**What do you mean by risk assessment?**

* Risk assessment is a key step in the risk management process. A risk assessment evaluates potential risks or the usefulness of controls. It also determines the quantitative or qualitative value of a risk and is often conducted after implementation of a control.

**What are the critical components of risk assessment?**

* The critical components of risk assessment are to determine the scope and boundaries of risk assessment and to isolate the critical area of focus. These components help keep risk assessment on track. Identifying the scope helps in evaluating the outlook, application, operation, and effectiveness of a risk assessment plan.

**What are the different types of risk assessment?**

* The two primary methods of conducting risk assessment for an information technology (IT) infrastructure are qualitative risk assessment and quantitative risk assessment.
  + Quantitative risk assessment calculates *financial* values, losses, and costs.
  + Qualitative risk assessment calculates *relative* values, losses, and costs.