

THE RISK MANAGEMENT PROCESS



The best way to minimize your construction risk is to have sound Risk Management.

To achieve this, it's a simple **5 STEP** process to de-risk:

1



IDENTIFY

First complete a comprehensive Risk Assessment with your Broker to identify the risks that can affect your business.

2

ANALYZE

Next, analyze the potential impact these risks may have on your business. Segregating pure risks (which do not present any opportunity for gain) from speculative risks (which present an opportunity for both a gain or a loss) is a critical component in understanding your organization's total cost of risk.



3



DESIGN

Now you can begin designing the appropriate risk management strategies. There are 5 basic methods in addressing risk: Risk Avoidance, Risk Mitigation, Risk Transfer, Risk Finance, and Assumption of Risk. Here you will create a formal risk management plan with your Broker.

4

IMPLEMENT

It is important to assign duties, set deadlines, and establish oversight. Some strategies may include the participation of multiple parties in order to successfully implement.



5



REVIEW

The key element to a successful Risk Management program is the review process. Monitor your results continuously. This way, you and your Broker can make the appropriate adjustments needed to continue de-risking your business.

Speak with one of TSiB's Risk Consultants today to claim your free risk assessment.



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