

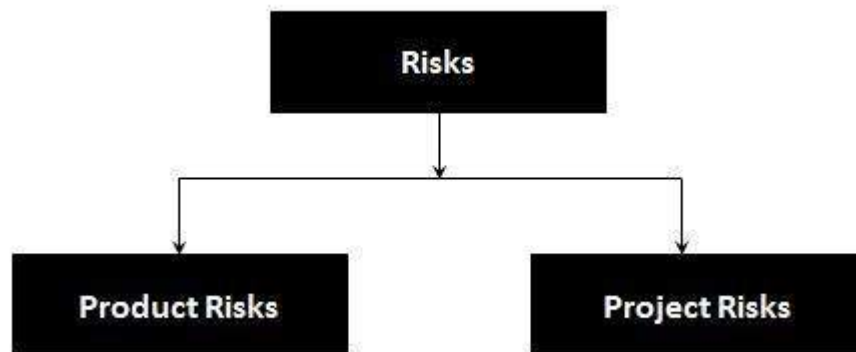
What is Risk?

Risk can be defined as the probability of an event, hazard, accident, threat or situation occurring and its undesirable consequences. It is a factor that could result in negative consequences and usually expressed as the product of impact and likelihood.

$$\text{Risk} = \text{Probability of the event occurring} \times \text{Impact if it did happen}$$

Risk Types:

In software terminology, the risk is broadly divided into two main categories:



Project Risks:

- Supplier issues
- Organizational factors
- Technical issues

Product Risks:

Below are some of the product risks occurring in a LIVE environment:

- Defect Prone Software delivered
- The Critical defects in the product that could cause harm to an individual *injury or death* or company
- Poor software Features
- Inconsistent Software Features