



**NATIONAL LIBRARY OF THE
PHILIPPINES**


**QM ANNEXES-
ANNEX 6**

**Risk and Opportunity
Management Procedure**



NATIONAL LIBRARY OF THE PHILIPPINES
T.M. Kalaw Street, Ermita, Manila, 1000 Philippines

Document No. ANNEX 6	Title: Risk and Opportunity Management Procedure		
Revision No.	Description of Changes	Approved by:	Effectivity Date
0	Replace Risk Registry and Opportunities Registry with Risk and Opportunity Management Procedure	Director IV Cesar Gilbert Q. Adriano	19 May 2021
4	Update of the Risks and Opportunities Registry.	Director IV Cesar Gilbert Q. Adriano	25 August 2020
3	Combine Annex 6 and Annex 6A, Revise Content	Director IV Cesar Gilbert Q. Adriano	01 December 2018
2	Revise Content, add "controlled" markings	Director IV Cesar Gilbert Q. Adriano	15 October 2018
1	Revise Content, comments and observations during the readiness assessment were considered.	Director IV Cesar Gilbert Q. Adriano	02 July 2018
0	Original Release in NLP-001, NLP Quality Manual	Director IV Cesar Gilbert Q. Adriano	01 December 2017

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Purpose

This document aims to define the processes involved in identifying Risks and Opportunities on the Quality Management System (QMS) of National Library of the Philippines (NLP).

Responsibility and Authority

Concerned Division shall be responsible for:


- a. Identifying, analyzing and evaluating risks and opportunities of their respective Divisions. Determining the need to take action to address risks and opportunities.
- b. Determine, implement and monitor the implementation of actions to address risks and opportunities.
- c. Division Chiefs shall be responsible for:
 1. Reviewing the division's Risks and Opportunities.
 2. Determining the resources needed associated with the actions necessary to address the Risks and Opportunities.

Top Management shall be responsible for:

- a. Approving actions and resources necessary to address risks and opportunities.
- b. Ensuring that status of risks and opportunities are reported during the Scheduled Management Review or as deemed necessary.

Risk Management Team (RMT)

- a. Consolidates risks and opportunities submitted by concerned division;
- b. Ensure that action plans to address risks and opportunities are integrated on the NLP's QMS;
- c. Performs oversight function in ensuring that the established risk controls and related activities are consistently implemented;
- d. Plans and coordinates effective and efficient use of risk control tools;
- e. Ensures that risk-related information is maintained and retained.

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Each Division shall assess the risks and opportunities according to the following criteria:

RISK ANALYSIS REFERENCE TABLES

The following tables/matrices have been utilized for the assessment and analysis of identified risks

1. Risk Rating Matrix (RRM)


This matrix uses a qualitative rating of the scale of the possible impact and likelihood of the event occurring combining the impact and likelihood to produce a level of risk. Risk levels are calculated as the product of the LIKELIHOOD and IMPACT of a potential risk.

LIKELIHOOD	Rare	1	2	3	4	5
	Low	2	4	6	8	10
	Medium	3	6	9	12	15
	High	4	8	12	16	20
	Very High	5	10	15	20	25
		Insignificant	Minor	Significant	Major	Catastrophic
	IMPACT					

The colors of the matrix visualize the different risk levels. The risk level 25 is regarded unacceptable and any cause of the risk level must be treated in order to have its risk reduced to an acceptable level.

Legend:

	Low
	Medium
	High


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2. Criteria for Impact (Consequence)

This matrix presents the most probable or likely outcome of a risk.

Description	Rate	Risk (Negative consequence)	Opportunity
Insignificant	1	Low or no impact (no customer complaint, no damages, low profile, no violation of law)	No perceived value for improvement and sustainability
Minor	2	Minor impact (noticeable effect, minor damage sustained, minor customer complaint)	Pursuing the opportunity will slightly improve QMS and sustainability
Significant	3	Moderate impact (customer complaints resulting in claim, significant damages)	Pursuing the opportunity will considerably improve QMS and sustainability
Major	4	Major impact (catastrophic, recall, fatality, costly compensation, 3 rd party and legal actions, extensive damages, alternatives available)	Pursuing the opportunity will highly improve QMS and sustainability
Catastrophic	5	Major impact (catastrophic, recall, fatality, costly compensation, 3 rd party legal actions, no alternatives available)	Pursuing the opportunity will greatly improve QMS and sustainability

Description	Rate	Likelihood	
Rare	1	Not known to happen	The risk or event may occur only in highly exceptional circumstances
Low	2	Low occurrence of 1 x a year	The risk or the event is not expected to occur
Medium	3	Known to happen, occurrence of 1 per quarter	The risk or the event might occur at some time

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High	4	Very likely to happen, occurrence of more than 1 time per quarter	The risk or the event will probably occur more than once
Very High	5	Highly likely to happen, occurrence of 1 time per month.	The risk or the event is likely to occur frequently or on a regular basis


3. Criteria for Likelihood

This presents how frequently the risk or event is likely to occur.

4. Criteria for Action

This indicates the level of priority on how an identified risk should be addressed and/or monitored.

Risk/Opportunity Rating	PRIORITY LEVEL	DESCRIPTION
10-25	HIGH	Immediate appropriate action to eliminate or redress the risk needed. Risk should be closely monitored to ensure management strategies to reduce risk are effective.
5-9	MEDIUM	Impact may be moderate. Risk should be closely monitored and reviewed. (minimum-annually)
1-4	LOW	Risk impact may be minimal. No action required

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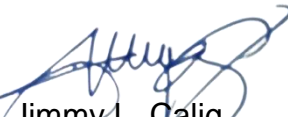


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