

# Risk identification tool for political finance oversight institutions

Identifying risks is the first step to establishing an effective risk register.

Set up a workshop, and use the ideas below as prompts to help you to identify risks:

## External factors:

- PESTLE model:
  - » Political
  - » Economic
  - » Social
  - » Technological
  - » Legal
  - » Environmental

For a fuller explanation of the PESTLE model, see [Link to 2.1.1.2.1](#)

## Internal factors:

### Operational risks:

- Delivery:
  - Service/product failure; project (delivery failure)
- Capacity and capability:
  - Resources (money, people, information, physical assets); relationships (partners, clients, accountability); operational delivery (overall capacity and capability); reputation (confidence and trust in the organisation)
- Risk management performance and capability:
  - Governance (propriety, compliance, ethics, due diligence); scanning (failure to identify threats); resilience (capacity to withstand adverse impacts, business continuity); security (of assets and information)

### Change-related risks:

- Environmental changes and challenges
- New targets and performance indicators
- Change programmes
- New projects
- New policies
- Changes in resource availability

### Common risk categories:

- Governance risks

- Legal risks
- Financial risks
- People risks
- Technology risks
- Security risks
- Information risks
- Project or Programme risks
- Reputational risks
- Operational delivery risks
- Commercial risks
- Property and safety risks