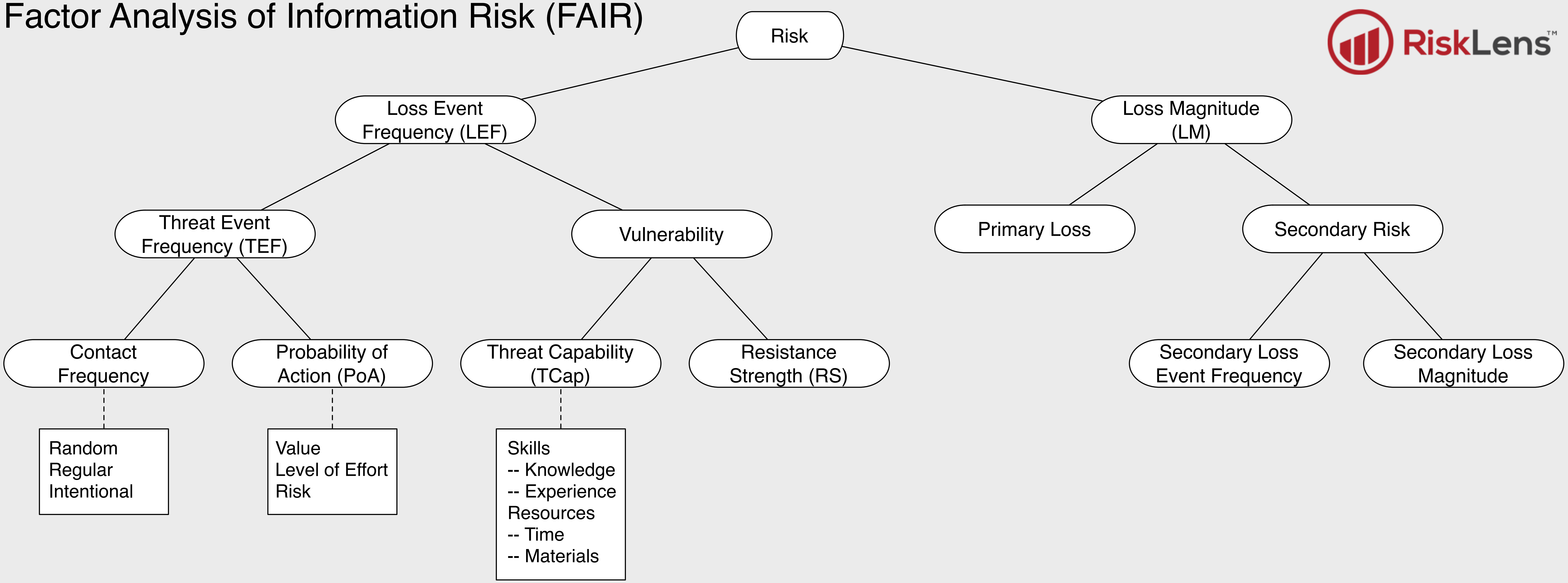
Factor Analysis of Information Risk (FAIR)

RiskLens™



Risk

Loss Event Frequency (LEF)

Loss Magnitude (LM)

Threat Event Frequency (TEF)

Vulnerability

Primary Loss

Secondary Risk

Contact Frequency

Probability of Action (PoA)

Threat Capability (TCap)

Resistance Strength (RS)

Secondary Loss Event Frequency

Secondary Loss Magnitude

Random
Regular
Intentional

Value
Level of Effort
Risk

Skills
-- Knowledge
-- Experience
Resources
-- Time
-- Materials

Risk - The probable frequency and probable magnitude of future loss

Loss Event Frequency - The frequency, within a given timeframe, that loss is expected to occur

Threat Event Frequency - The frequency, within a given timeframe, that threat agents are expected to act in a manner that could result in loss

Vulnerability - The probability that a threat event will become a loss event

Threat Capability - The level of force a threat agent is able to apply

Resistance Strength - A measure of how difficult it is for a threat actor to inflict harm (a.k.a. - Difficulty)

Secondary Loss Event Frequency - The percentage of time that secondary stakeholders are likely to react negatively to an event

Productivity Loss - Loss that results from an operational inability to deliver products or services

Response Costs - Loss associated with the costs of managing an event

Replacement Costs - Loss that results from an organization having to replace capital assets

Competitive Advantage Loss - Losses resulting from intellectual property or other key competitive differentiators that are compromised or damaged

Fines and Judgments - Fines or judgments levied against the organization through civil, criminal, or contractual actions

Reputation Damage - Loss resulting from an external stakeholder perspective that an organization's value has decreased and/or that its liability has increased

Analysis Scoping

1. Identify the asset(s)
2. Identify relevant threat(s)
3. Define Loss Type: C - I - A

also:

- Clearly state "What a loss event looks like."
- Build scenario description by combining 1,2,3

Calibration

Start with the absurd
Consider what you DO know
Decompose the problem
Identify / Challenge your assumptions
Consider where data may exist
Seek out SME's
Focus on accuracy rather than high precision