

# SOP Template: Issue Escalation and Risk Management

This SOP details the process for **issue escalation and risk management**, outlining the systematic approach to identifying, assessing, and escalating issues based on their severity and potential impact. It includes guidelines for early risk detection, categorization of risks, communication protocols, responsibilities of team members in escalation, and steps to mitigate and manage risks effectively. The goal is to ensure timely resolution, minimize negative outcomes, and maintain organizational stability through proactive risk control and efficient issue handling.

## 1. Purpose

To provide clear instructions for proactively identifying risks and issues, systematically escalating them, and managing their resolution to protect organizational interests.

## 2. Scope

This SOP applies to all staff and team members involved in project or operations management and is relevant to all organizational functions.

## 3. Definitions

- **Issue:** An unplanned event that has already occurred and may impact objectives, timelines, or deliverables.
- **Risk:** A potential event or condition that, if realized, may impact objectives negatively (threat) or positively (opportunity).
- **Escalation:** The process of communicating unresolved or significant issues/risks to higher authority for intervention.

## 4. Roles and Responsibilities

Role	Responsibility
Team Member	Identify, document, and communicate issues/risks; attempt resolution within authority.
Project/Line Manager	Review and categorize issues/risks; decide on escalation; coordinate mitigation and communication.
Risk Manager	Oversee risk management framework; maintain risk register; support escalations.
Senior Management	Intervene in critical escalations; provide resources and decision-making support.

## 5. Procedure

1. **Early Risk and Issue Detection**
  - Continuously monitor project tasks, deliverables, and dependencies.
  - Utilize checklists, risk assessment tools, and feedback loops.
2. **Identification and Documentation**
  - Document the issue or risk: date, description, impact area, likelihood, and responsible party.
  - Record in the Risk and Issue Register.
3. **Assessment and Categorization**
  - Assess **impact** (Low, Medium, High) and **probability** (Unlikely, Possible, Likely).
  - Categorize urgency and severity according to the risk matrix.

#### 4. Initial Response and Mitigation

- Take immediate action within authority to contain/mitigate.
- Document actions taken and outcomes.

#### 5. Escalation Process

- If unresolved or critical (High impact or High probability), escalate per the below flow:
  - a. Notify Project/Line Manager immediately.
  - b. Manager reviews, validates, and determines further escalation (to Risk Manager/Senior Management).
  - c. Document escalation actions in register and notify affected stakeholders.

#### 6. Communication Protocols

- Use formal channels (ticketing system, email, meetings) for escalation.
- Set clear timelines for updates and next steps.

#### 7. Resolution and Follow-Up

- Implement approved action plans; monitor and verify resolution effectiveness.
- Update documentation and close out the issue/risk in registers.
- Conduct lessons learned to prevent recurrence.

## 6. Escalation Matrix (Example)

Impact	Probability	Escalation Level	Response Time
High	Likely	Senior Management	Immediate (within 1 hour)
Medium	Possible	Project/Line Manager	Within 24 hours
Low	Unlikely	Team Member	Monitor and review

## 7. Documentation and Reporting

- Maintain up-to-date Risk and Issue Registers with escalation notes and outcomes.
- Include regular risk and escalation reviews in project/operations meetings.

## 8. Review and Continuous Improvement

- Review this SOP annually or after major incidents.
- Incorporate process improvements from post-escalation reviews and lessons learned.

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**Adherence to this SOP ensures organized, timely, and effective issue escalation and risk control across the organization.**