



# The Tyranny of the 5×5

From Colour to Consequence



The 5×5 heat map is one of the most enduring artefacts in enterprise risk management.

It organises uncertainty.  
It creates comparability.  
It reduces friction.

At enterprise level, that friction reduction can be misleading.

When you multiply likelihood by impact, you combine very different consequences like safety harm, regulatory breaches, financial loss, damage to reputation, and strategic limits into just one number.

Arithmetic creates order.

But order is not control.

Boards should not act because a risk sits above a line.

They should act because they understand what happens if it materialises — how it propagates, which consequence pathways are engaged, and whether resilience is sufficient.

***Position is a signal.  
Consequence is the decision.***

## The Reassuring Grid

Five by five. Green below. Red above. A stepped appetite line.

Likelihood: 4.

Impact: 5.

Score: 20.

Red.

The room grows tense, then everyone relaxes. Ambiguity now has edges. Dame Anwen studies the slide.

“Before we discuss twenty,” she says, “what exactly is the five?”

Is it safety?

Regulation?

Reputation?

Strategy?

Or have we grouped different things together just because the calculation needs it?

## The Moment Arithmetic Takes Over

Enterprise scoring has a subtle power.

Two judgements are multiplied. The result feels definitive.

A “4” for likelihood is not a measurement. It is interpretation.

A “5” for impact is not a constant. It is judgement.

Multiply them.

Colour the result.

The uncertainty looks contained.

Pore Amyas leans forward.

“If the five of us scored this independently,” she asks, “would we all land on twenty?”

Almost certainly not. Arithmetic does not remove disagreement. It can conceal it.

A number is easier to accept than a contested narrative. A calculation is easier to endorse than an argument.

Arithmetic reduces friction. Reduced disagreement feels like control.

***But agreement is not understanding. The grid has not eliminated uncertainty. It has made it socially manageable.***

## When Colour Replaces Conversation

Listen carefully in a boardroom. You will hear:

“Why is this red?”

“Has it moved?”

“Can we bring it below the line?”

You will rarely hear:

“What actually happens if this materialises?”

“How does it propagate?”

“Which tolerance is engaged?”

“Is our response proportionate?”

“Are we consciously choosing this exposure?”

The grid optimises for agreement.

Governance requires discernment.

The board’s role is not to validate arithmetic. It is to interrogate consequence.

***“Do not tell me it is red,” Dame Anwen says. “Tell me what happens and whether we can withstand it.”***

## Control Is Not Location

Heat maps show position, they do not show:

- Movement
- Fragility
- Cascade

A compliance breach becomes operational distraction. Operational distraction becomes reputational erosion. Reputational erosion becomes strategic constraint.

Stress propagates along consequence pathways. Tolerance differs at each point.

Control is not knowing where a risk sits. Control means knowing how a risk behaves under pressure and whether you are ready for it.

***Resilience is structural, not chromatic.***

## Where Control Actually Lives

Strategic risk is structural load. A bridge fails when one element exceeds its tolerance. Enterprise risk behaves the same way.

The heat map shows temperature. It does not show structural integrity.

***Arithmetic can create order. Only deliberate management of consequence creates control.***

## Demote the Grid

Heat maps are useful:

- They summarise.
- They aggregate.
- They reduce friction.

But friction is not the enemy.

At enterprise level:

- Probability is judgement.
- Impact is value-laden.
- Tolerance varies by consequence pathway.
- Stress propagates.

***The red square remains. It simply no longer decides. Position is a signal. Consequence is the decision.***