

Risk Mitigation Strategies

Strategy	What It Means	When to Use	Example
Avoidance	Eliminate the risk completely by changing plans.	High risk with severe impact and feasible alternatives.	Don't invest in a risky market.
Reduction	Minimize the likelihood or impact of the risk.	Risk can't be avoided but can be controlled.	Use antivirus software to reduce cybersecurity risks.
Transfer	Shift the risk to a third party (e.g., insurance, contracts).	Financial impact is high, and others can handle it better.	Buy insurance for natural disaster damages.
Acceptance	Acknowledge the risk and take no special action.	Risk is minor, or cost of mitigation is too high.	Accepting the chance of losing a cheap pen.