Risk-Based Thinking
An informal risk management system aimed at improvement

![Risk Matrix Diagram]

- **Likelihood**
  - Not Like
  - Possible
  - Quite Possible
  - Likely
  - Very Likely

- **Impact**
  - Trivial
  - Significant
  - Major
  - Catastrophic
Draw the Process Flow Diagram for QMS Planning activities

**Example – Process for Planning of the QMS -**
The Process Flow Diagram outlines each step of an activity or a function and includes relevant comments for each step.

<table>
<thead>
<tr>
<th>Activity Step</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Step 1</td>
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<td>Step 2</td>
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<td>Step 3</td>
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<td>Step 5</td>
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<td>Step 6</td>
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Draw the Process Flow Diagram(s) for your production
Risk-Based Thinking

The main risk management requirements of AS 9100 D are outlined in two clauses.

- Clause 6.1, Actions to address risks and opportunities. This clause addresses the risks and opportunities when planning for the quality management system.
- Clause 8.1.1, Operational risk management. This clause addresses the risks associated with the operational processes needed for the provision of products and services.

The new AS 9100 REV D introduces Risk-Based Thinking in section 0.3.3 and mentions risk in other clauses of the standard; for example, in clause 5.1.2 dealing with customer requirements and satisfaction, clause 8.1.3 on product safety, clause 8.2.2 dealing with customer requirements, clause 8.4 on external provider-purchasing activities and in clause 8.5.1.3 dealing with the verification of production processes.

The objective of the emphasis on risk is to have the organization, through its QMS, address uncertainty in processes that will affect the quality of the delivered goods or services to customers.

When addressing risk in your Quality Management System, be sure that you look beyond determining the "chance" that something happens to "the effect of an uncertainty" on your business objectives.

There are five (5) attributes to enhance risk management:

1. An organization should accept accountability for their risks and develop comprehensive controls and risk abatement strategies.

2. Risk management should be a part of an organization's continual improvement strategy. Organizations should set performance goals and then review and modify processes as required. An organization should review and modify its systems, resources and capability / skills to ensure continual improvement.
3. Identify and train individuals with accountability for risk management. These individuals should have appropriate skills, have adequate resources to check and improve controls, monitor risks, and have the ability to communicate effectively with all the interested parties / stakeholders.

4. Decision making within the organization should include consideration of risks and the application of the risk management process where appropriate.

5. Maintain consistent and periodic reporting to all interested parties of the organization’s risk management performance.