

PROBABILITY AND IMPACT MATRIX

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2.4.1 Qualitative Risk Analysis – Probability and Impact Matrix

The project manager will assess the probability and impact of occurrence for each identified risk, with input from the project team using the following approach:

Probability

- High – Greater than <80%> probability of occurrence
- Medium High – Between <60%> and <80%> probability of occurrence
- Medium – Between <40%> and <60%> probability of occurrence
- Low Medium – Between <30%> and <40%> probability of occurrence
- Low – Below <30%> probability of occurrence

Impact

- High – Risk that has the potential to greatly impact project cost, project schedule or performance
- Medium High – Risk that has the potential to impact project schedule or performance.
- Medium – Risk that has potential to impact performance.
- Medium Low – Risk that has the potential to slightly impact project cost, project schedule or – Risk that has relatively little impact on cost, schedule or performance

Risks that fall within the **RED** and **YELLOW** zones will have risk response plan which may include both a risk response strategy and a risk contingency plan.

Probability of Occurrences			Catastrophic	Critical	Moderate	Minor	Negligible
Definition	Meaning	Value	(A)	(B)	(C)	(D)	(E)
Frequent	Occurs frequently	5	5A	5B	5C	5D	5E
Likely	Occurs less frequently if process is corrected	4	4A	4B	4C	4D	4E
Occasional	Occurs sporadically	3	3A	3B	3C	3D	3E
Seldom	Unlikely to occur	2	2A	2B	2C	2D	2E
Improbable	Highly unlikely to occur	1	1A	1B	1C	1D	1E

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