

# 2023 Agency Risk Assessment Results



# 2023 Risk Assessment Report



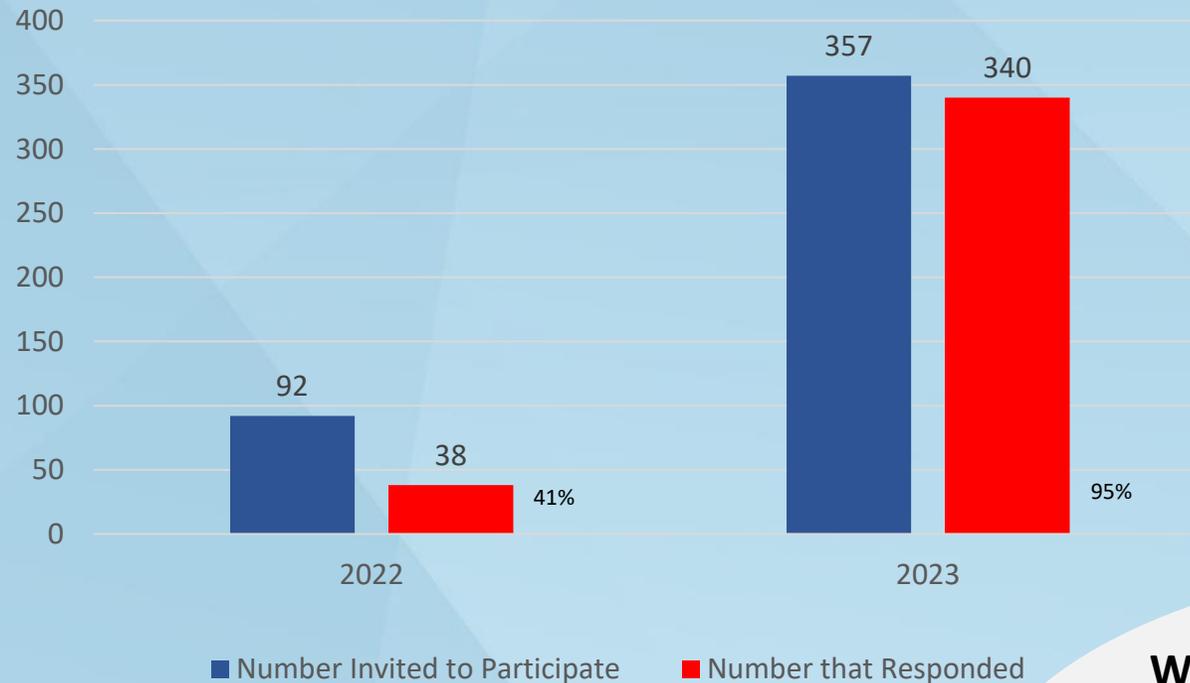
Prepared by Christie Giles, Risk Management Administrator

# Risk Assessment Process

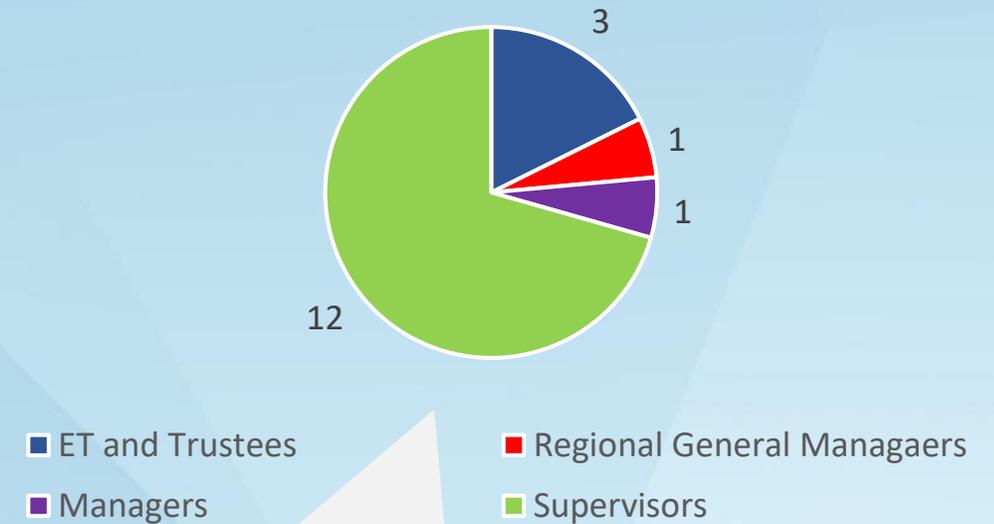


# Risk Assessment Training Participation

Two-year Risk Assessment Training Participation



Breakdown of 2023 Nonparticipation

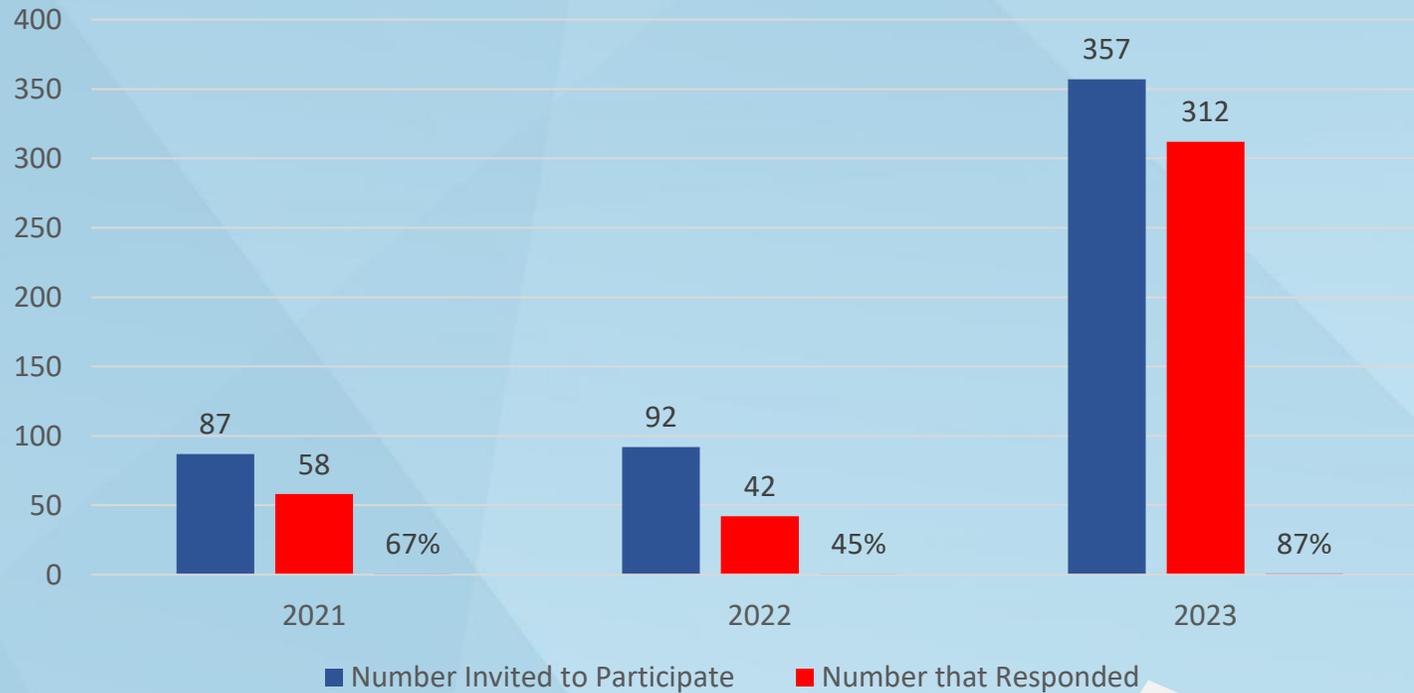


## What Does the Nonparticipation Breakdown Tell Us?

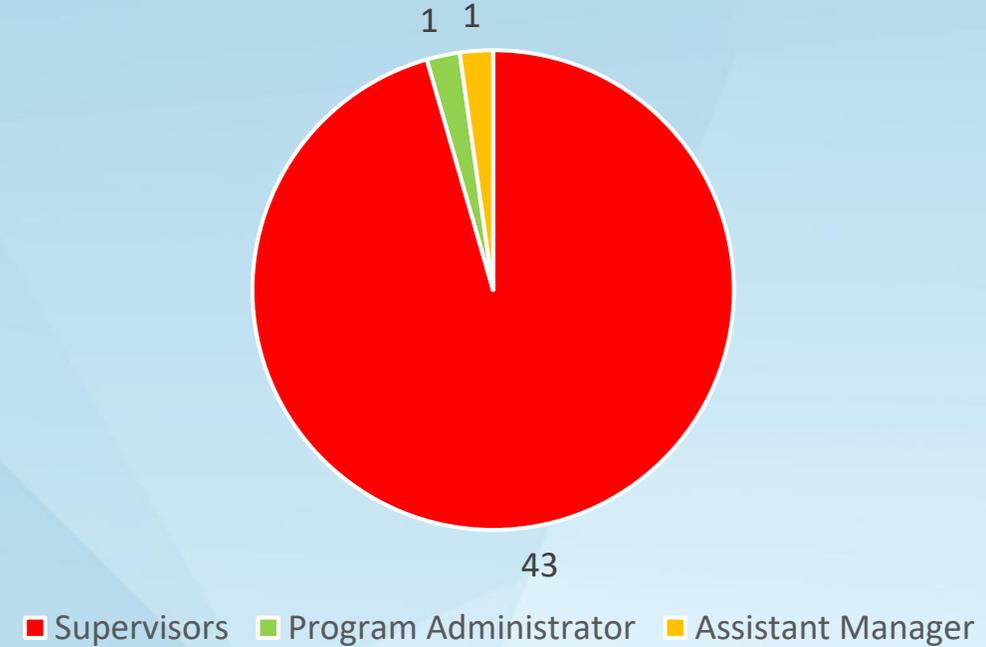
The process of engaging supervisors in the risk assessment process should be improved.

# Risk Assessment Survey Participation

### Three-year UTA Risk Assessment Participation



### Breakdown of 2023 Nonparticipation



**Why Does Expanded Participation Matter?**  
It provides visibility into what leaders are seeing and experiencing at all levels of the Agency.

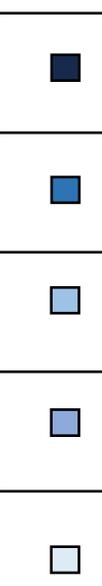
# Increasing Risk Assessment Maturity



# New Risk Assessment Matrix

**What Does the Matrix Do?**

- It provides context for Risk Profile Numbers (RPNs).
- It allows UTA to standardize risk assessment across the agency.

Risk Matrix		Prevention/Detection (DET) Rating										Legend	
		1	2	3	4	5	6	7	8	9	10		
Severity (SEV) Rating	1	1	4	9	16	25	36	49	64	81	100	<b>High</b> 441-1,000 <b>Mod-High</b> 360-440 <b>Moderate</b> 144-359 <b>Mod-Low</b> 81-143 <b>Low</b> 1-80	
	2	2	8	18	32	50	72	98	128	162	200		
	3	3	12	27	48	75	108	147	192	243	300		
	4	4	16	36	64	100	144	196	256	324	400		
	5	5	20	45	80	125	180	245	320	405	500		
	6	6	24	54	96	150	216	294	384	486	600		
	7	7	28	63	112	175	252	343	448	567	700		
	8	8	32	72	128	200	288	392	512	648	800		
	9	9	36	81	144	225	324	441	576	729	900		
	10	10	40	90	160	250	360	490	640	810	1,000		
		1	2	3	4	5	6	7	8	9	10		
Occurrence (OCC) Rating													



# New Risk Rating Scale

## What Does the Scale Do?

It describes the conditions likely to be present at each risk level.

Risk Level	Definition
<b>1 High</b>	Major uncertainties are present. More is unknown than is known. No experience and/or data is available. Structure and resources are not established.
<b>2 Mod-high</b>	Many uncertainties are present. Experience and/or data is limited. Structure and resources are incomplete, unproven and/or immature.
<b>3 Moderate</b>	Some uncertainties are present. As much is known as is unknown. Sufficient experience and data exist but may not be fully utilized. Structure and resources are adequate.
<b>4 Mod-Low</b>	Minor uncertainties are present. Strong experience and data exist. Structure and resources are well designed and supported.
<b>5 Low</b>	Little to no uncertainties remain. Significant experience and data exist and are fully utilized. Structure and resources are robust.

# New Perceived Level 1 Risks and Owners

	Perceived Level 1 Risk	Owner(s)
1	<b>Technology</b>	Alisha Garrett
2	<b>Strategy/Planning</b>	Alisha Garrett/Nichol Bourdeaux
3	<b>Regulatory/Compliance</b>	Alisha Garrett/Cherryl Beveridge
4	<b>Infrastructure</b>	David Hancock/Cherryl Beveridge
5	<b>Operational (People, Process, Safety)</b>	Kim Shanklin/Cherryl Beveridge/Sheldon Shaw
6	<b>Financial</b>	Viola Miller
7	<b>Information Security</b>	Alisha Garrett
8	<b>Reputational</b>	Heather Barnum/Shule Bishop/Cherryl Beveridge

Perceived Level 1 Risks are top-of-the-house, aggregated risks.

# New Perceived Level 1 Risk Appetite

	Perceived Level 1 Risk	Risk Appetite
1	Technology	<b>Moderate</b>
2	Strategy/Planning	<b>Moderate</b>
3	Regulatory/Compliance	<b>Low</b>
4	Infrastructure	<b>Low</b>
5	Operational (People, Process, Safety)	<b>Low</b>
6	Financial	<b>Low</b>
7	Information Security	<b>Low</b>
8	Reputational	<b>Low</b>

Risk Appetite is the amount of risk the Agency is willing to accept in the pursuit of objectives.

# New Perceived Level 1 Risk Profile

## What Does the Profile Do?

- It compares Risk Appetite to the current/actual risk level.
- When the actual/current risk level is higher than the defined appetite, leadership can develop action plans to reduce it.

	Perceived Level 1 Risk	Risk Appetite	Current/Actual Risk	Average RPN	Owner(s)
1	Technology	Moderate RPN 144-359	Moderate RPN 144-359	218.2	Alisha Garrett
2	Strategy/Planning	Moderate RPN 144-359	Moderate 144-359	207.0	Alisha Garrett/Nichol Bourdeaux
3	Regulatory/ Compliance	Low RPN 1-80	Moderate 144-359	198.4	Alisha Garrett
4	Infrastructure	Low RPN 1-80	Moderate 144-359	194.0	David Hancock/Cherryl Beveridge
5	Operational (People, Process, Safety)	Low RPN 1-80	Moderate 144-359	151.1	Kim Shanklin/Cherryl Beveridge/Sheldon Shaw
6	Financial	Low RPN 1-80	Mod-Low 81-143	143.6	Viola Miller
7	Information Security	Low RPN 1-80	Mod-Low 81-143	143.4	Alisha Garrett
8	Reputational	Low RPN 1-80	Mod-Low 81-143	135.9	Shule Bishop/Cherryl Beveridge

# 2023 Top Perceived Level 2 Risks

	Perceived Level 2 Risk	Average RPN	Risk Level	Respondents
1	<b>Organizational Structure</b>	294.1	Moderate 144-359	17
2	<b>Software</b>	259.5	Moderate 144-359	25
3	<b>Compensation and Benefits</b>	259.4	Moderate 144-359	19
4	<b>Leadership</b>	217.3	Moderate 144-359	26
5	<b>External Stakeholders</b>	214.4	Moderate 144-359	16
6	<b>Nonadherence</b>	201.1	Moderate 144-359	61
7	<b>People</b>	199.9	Moderate 144-359	216
8	<b>Communication</b>	188.3	Moderate 144-359	31

# 2023 Top Perceived Level 3 Risks

	Perceived Level 3 Risk	Average RPN	Risk Level	Respondents
1	Using old/unreliable technology	253.6	Moderate 144-359	24
2	Inadequate staff and/or resource allocation	224.4	Moderate 144-359	40
3	Insufficient knowledge of regulations/requirements	204.0	Moderate 144-359	18
4	Not following known regulations/requirements	202.9	Moderate 144-359	42
5	Inability to attract and retain qualified employees	200.3	Moderate 144-359	72
6	Disengaged employees	194.9	Moderate 144-359	33
7	Inadequate communication between teams and individuals	188.3	Moderate 144-359	31
8	Asset/equipment does not meet needs	185.8	Moderate 144-359	50

# Three-year History of Top Perceived Level 3 Risks

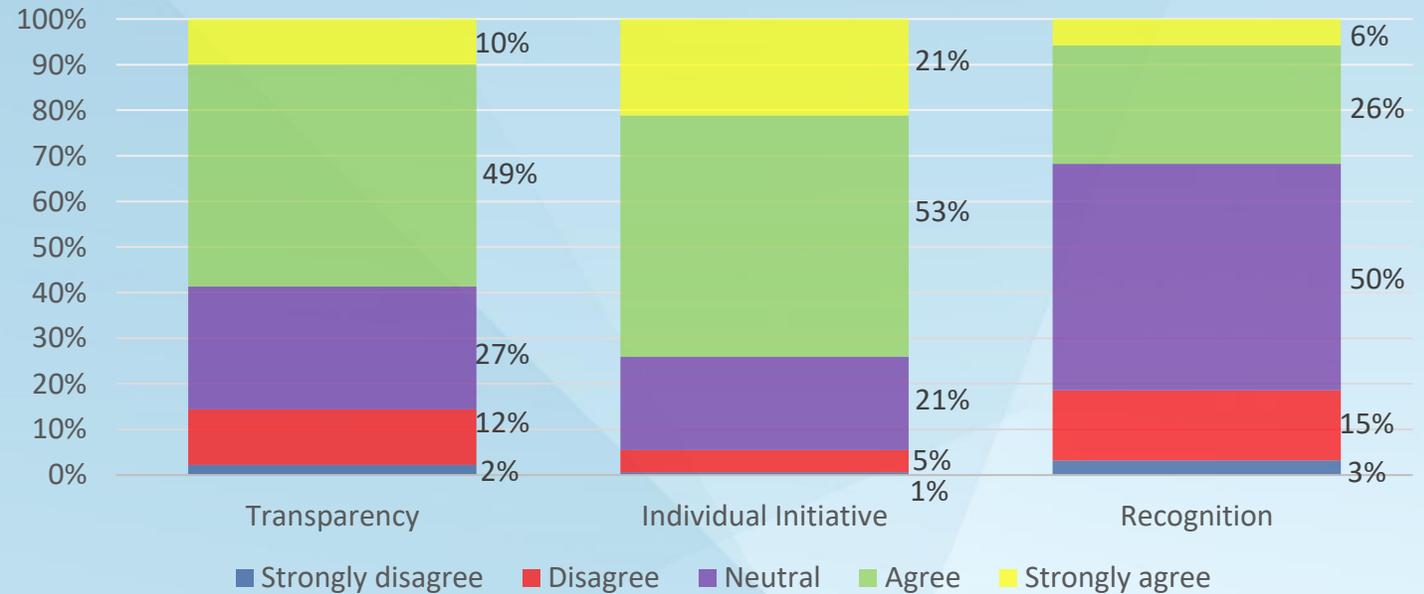
	Top Perceived Level 3 Risk	2021 Ranking	2022 Ranking	2023 Ranking
1	Using old/unreliable technology	10	2	1
2	Inadequate staff and resource allocation	0	0	2
3	Insufficient knowledge of regulations/requirements	33	20	3
4	Not following known regulations/requirements	33	20	4
5	Inability to attract and retain qualified employees	1	1	5
6	Disengaged employees	34	43	6
7	Inadequate internal communication	0	0	7
8	Asset/equipment does not meet needs	0	9	8

# New UTA Risk Culture Baseline

## What Does the Baseline Do?

It can be used to target and track improvements in UTA Risk Culture maturity.

## Statement: UTA Has Effectively Implemented Risk Culture *Influencers* to Support Risk Management

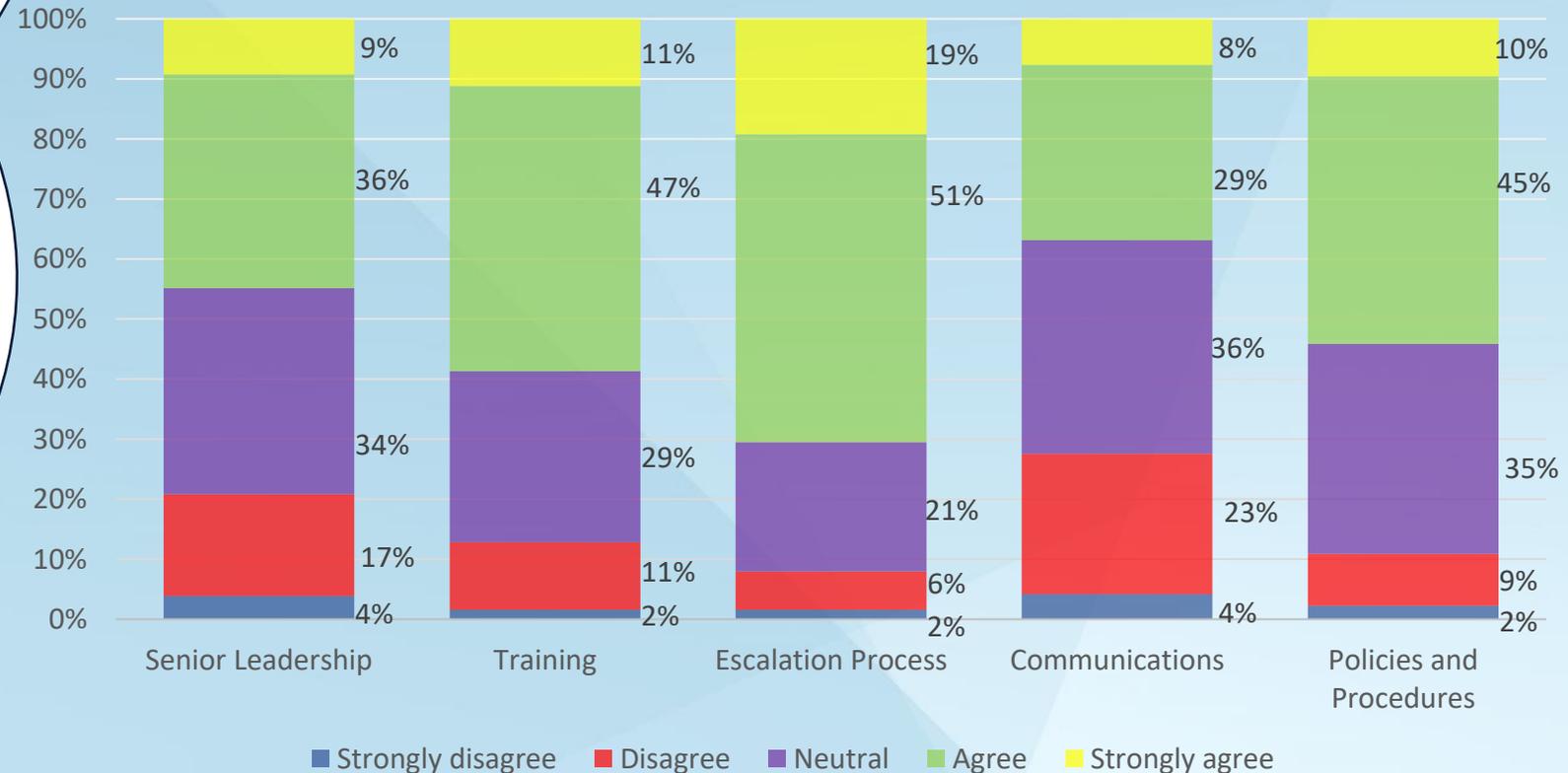


# New UTA Risk Culture Baseline

## What Does the Baseline Tell Us?

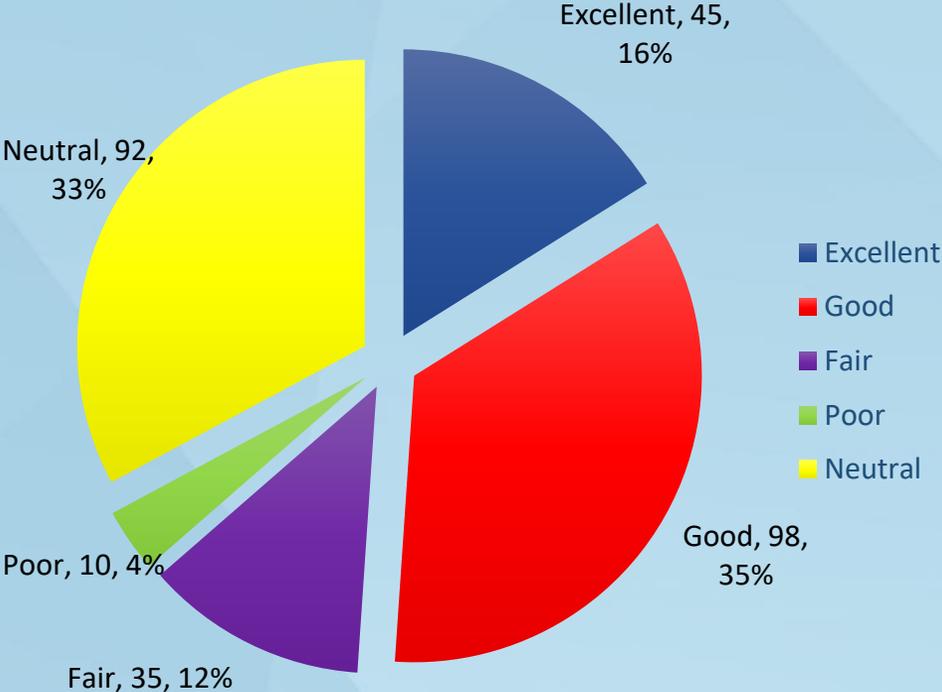
UTA's strongest Enabler is the "Escalation Process." UTA's strongest Influencer is "Individual Initiative." It has the greatest opportunity to improve the "Communications" Enabler and the "Recognition" Influencer.

Statement: UTA has effectively implemented *Enablers* to Support Risk Management



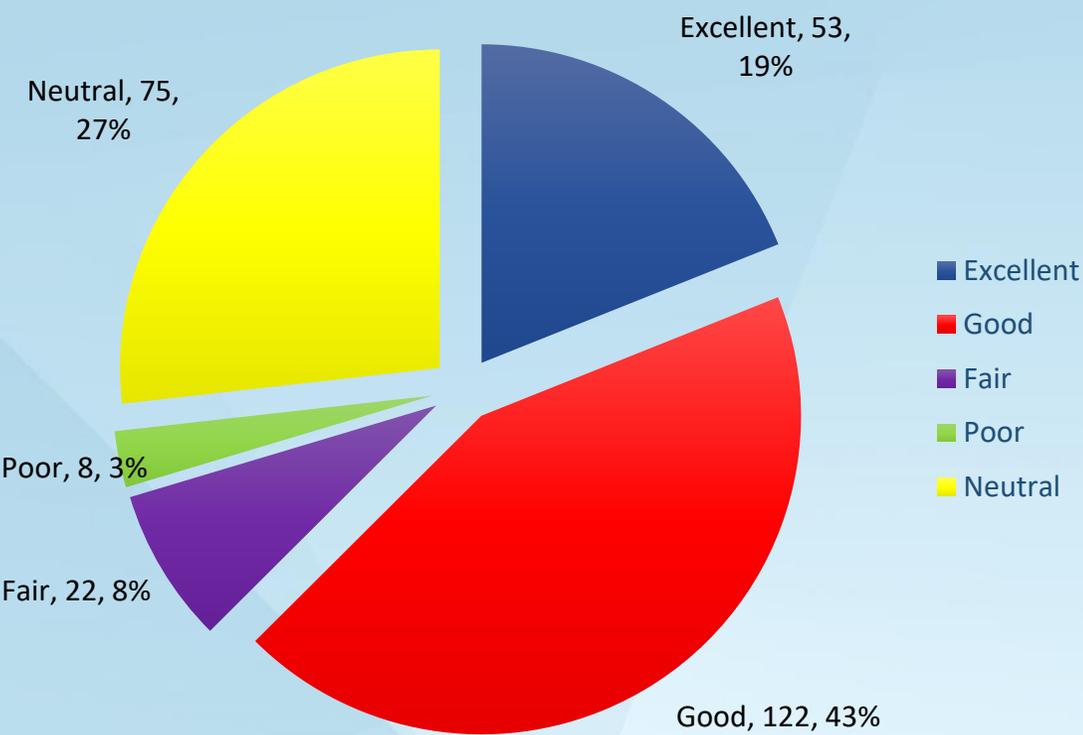
# Survey and Training Effectiveness

### Risk Survey Effectiveness



The most common suggestion for survey improvement is not to require identification of a minimum of five risks.

### Risk Training Effectiveness



The most common suggestion for training improvement is to change the assignment/completion tracking process in the Learning Management System (LMS), which incorrectly indicated for some individuals that training was complete when it was not.

# Next Steps

