

**OPERATIONAL RISK MANAGEMENT (ORM) ASSESSMENT
(OPNAVINST 3500.39C FIVE-STEP PROCESS)**

Command/Department:

Work Process/Assessable Unit Title:

Step 1. Identify Hazards: **Yes No N/A**

- a. Has a flowchart been completed identifying major steps of the work process?
- b. Have applicable hazards of each step with possible causes for those hazards been documented? If yes, attach copy (format on page 3). If no, comment on page 2.
- c. Are internal controls/safeguards in place for Personally Identifiable Information (PII)?

Step 2. Assess Hazards. Each hazard identified in Step 1 will be assigned a “Hazard Severity Category,” “Mishap Probability Rating,” and a “Risk Assessment Code (RAC).” The below matrices are a guide for assessing hazards. **Yes No N/A**

- a. Has each hazard been assigned a Hazard Severity Category?
- b. Has each hazard been assigned a Mishap Probability Rating?
- c. Has each hazard been assigned a RAC?

Hazard Severity Category Matrix:

- I (death, loss, or grave damage)
- II (severe injury, damage, or inefficiencies)
- III (minor injuries, damage, or inefficiencies)
- IV (minimal threat to personnel and property)

Mishap Probability Sub-Category Matrix:

- A (likely to occur immediately)
- B (probably will occur in time)
- C (may occur in time)
- D (unlikely to occur)

Hazard Severity

Mishap Probability Rating

Risk Assessment Code

	A	B	C	D
I	1	1	2	3
II	1	2	3	4
III	2	3	4	5
IV	3	4	5	5

- 1 = Critical
- 2 = Serious
- 3 = Moderate
- 4 = Minor
- 5 = Negligible

(Note: Hazard Severity + Mishap Probability Rating = Risk Assessment Code)

Step 3. Risk Decisions: **Yes No N/A**

- a. Have risks been prioritized and internal controls selected to reduce process risks?
- b. Do selected internal controls provide benefits that outweigh risks?
- c. If risk outweighs benefit, does the process warrant reporting to higher authority as a material weakness? Discuss issues on page 2.

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Step 4. Internal Control Implementation (more than one type internal control may apply): **Yes No N/A**

- a. Have “Engineering Controls” been implemented that reduce risks by design, material selection, or substitution when technically or economically feasible?
- b. Have “administrative controls” been implemented that reduce risks through specific administrative actions, such as:
 - (1) Providing suitable warnings, markings, placards, signs, and notices?
 - (2) Establishing written policies, programs, instructions, and standard operating procedures?
 - (3) Training personnel to recognize hazards and take appropriate precautionary measures?
 - (4) Limiting the exposure to a hazard (either by reducing the number of personnel/assets or the length of time they are exposed)?
- c. Is there use of “personal protective equipment” (serves as a barrier between personnel and a hazard and should be used when other controls do not reduce the hazard to an acceptable level)?

Step 5. Supervision. Is there periodic supervisory oversight of internal controls for the work process?

ORM Assessment conducted by:		Date:	
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ORM Assessment reviewed by:		Date:	
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(Department Head/Supervisor)

ORM Assessment conducted by:		Date:	
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ORM Assessment reviewed by:		Date:	
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(Department Head/Supervisor)

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ORM Assessment reviewed by:		Date:	
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(Department Head/Supervisor)

(Additional signature blocks are provided to permit signatures in subsequent years.)

<u>Issues/Comments :</u>	<u>Actions (Include estimated completion dates.):</u>

**OPERATIONAL RISK MANAGEMENT (ORM) ASSESSMENT
WORK PROCESS HAZARDS**

Command/Department:

Work Process/Assessable Unit Title:

Document applicable risks and causes on the above work process. List hazards in order of severity. Refer to page 1 of ORM Assessment form for matrices to determine Hazard Severity Category, Mishap Probability Sub-Category, and Risk Assessment Code (RAC).

1. Hazard:

a. Cause:

b. Hazard Severity Category:

c. Mishap Probability Sub-Category:

d. RAC:

2. Hazard:

OPERATIONAL RISK MANAGEMENT (ORM) ASSESSMENT
WORK PROCESS HAZARDS

a. Cause:

b. Hazard Severity Category:

c. Mishap Probability Sub-Category:

d. RAC:

3. Hazard:

a. Cause:

b. Hazard Severity Category:

c. Mishap Probability Sub-Category:

d. RAC: