OPERATIONAL RISK MANAGEMENT (ORM) ASSESSMENT
(OPNAVINST 3500.39 FIVE-STEP PROCESS)

Activity/Department: __________________________________________________________________________

Work Process: __________________________________________________________________________

Step 1. Identify Hazards:

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. ( ) ( ) ( )

Step 2. Assess Hazards. Each hazard identified in Step 1 will be assigned a “Hazard Severity Category,” a “Mishap Probability Rating,” and a “Risk Assessment Code (RAC).” The below matrices are a guide for assessing hazards.

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)

Risk Assessment Code Matrix:

<table>
<thead>
<tr>
<th>HAZARD SEVERITY</th>
<th>MISHAP PROBABILITY RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
</tr>
<tr>
<td>1- Critical</td>
<td></td>
</tr>
<tr>
<td>2- Serious</td>
<td>I</td>
</tr>
<tr>
<td>3- Moderate</td>
<td>II</td>
</tr>
<tr>
<td>4- Minor</td>
<td>III</td>
</tr>
<tr>
<td>5- Negligible</td>
<td>IV</td>
</tr>
</tbody>
</table>

Step 3. Risk Decisions:

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. ( ) ( ) ( )

Step 4. Internal Control Implementation (more than one type internal control may apply):

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:
### OPERATIONAL RISK MANAGEMENT (ORM) ASSESSMENT – cont’d

| (1) providing suitable warnings, markings, placards, signs, and notices? | Yes | No | N/A |
| (2) establishing written policies, programs, instructions, and standard operating procedures? | Yes | No | N/A |
| (3) training personnel to recognize hazards and take appropriate precautionary measures? | Yes | No | N/A |
| (4) limiting the exposure to a hazard (either by reducing the number of personnel/assets or the length of time they are exposed)? | Yes | No | N/A |

| 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)? | Yes | No | N/A |

**Step 5. Supervision. Is there periodic supervisory oversight of internal controls for the work process?**

ORM Assessment conducted by: ____________________________________________ Date: __________

ORM Assessment reviewed by: ____________________________________________ Date: __________

(Dept Head)

**ISSUES/COMMENTS**

**ACTIONS (Include estimated completion dates)**
OPERATIONAL RISK MANAGEMENT (ORM) ASSESSMENT
WORK PROCESS HAZARDS

Activity/Department: ________________________________________________________________

Work Process: _________________________________________________________________

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.

1. Hazard.

   a. Cause.

   b. Hazard Severity Category: _____
   c. Mishap Probability Sub-Category: _____
   d. Risk Assessment Code: _____

2. Hazard.

   a. Cause.

   b. Hazard Severity Category: _____
   c. Mishap Probability Sub-Category: _____
   d. Risk Assessment Code: _____

3. Hazard.

   a. Cause.

   b. Hazard Severity Category: _____
   c. Mishap Probability Sub-Category: _____
   d. Risk Assessment Code: _____