Module 7
Section B: Risk Analysis and Response

Term
Accuracy

Module 7
Section B: Risk Analysis and Response

Term
Business continuity management system (BCMS)

Module 7
Section B: Risk Analysis and Response

Term
Data integrity

Module 7
Section B: Risk Analysis and Response

Term
ISO 22301

Module 7
Section B: Risk Analysis and Response

Term
ISO 28000

Module 7
Section B: Risk Analysis and Response

Term
Monte Carlo simulation

Module 7
Section B: Risk Analysis and Response

Term
Risk acceptance

Module 7
Section B: Risk Analysis and Response

Term
Risk avoidance

Part of the overall management system that establishes, implements, operates, monitors, reviews, maintains, and improves an organization's capability of delivering products or services at acceptable predefined levels following a disruptive incident. It is based upon identifying potential threats to an organization and the impact to business operations from those threats. The system provides a framework for building organizational resilience with the capability of an effective response that safeguards the interests of its key stakeholders, reputation, brand, and value-creating activities.

The degree of freedom from error or the degree of conformity to a standard. Accuracy is different from precision. For example, four-significant-digit numbers are less precise than six-significant-digit numbers; however, a properly computed four-significant-digit number might be more accurate than an improperly computed six-significant-digit number.

An international standard that specifies requirements for setting up and managing an effective business continuity management system.

Assurance that data accurately reflects the environment it is representing.

A subset of digital simulation models based on random or stochastic processes.

An international standard that specifies the requirements for a security management system, including those aspects critical to security assurance of the supply chain.

Changing a plan to eliminate a risk or to protect plan objectives from its impact.

A decision to take no action to deal with a risk or an inability to format a plan to deal with the risk.

Module 7
Section B: Risk Analysis and Response

Term
Risk category

Module 7
Section B: Risk Analysis and Response

Term
Risk response plan

Module 7
Section B: Risk Analysis and Response

Term
Risk response planning

Module 7
Section B: Risk Analysis and Response

Term
Sensitivity analysis

Module 7
Section B: Risk Analysis and Response

Term
Simulation

Module 7
Section B: Risk Analysis and Response

Term
Supply chain continuity

A document defining known risks including description, cause, likelihood, costs, and proposed responses. It also identifies current status on each risk.

A cluster of risk causes with a label such as external, environmental, technical, or organizational.

A technique for determining how much an expected outcome or result will change in response to a given change in an input variable. For example, given a projected level of resources, determining the effect on net income if variable costs of production increased 20 percent.

The process of developing a plan to avoid risks and to mitigate the effect of those that cannot be avoided.

An organization's strategic and tactical capability to plan for and respond to conditions, situations, and events as necessary in order to continue supply chain operations at an acceptable predefined level.

1) The technique of using representative or artificial data to reproduce in a model various conditions that are likely to occur in the actual performance of a system. Frequently used to test the behavior of a system under different operating policies. 2) Within MRP II, using the operational data to perform what-if evaluations of alternative plans to answer the question, "Can we do it?" If yes, the simulation can then be run in the financial mode to help answer the question, "Do we really want to?" See: what-if analysis.