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AMERICAN NATIONAL STANDARD Z690.2
RISK MANAGEMENT PRINCIPLES AND GUIDELINES

1. SCOPE

This standard provides principles and generic guidelines on risk management.

This standard can be used by any public, private or community enterprise, association, group or individual. Therefore, this standard is not specific to any industry or sector.

NOTE: For convenience, all the different users of this standard are referred to by the general term “organization”.

This standard can be applied throughout the life of an organization, and to a wide range of activities, including strategies and decisions, operations, processes, functions, projects, products, services and assets.

This standard can be applied to any type of risk, whatever its nature, whether having positive or negative consequences.

Although this standard provides generic guidelines, it is not intended to promote uniformity of risk management across organizations. The design and implementation of risk management plans and frameworks will need to take into account the varying needs of a specific organization, its particular objectives, context, structure, operations, processes, functions, projects, products, services, or assets and specific practices employed.

It is intended that this standard be utilized to harmonize risk management processes in existing and future standards. It provides a common approach in support of standards dealing with specific risks and/or sectors, and does not replace those standards.

This standard is not intended for the purpose of certification.

2. TERMS AND DEFINITIONS

For the purposes of this document, the following terms and definitions apply. These terms and definitions are taken from ANSI/ASSE Z690.1, *Vocabulary for Risk Management*. (ISO Guide 73:2009)

2.1 Communication and Consultation. Continual and iterative processes that an organization conducts to provide, share or obtain information and to engage in dialogue with stakeholders regarding the management of risk.

NOTE 1: The information can relate to the existence, nature, form, likelihood, significance, evaluation, acceptability and treatment of the management of risk.

NOTE 2: Consultation is a two-way process of informed communication between an organization and its stakeholders on an issue prior to making a decision or determining a direction on that issue. Consultation is:

- a process which impacts on a decision through influence rather than power; and
- an input to decision making, not joint decision making.

2.2 Consequence. Outcome of an event affecting objectives.

NOTE 1: An event can lead to a range of consequences.

NOTE 2: A consequence can be certain or uncertain and can have positive or negative effects on objectives.