Organizational context analysis affects the methodology used to assess risks, since it affects the choice of assessment criteria. The first activity within the risk assessment process is to develop a common set of assessment criteria, to be deployed across business units, corporate functions, and large capital projects. Risks and opportunities are typically assessed according to both their impact and likelihood.

Some risks are dynamic, and require ongoing assessment, other ones are more static but their periodical reassessment counts toward an ongoing monitoring process that triggers an alert should circumstances change.

Risk assessment includes three steps:

1. Identification;
2. Analysis and measurement;
3. Weighting (risk prioritization)