

**List of Steps/Activities for Conducting Risk Assessment (RAP) at Organisation level, Core Process level, Activity level**

**Functions:** Project design & engineering

**Codes of RAP activities: Organisation level (TA01-TA05) Core Processes level (TA06-TA09) & core activities level (TA10-TA14)**

**Source: Annex13A**

**Chapter:10**

<b>Steps/Activities for conducting risk assessment at the organisation level Risk Assessment Processes Code:</b>	<b>Codes for steps /activities for risk assessment</b>	<b>Function applicable</b>	<b>Responsibility</b>
<p><b>1. Designating Risks Assessment team</b></p> <p>Top management Forming a cross-cross-functional (CFT) for developing a risk management framework covering the following.</p> <ol style="list-style-type: none"> <li>1. Organisation level Risks</li> <li>2. Core Process level Risks w. r. t. each key function</li> <li>3. Granularity level Risks w. r. t. each business activity for performing each core process.</li> </ol> <p>Each HOD releases such nominated user as &amp; when required by CFT.</p>	TA01	All, Similar	CEO/MD with inputs from each HOD
<p><b>2. Identifying Aspects that can contribute to “Organisation level” Risks</b></p> <p>CFT Identifying vis a vis <b>each key function</b> list of important Risk Aspects such as below, at “<b>Organisation level</b>” which can influence Business Growth or its Downfall:</p> <ul style="list-style-type: none"> <li>● Competition</li> <li>● Economy</li> <li>● Political</li> <li>● Social</li> <li>● Saleable /construction area substitute</li> </ul>	TA02	All, Similar	Each HOD

<ul style="list-style-type: none"> <li>● Government policies</li> <li>● Customer demands</li> <li>● Business Associates</li> <li>● Sudden Outage of IT/technical Infrastructure</li> </ul>			
<p><b>3. Designing a Risk assessment template at the organisation level</b></p> <p>Based on the above, CFT is designing a template (Table)for assessing Risks at the <b>organisation level</b>, including aspects below.  Table with 2 columns &amp; 6 rows  Columns in the table:  Column1: Aspect  Column2: Description  Rows  Row 1: <b>Function name; Function code; Risk Assessment Process Code:</b>  Row 2: <b>Risk statements</b>  Row 3: <b>Risk Analysis &amp; implications</b>  Row 4: <b>Risk Level at the organisation level</b>  Row 5: <b>Countermeasures, Timelines &amp; responsibility</b>  Row 6: <b>Top management Comments</b></p> <p>The proposed design template at <b>annex 13C</b> can be part of the Risk Manual/Risk register. After that, the functional team forwarding the designed template to the IT/System team for software programming of the design template with Create, edit, delete, view and approve features.</p>	TA03	All, Similar	<b>CFT</b>
<p><b>4. Software programming of Risk template 13C for organisation level</b></p> <p>IT team, based on the above inputs at TA03, develop a software programme for creating a Risk assessment template at the <b>Organisation level</b> &amp; having features in the design template</p> <ul style="list-style-type: none"> <li>● create</li> <li>● edit</li> <li>● view</li> </ul>	TA04	All, Similar	HOD-IT/ERP team

<ul style="list-style-type: none"> <li>approve</li> </ul> <p>IT team after that testing design template &amp; forwarding it to each relevant HOD for capturing <b>Organisation level</b> risks.</p>			
<p><b>5. Populating “Organisation level Risks” template 13C”</b></p> <p>a) Based on TA04, <b>each functional</b> HOD &amp;CFT deliberating &amp; classifying each “Risk” as High or Medium or Low, i.e. H, or M, or L &amp; populating template 13C vis a vis each function &amp; Risk assessment Process codes as below:</p> <p><b>Designing of Architecture – function - RA227</b>  <b>Designing of Interiors– function - RA228</b>  <b>Designing of MEP services– function - RA229</b></p> <p>And so on for each function</p> <p>b) Based on the above, capturing in template 13C, countermeasures to prevent or &amp; address risks</p> <p>c) after that, uploading function-wise template 13C in ERP application software in Production server for go-live</p>	TA05	All, Similar	Each HOD
<p><b>The overall range of all codes of 5 steps or activities identified as above</b></p>	TA01-TA05		
<p><b>Steps/Activities for conducting risk assessment at Core Process (Macro)Level</b>  <b>Risk Assessment Processes Code: RA251-RA263</b></p>			
<p><b>6. Identifying parameters that can influence “Core Process level” risks</b></p> <p>HOD/functional team Identifying a list of important aspects, such as below, that can influence risk in case of the process going wrong or its non -conformance:</p> <ul style="list-style-type: none"> <li>Organisation level risk assessed at activity TA05</li> <li>Likely adverse impact on Profitability, statutory compliance, Customer satisfaction, Corporate Governance, Quality of Construction or service</li> </ul>	TA06	All, Similar	Each HOD
<p><b>7. Designing a Risk assessment template at the core process level</b></p> <p>CFT Designing template at <b>Annex 13D</b> for assessing <b>Core Process level Risks</b> based on parameters identified at TA06 and template Design to include at least the following:</p> <p><b>Header</b>  Risk Assessment Process Code:  Function: Sub Function:  Function’s Code: Sub Function code:</p>	TA07	All, Similar	CFT

<p>The consequence of Process going wrong/incorrect execution:</p> <p><b>Footer (As a table)</b>  Column1: Core Process Description  Column2: Code  Column3: Risk Classification Level</p> <p><b>Rows</b>  numbers as required as per activities applicable for each function  The proposed design template at annex 13D can be part of the Risk Manual/Risk register  After that, the functional team forwarding the designed template as above to the IT/System for software programming of the template with creating, editing, deleting, viewing and approving features.</p>			
<p><b>8. Software programming of Risk template for core processes</b>  IT team, based on the above inputs at TA07, develop a software programme for creating a Risk assessment template at the <b>Core Process level</b> &amp; having features in the design template:</p> <ul style="list-style-type: none"> <li>● create</li> <li>● edit</li> <li>● view</li> <li>● approve</li> </ul> <p>IT team after that testing design template <b>Annex 13D</b> &amp; forwarding it to each relevant HOD for capturing <b>Core Process</b> level risks vis a vis respective key function.</p>	TA08	All, Similar	HOD-IT/ERP team
<p><b>9. Populating “Core Process level Risks” template 13D”</b>  a) Based on TA08 as also “organisation level risks” identified in 13C, each HOD &amp; functional team deliberating and classifying each Core Process level Risk as “H or M or L” and populating template 13D vis a vis each function &amp; Risk assessment Process codes as below:  <b>Designing of Architecture</b> – function-RA252  <b>Designing of Interiors</b>-RA253  <b>Designing of MEP services</b>-RS254  And so on for each function  c) after that uploading function-wise template at annex 13D in ERP application software /Production server for go-live</p>	TA09	All, Similar	Each HOD

The overall range of Codes for four steps or activities as above	TA06-TA09		
Steps/Activities for conducting risk assessment at Activity (Granularity) Level of core processes			
<p><b>10. Identifying parameters that can influence Business “Activity level” risks- w.r.t each core process -</b>  HOD/functional team, in consultation with risk management or Internal audit team  Identifying a list of important parameters, such as below, that can influence risks due to core activity (vis a vis core process) being performed incorrectly or going wrong:</p> <p><b>i)Severity Parameters =5 Having Adverse implication on aspects as below:</b>  Profitability  statutory compliance  The strategic value of the company /Company Image affecting customer retention  Financial statement accuracy (Governed by clause 49 of SEBI in India or SOX Act (2002) compliance in the USA)  Reliability/effectiveness of process being assessed</p> <p><b>ii)Detectability stage Parameter =5 For incorrectness of activity (any one of the following stages)</b></p> <ul style="list-style-type: none"> <li>● At the very 1<sup>st</sup> stage within the respective function, where activity is initiated(created)</li> <li>● At review/approval stage within the same function</li> <li>● At subsequent process /intermediate stage involving other functions in business unit</li> <li>● At the corporate audit stage within the organisation</li> <li>● At customer end/business associate end (outside organisation)</li> </ul> <p><b>iii)Occurrence Parameter=10 Likely hood of activity going wrong (High, medium or low) based on the following:</b></p> <ul style="list-style-type: none"> <li>● Skill level of users performing an activity</li> <li>● Segregation of duty for activities</li> <li>● Completeness of execution of activity</li> <li>● Validation at each stage of activity execution</li> </ul>	TA10	All, Similar	Each HOD

<ul style="list-style-type: none"> <li>● Correctness of source data</li> <li>● Adequacy of internal controls</li> <li>● Robustness of systems &amp; SOP</li> <li>● Authorisation norms for activities creation, editing, deleting, viewing &amp; approval</li> <li>● Process logic correctness /accuracy</li> <li>● Other aspects-complexity of business, change management, ethical environments etc.</li> </ul>			
<p><b>11. Designing Risk assessment template at business activity level vis a vis each core process</b>  CFT Designing template <b>annex 13E</b> for assessing <b>Granularity level</b> Risks based on parameters identified at TA10. The proposed design template at <b>annex 13E</b> can be part of the Risk Manual/Risk register &amp; must include at least the following.</p> <p><b>Header:</b></p> <ul style="list-style-type: none"> <li>● Risk Assessment Process code</li> <li>● Function name</li> </ul> <p>1. Key Core Process code &amp; description  2. Risk at Macro level -for this Core Process: High or Medium or Low (Annex 13D)  <b>3. Parameters for determining Impact-Exposure matrix vis a vis activity (w. r. t. each specific core processes code) going wrong or being performed incorrectly:</b>  i) Severity Parameters-score on 10 Point scale based on aspects listed at activity TA10 above  ii) Detectability stage Parameter-score on 10 Point scale based on aspects listed at activity TA10 above  iii) Occurrence Parameter-score on 10 Point scale based on aspects listed at activity TA10 above  4. <b>Developing Impact- Exposure matrix</b> for each specific core process code, based on the score to be determined as per methodology below in separate sheet/s:</p> <p>i) Determining Impact score on a 100 Point scale (based on multiplication of score at 3(i) &amp; 3(ii) above</p>	TA11	All, Similar	CFT

<p>ii) Determining Exposure score on a 10 Point scale (based on the score at 3(iii) above  <b>Footer (as a table)</b>  <b>Columns</b> -5 numbers with the description as below  <b>Column 1-</b> Activity description vis a vis Core Process -as per annex 21A(2),21A(3),21A(4)  <b>Column 2-</b> Activity Code  <b>Column 3-</b>Impact score out of 100  <b>Column 4-</b>Exposure score out of 10  <b>Column 5-</b>Risk classification level as High or Medium or Low  <b>Rows</b> -numbers as required as per the number of activities applicable in each process</p> <p>After that, the functional team forwarding the designed template as above to IT/System for software programming of the template with creating, editing, deleting, viewing and approving features.  The proposed design template at <b>annex 13E</b> can be part of the Risk Manual/Risk register.</p>			
<p><b>12. Software programming of Risk template at annex 13 E for core business activity</b>  IT team, based on inputs at TA11, developing software programme for creating Risk Assessment template for capturing “<b>Granularity level</b> Risks at Business activity level vis a vis each core process.”  IT team after that testing Risk Assessment template &amp; forwarding it to each relevant HOD for capturing <b>Granularity level</b> risks.</p>	TA12	All, Similar	HOD-IT/ERP team
<p><b>13. Populating “Business Activity level risks vis a vis each Core Process level” template 13E”</b>  Based on TA12 as also “Core Process level risks” identified in annex 13D, each HOD &amp; functional team deliberating and populating columns 1 to 5 as per methodology below based on Development of Impact -Exposure Matrix as per below methods:  column 1) Capturing core activity description as per annex 21A(2),21A(3),21A (4) column  2) Core activity code  column 3) Determining Impact score on a 100 Point scale (based on multiplication of score at sub-point (i) &amp; (ii) mentioned in activity at TA10 above)  column 4) Determining Exposure score on a 10 Point scale (based on the score at sub-point (iii) mentioned in activity at TA10 above  The basis of assigning scores is as under.</p>	TA13	All, Similar	Each HOD

<p>i) Score on severity parameter on a 10 Point scale (1-lowest adverse impact on business; 10 being highest adverse impact on business)</p> <p>ii) Score on Detectability stage parameter on a 10 Point scale (1-Detectability at 1<sup>st</sup> or initial stage; 10- Detectability at customer/business associate end)</p> <p>iii) Score on Occurrence parameter on a 10 Point scale (1-very low likely hood: 10-extremely high likelihood)</p> <p>Column 5) Classifying activity-wise risk as High or Medium or Low at annex 13E vis a vis each function &amp; Risk assessment Process codes as below: Thus, after classifying risks vis a vis each activity uploading this template (annex 13E) in IT/ERP application software /Production server for go live (Each function-wise)</p> <p><b>Designing of Architecture – function - RA277</b>  <b>Designing of Interiors– function - RA278</b>  <b>Designing of MEP services– function - RA279</b>  And so on.</p>			
<p><b>14. Incorporating Changes</b> As &amp; when changes occur vis a vis following for any reason, functional team reviewing and amending populated templates as above</p> <p>1)Changes in business environments  2)changes in core processes  3)changes in business activities vis a vis core processes  4)Change in design of the core document  5)Changes in Fields in core documents</p>	TA14	All, Similar	Each HOD
<p>Additional activities proposed <b>per function</b> for meeting future activity requirements of any function for <b>“conducting risk assessment at the organisation level, core process &amp; activity level.”</b></p>	TA16, TA17, TA18	@1 per function	

Note: Annex numbers 13C,13D,13E are part of the **handbook in Ethics -Volume 1**. The remaining activity codes are reserved for other functions.



