learning, and new non-hierarchical forms of work. We can advance the digitalization of administration both internally and together with the citizens of Kiel.""The partner program is a great opportunity to incorporate my experience from supporting my customers into the further development of Conceptboard. Conceptboard is the ideal program for creating teamwork online and hybrid. Trainings, workshops and project work can be implemented perfectly."With Conceptboard you bring your team together. Work on your projects, ideas and strategies in an efficient, structured and creative way. Every task becomes a shared success story.Bring your team together, share ideas and make real progress without a long training period. Start directly or talk to us about your individual requirements.Test it for freeArrange a demoUse powerful tools to share ideas more clearly, speed up processes and connect teams efficiently.Learn more about the productTrack every movement in real time. See immediately where your team is working and keep track of even complex projects.Think without limits. Use infinite space to develop ideas freely, structure content and create visual connections.Insert content directly. Simply drag & drop files into the board and continue working seamlessly with existing materials.Start faster with the right templates. Choose from professional templates and save time setting up structured meetings and clearly defined processes.Discover templatesPlace feedback easily and quickly. Record your thoughts, give targeted feedback and develop ideas together directly in context.Include everyone with one click. Invite colleagues, partners or customers and share your board with a simple click.Guide teams through content. Control the focus and lead your team through meetings, workshops or presentations in a structured manner.Make thoughts visible. Outline ideas, mark important points and support understanding with visual elements.From brainstorming, user journey mapping, retros, 1:1 meetings or project planning: With our 150+ professional templates, you can work efficiently, structured and without wasting time. Find your template and get started.Use this template to conduct structured sprint retrospectives. Ideal for Scrum teams who want to reflect together, derive learnings and continuously improve. For real improvement instead of repetition.Test templateThe structured template for 1:1 meetings creates space for open communication and focused goal pursuit: whether between managers and employees or in the project team.Test templateCollect ideas, link thoughts and find common approaches: the brainstorming template offers you a clear structure for effective brainstorming within the team.Test templateWith Conceptboard, you can master digital collaboration no matter where your team is located. Whether home office, hybrid work or global projects: You work together on ideas, plans and visualizations without barriers. This keeps you productive, connected and successful at all times. Discover how Conceptboard can help you work from anywhere and how easy it is to bring everyone together.Read more about the use caseBring structure and clarity to your projects: from the initial idea to the final implementation. With Conceptboard, you organize all steps centrally, visualize complex relationships and promote strategic alignment within the team. Whether sprint planning, strategy development or large transformation projects: Conceptboard supports you in making projects successful together. Discover how you can plan and implement even more effectively.Learn more about the use case Conceptboard fulfils all the requirements that are important to us, says Kinzel. The GDPR and ISO certification, the accessibility of the tool and the proximity to the provider here in Stuttgart were also decisive factors for us. Instead of one-sided, manual documentation, the Vaillant Group embraced creativity, joy, and teamwork to build, store, and simultaneously develop knowledge, sharing it with other teamsall within a single tool. How can companies make customer communication more effective, build trust, and achieve outstanding results in digital transformation project management? The solution is Conceptboard! The digital online whiteboard not only provides a platform for effective and visual collaboration but also creates a Siemens Healthineers is continuously looking for new ways to turn workforce challenges into opportunities not only for customers, but also for their employees. In implementing their performance and strategy system, Siemens Healthineers has adopted Conceptboard as a key solution for employee collab The City of Cologne initiated a one-year pilot project with Conceptboard to assess whether the online whiteboard truly represents a technical alternative for its own needs. When introducing new tools, there are a number of requirements and assessments to consider. Data protection is often the greate Visual Collaboration Tools like Conceptboard bring employees together in real-time on a virtual surface, creating a "Connected Workspace". Because on the digital whiteboard, they can collaboratively work interactively on projects and ideas. You retain full control over your data at all times. We make sure its secure. As a GDPR-compliant provider with certified information security (ISO 27001, 27017 and 27018), we guarantee maximum protection and transparency. Your data is processed and stored exclusively in German data centers so that it stays exactly where it belongs: with you.How to protect your dataMore about the productGet the latest Conceptboard news, product and feature updates, new templates, event invitations or surveys.A risk matrix is a graphical way to analyze risks and benefits of a companys potential actions. The actions might be a companys decision about which market to enter or which other company to acquire. When I was working in corporate R&D, we used a risk matrix to decide which projects to allocate our resources on. Risk is usually placed on the horizontal axis, and is a measure of the cost of an acquisition or the estimated probability of success of a venture or project. Benefit is usually plotted on the vertical axis, and is a measure of success, such as anticipated revenues or cost savings.The green and orange background reminds the viewer that the preferred options are in the top right of the chart. If the axes have the opposite preferred direction, for example, if the horizontal axes indicated cost of acquisition, then the grid could be produced with green in the top left corner and orange in the bottom right.Sometimes pairs of points will be used, to show the risk-benefit analysis before and after certain mitigation steps are taken, with an arrow connecting the points to show the direction of the mitigation.Data and Components of Risk Matrix ChartsThe charts are not as complicated as they seem. The background is a stacked column chart on the primary axis using data like that shown below. The stacked columns are colored appropriately, and the gaps between them are eliminated.You can use as large a grid as you like. We used to use a 33 grid, but 55 is also common.The foreground is a simple scatter chart on the secondary axis with simple data and formatting.For the paired data, a secondary axis scatter chart is also used, with arrow formatting of the connecting lines. Each pair of points has a separate data set.Ill show you how to construct this background and superimpose the foreground data.This is a common request, so Im considering risk matrix charts as an addition to Peltier Tech Charts for Excel.Constructing the Risk Matrix BackgroundThe first step in construction of the risk matrix is to select the column chart data (see image in above section) and create a stacked column chart (below left). Since there are more rows than columns, Excel plots by column, which means the columns arent stacked how we want. Fix this by clicking the Switch Row/Column button on the Chart Tools > Design tab of Excels ribbon (below right).Format the stacked column series appropriately. Ive used a set of fill colors described below the charts, with a thin white border (below left). Next, delete the legend (below right).I made up my own green-yellow-orange color scheme, listed below.Green 4: RGB(109,255,63)Green 3: RGB(155,255,73)Green 2: RGB(194,255,83)Green 1: RGB(228,255,93)Yellow: RGB(255,255,102)Orange 1: RGB(255,238,77)Orange 2: RGB(255,211,51)Orange 3: RGB(255,184,25)Orange 4: RGB(255,152,1)You should also investigate the diverging map colors designed by Cynthia Brewer, found at Color Brewer.Next I formatted both axes so the crossing axis crosses at the maximum value or category (below left). Then I formatted both axes so the line color is 50% gray. You could probably get away with a lighter shade of gray.Then I deleted the horizontal gridlines (below left), and I hid the axis tick labels by setting the label position to None (below right).Finally I set the gap width of the column chart series to 0% (below).The risk matrix background is now ready to accept data.Add Simple Risk Matrix DataStarting with the finished background matrix above, copy the X-Y data for the secondary axis points, select the chart, and use Paste Special from the Paste dropdown on Excels Home tab, to add the data as a New Series, with Series in Columns, and with Categories in First Column and Series Names in First Row (below left).This obliterates much of the chart, but thats only temporary. Excel added the new series another set of stacked columns: right-click on the new series and choose Change Series Chart Type from the pop-up menu, and select XY Scatter. Excel automatically places the series on the secondary axis, and puts the two secondary axes on the bottom and left of the chart, since weve moved the primary axes to the top and right edges where secondary axes normally reside (below right).Format both secondary axes to use 50% gray for line color (below left). Adjust the axis scales of these axes so the tick marks align nicely with the color grid: use 60,000 as the vertical axis major unit and 100% as the horizontal axis maximum (below right).Finally apply a little formatting to the markers. I enlarged the markers to 7 pts, added a dark gray outline, and applied a blue fill (below).You should add titles to the secondary axes and data labels to the points, as I did in the sample risk matrix charts at the beginning of this article.Add Paired Risk Matrix Data, Connected by ArrowsAdding the more detailed paired data is much the same as adding simple data.Starting with the finished background matrix above, copy the X-Y data for the first set of secondary axis points. Then select the risk matrix, and use Paste Special from the Paste dropdown on Excels Home tab, to add the data as a New Series, with Series in Columns, Categories in First Column, and Series Names in First Row (below left).This obscures much of the chart, but we can fix that. Right-click on the new series and choose Change Series Chart Type from the pop-up menu, and select XY Scatter. Excel places the series on the secondary axis, and puts the two secondary axes on the bottom and left of the chart (below right).Repeat the Copy-Paste Special sequence with the additional sets of risk matrix data (below left).Format both secondary axes to use 50% gray for line color (below right).Adjust the axis scales of these axes so the tick marks align nicely with the color grid: use 60,000 as the vertical axis major unit and 100% as the horizontal axis maximum (below left).Now format the risk matrix scatter chart series. Enlarge the markers to 7 pts, add a dark gray outline, and apply suitable color fills. Format the connecting lines to use a dashed dark gray line of suitable thickness (I used 1.5 pts), and apply an arrowhead to the end of the lines (below right).Finally, label your axes and data points to clarify the meaning of the chart. Reader Interactions Skip to main contentRisks are inevitable in todays volatile marketplace. The deciding factor between overcoming and succumbing to these risks is your organizations ability to foresee and plan for them. One of the simplest and most popular risk management tools is the Risk Matrix also known as the business risk assessment matrix. Weve created a collaborative Risk Matrix template that enables you to identify risks and assess associated likelihoods.But first, lets take a look at how it works.What is a Risk Matrix?A risk matrix or business risk assessment matrix is a graph that you use to plot the probability of certain risks occurring against the impact this would have on your business. In other words, how likely is it that this identified risk will actually happen, and how severely will it affect your business if it does?The Risk Matrix tool works especially well because of its clear visual nature. By providing a simple visualization of potential risks, you can easily see which ones are high priority and which ones can be ignored for now.So where does a risk matrix fit into your project management toolbox? Lets find out about the best time to conduct a risk assessment.A risk matrix template focuses on two key aspects:Severity:The impact of a risk and the negative consequences that would result.Probability: The probability of the risk occurring.Using this free Conceptboard template will help you plot your risks according to these two aspects quickly and easily on the graph, by using online sticky-notes.Use templateFirstly you need to decide on the severity rating for each identified risk. On the matrix, move along the x axis until youve reached the appropriate rating: Minor, Moderate, Significant or Severe.Then, by moving along the y axis, assess at the probability of it happening. Starting from Unlikely: almost no possibility of this happening; then Possible: this has the potential to happen; lastly Highly Likely: risks that are bound to happen. Continue in this manner for each risk youve identified.After youve placed each risk in the template matrix according to their severity and likelihood, you will be able to clearly see which risks require the most attention, based on their color-coded rating of the box they appear in.Green = Low: The consequences of the risk are minor, and it is unlikely to occur. These types of risks are generally ignored.Yellow = Medium: Somewhat likely to occur, these risks come with slightly more serious consequences. If possible, take steps to prevent medium risks from occurring, but remember that they are not high-priority and should not significantly affect organization or project success.Orange = High: These are serious risks that both have significant consequences, and are likely to occur. Prioritize and respond to these risks in the near term.Red = Extreme: If any risks appear in the final two red squares labelled 11 or 12, these are catastrophic risks that have severe consequences and are highly likely to occur. Extreme risks are the highest priority and need to be mitigated immediately to ensure survival of the organization or project.Its important to address those deemed extreme and high risk by making a response plan. Meanwhile, those risks that fall into the medium and low categories can often be monitored, but depending on your teams time and resource limits, these probably dont need to be addressed. However, it is important to keep monitoring your risks until the project is complete.Streamline cross-functional team collaboration for distributed teams with ConceptboardTry for freeThe first step in creating a risk management matrix is to identify all the possible risks. Its important to gather your project team and collaborate on risk identification. In this brainstorming session, be sure to bring historical data or documents from any from prior risk assessments your organization has completed.As a team, you should go through this list of potential risks compiled by MindTools, and nominate any that are relevant to your situation:Human Illness, death, injury, or other loss of a key individual.Operational Disruption to supplies and operations, loss of access to essential assets, or failures in distribution.Reputational Loss of customer or employee confidence, or damage to market reputation.Procedural Failures of accountability, internal systems, or controls, or from fraud.Project Going over budget, taking too long on key tasks, or experiencing issues with product or service quality.Financial Business failure, stock market fluctuations, interest rate changes, or non-availability of funding.Technical Advances in technology, or from technical failure.Natural Weather, natural disasters, or disease.Political Changes in government, tax, public opinion, government policy, or foreign influence.Structural Dangerous chemicals, building design, poor lighting, falling boxes, or any situation where staff, products, or technology may be harmed.Use templateOnce youve got a complete list of the risks your business faces, the next step is to plot them on the matrix according to their probability and severity.Once youve worked out the weight of the risks you face, as a team, or with the help of a risk manager, you can plan ways to mitigate them. This may include choosing to avoid the risk, sharing it, or accepting it while reducing its impact. Popular tools such as the Kanban board can help you structure and prioritize this workflow. Kanbans main principle isbased on matching the amount of work in progress to the teams capacity to streamline workand maximize efficiency.When to use a Risk Assessment Matrix?The best time to conduct a risk assessment matrix is during the project planning phase. This way all risks will be identified before any major work begins, meaning they can also be planned for and neutralized.A Risk Matrix assessment has other important use cases too, such as when youre improving safety or undergoing changes or renovations in the workplace. Its also useful for preparing a plan for possible emergency situations such as natural disasters, staff sickness or injury, or even equipment or technology failure such as power outages.If youd like to read more about strategic management tools, check out our other articles such asPorters Five Forces Analysis,Pesteland SWOT analysis.Or use productivity tools such as OKRs or SMART to help you achieve your goals today! Conceptboards templates are visually structured workspaces designed for meetings, workshops, presentations, and more helping you become productive right away. Each template is built to save time while improving the quality of your collaborations. In the fast-paced world of HR and education, there's often little time to prepare content thats both visually engaging and didactically solid. You know the drill: the deadline looms, the topic is clear but your presentation is still a blank canvas. A Risk Assessment Matrix is a tool used in project management and many other fields as part of the process of identifying, assessing, and prioritizing risks. The risk matrix provides a visual reference showing the rating scales used for the Likelihood and Impact of a risk, which are either added or multiplied to calculate a Risk Score. The risk score is often color-coded to help in prioritizing the risks. Our free Risk Assessment Template below provides a way to create and customize the risk matrix. But perhaps more importantly, it includes an example of a basic Risk Assessment table showing how to implement the rating scales within drop-down lists, with conditional formatting to highlight the Risk Score. Risk Assessment Template for Excel Excel For: Excel 2013 or later License: Private Use (not for distribution or resale)DescriptionThis template includes a Risk Assessment Matrix that you can customize and reference as you list risks or failure modes. The risk score in the table is calculated based on the options you choose in the Matrix worksheet. Conditional formatting is used to color-code the Risk Score. In addition to the green-yellow-red matrix, the risk assessment template includes worksheets for customizing a white-red and blue-red design, shown below: White-Red Risk Matrix DesignBlue-Red Risk Matrix Design The Likelihood, or probability, of a risk refers to the chance of the risk event occurring. The definitions for the rating scale may be qualitative, quantitative, or a combination of both and should be customized based on the types of risk events being analyzed. For example, natural disaster events may occur at rates of months to millennia, while risk events at a theme park might occur at rates of hours to days or years. It may be important to provide a description of the rating scale you are using so that everyone on your team will understand the scale. How rare is rare? What does "occasional" mean? If the probability can be quantified in some way, even roughly, doing so may be helpful as the team works together to rate each risk. Below is an example of a 5-point rating scale for the Likelihood axis, along with some examples of different types of qualitative and quantitative definitions. Example: 5-Point Rating Scale for the Likelihood AxisRatingLabelDescriptionProbabilityFrequencyRateExample1RareVery rare or highly unlikely