



# APPLYING RISK MANAGEMENT

TASK: Teach Soldiers the Risk Management Process

CONDITIONS: Discussion – Question based

STANDARDS: Understand the Army's primary decision making process for identifying hazards and controlling risks across the full spectrum of Army missions, functions, operations, and activities.

REFERENCE(S): FM 5-19 Composite Risk Management July 2006



# APPLYING RISK MANAGEMENT

## What is Composite Risk Management?

(Discussion) Ask Soldiers what they think CRM is?

- Systematic process to identify hazards and react to situational changes while managing chaos and uncertainty.
- Integrated into the Military Decision Making Process (MDMP).
- Soldiers are key to identifying hazards.



# APPLYING RISK MANAGEMENT

## What are the five steps of CRM?

(Discussion) Ask the Soldiers what the five steps of CRM are? Discuss the five steps of CRM. Start a discussion by asking the Soldiers what are their plans for the weekend. Facilitate the discussion about asking what are some of the risks that may be encountered. Discuss what the ways to eliminate or reduce the hazards. Use talking points of events that may occur to determine if the implemented controls are effective.

## Identify Hazards:

- Condition with the potential to cause injury, illness, or death or personnel; damage to or loss of equipment/property; or mission degradation.

## Assess Hazards:

- Assessed and risk is assigned in terms of probability and severity or adverse impact of an event/occurrence.



# APPLYING RISK MANAGEMENT

What are the five steps to CRM con't?

Develop Controls / Make Risk Decision:

- Develop ways to eliminate hazards or reduce the risk (probability and/or severity). Reassess risk after controls in place to determine residual risk.

Implement Controls:

- Ensure controls are integrated into SOPs, orders, mission briefings, and staff estimates.

Supervise & Evaluate:

- Ensure subordinates understand how, when, and where controls are implemented. Assess how the process worked and what needs to be adjusted.



# APPLYING RISK MANAGEMENT

Once the hazards are identified use the risk assessment Matrix to determine the risk level. Use far left column (Severity) to evaluate the consequence of the action. Align severity determination with the probability column to determine level of risk.

RISK ASSESSMENT MATRIX						
		Probability				
Severity		Frequent <b>A</b>	Likely <b>B</b>	Occasional <b>C</b>	Seldom <b>D</b>	Unlikely <b>E</b>
Catastrophic	<b>I</b>	<b>E</b>	<b>E</b>	<b>H</b>	<b>H</b>	<b>M</b>
Critical	<b>II</b>	<b>E</b>	<b>H</b>	<b>H</b>	<b>M</b>	<b>L</b>
Marginal	<b>III</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>L</b>	<b>L</b>
Negligible	<b>IV</b>	<b>M</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>
		<b>E – Extremely High</b>	<b>H – High</b>	<b>M – Moderate</b>	<b>L – Low</b>	

Using the example of the weekend trip to apply risk management to the MDMP. In the planning phase, identify the hazards that may be encountered in the execution of a mission, event, or operation and assess the potential impact of these hazards by using the risk assessment matrix. During the preparation phase, risks are balanced and controls are developed and decisions made to eliminate unnecessary risks. The execution phase involves implementation and supervision of the identified controls as well as evaluating their effectiveness.