Figure 1 - Model of Risk Management Decision-making (Modified from Stewart, 2000)

**Initiation**
- Define problem or opportunity and associated risk issue(s).
- Identify risk management team.
- Assign responsibility, authority, and resources.
- Identify potential stakeholders and begin to develop consultation process.

**Analysis**

**Hazard Identification**

**Frequency Analysis**

**Consequence Analysis**

**Risk Estimation**

End  🔄 Go back
Next step and/or take action

**Risk Evaluation**
- Estimate and integrate benefits and costs.
- Assess stakeholder acceptance of risk.

End  🔄 Go back
Next step and/or take action

**Risk Control**
- Identify feasible risk control options.
- Evaluate risk control options in terms of effectiveness, cost, and risks.
- Assess stakeholder acceptance of proposed action(s).
- Evaluate options for dealing with residual risk.
- Assess stakeholder acceptance of residual risk.

End  🔄 Go back
Take action

**Action/Monitoring**
- Develop an implementation plan.
- Implement chosen control, financing, and communication strategies.
- Evaluate effectiveness of risk management decision process.
- Establish a monitoring process, terminate as applicable.