

Risk Mitigations

There are four main ways of dealing with a risk:

1. Avoid.
2. Mitigate.
3. Transfer.
4. Accept.

Avoid: This is removing a risk by removing the work package or organisation/person that is the source of the risk. This can be by redesign or by change-out.

Mitigate: This is where we invest money or resources to reduce either the likelihood or impact.

Transfer: This is where we transfer risk to another party.

Accept: Acknowledge the risk and accept the consequences if it happens.

Risk management examples

Mitigation Example: To reduce the risk delay of equipment being shipped offshore on the regular weekly supply vessel a mitigation would be to pre-invest in a dedicated vessel on standby to transport equipment exactly when required.

Transfer of risk Example: A warranty on an equipment package transfers risk to the supplier where the supplier will repair or replace should it fail in the warranty period.