

**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?

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

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(Department Head/Supervisor)

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

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

**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: