

## **Risk Bow Tie Instructions**

#### **Underlying Conditions**

These conditions cause risk events to occur. They could also influence the timing, likelihood, or magnitude of the risk event.

Consider internal, external, and worsening trends and conditions that could influence this risk event.

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#### **Proactive Controls**

These strategies are put in place to reduce the likelihood that a risk event will occur -- **preventing** the risk if there will be downside consequences.

If the risk presented would be a positive influence on the mission or strategic goals, these controls would bolster the possibility of taking advantage of the risk or influence the likelihood that the risk would occur.

### **Reactive Controls**

These strategies are put into place to reduce the magnitude or severity of a risk **after** it occurs -- reducing negative fallout if possible.

In the case of positive effects, these reactive controls would bolster the risk's effects further. These controls may also be designed to change the trajectory of a negative risk into one that helps support the mission or strategic initiatives.

#### Consequences

It is important to consider both categories of consequences for risks.

#### **UPSIDES**

These outcomes are positive – the 'silver linings' of a risk event.

#### **DOWNSIDES**

These outcomes are negative -- the harmful results of a risk event

Step 3

### much detail as possible.

**Risk Event** 

Describe the risk in as

(Note: risks are **future** actions, events, or decisions)

Step

Step Step 4

Step 5

# **Comprehensive Risk Bow Tie**



First, choose a risk event (future action or event).

**Second**, identify **underlying conditions** affecting the risk potential and **consequences** that may result from the occurrence of the event.

**Third**, consider what controls can be put in place to alter the effects of the **underlying conditions** or the **consequences** of the event.



