

Risk Management

PMI: Five Project Phases

1. Initiation
2. Planning 
3. Execution
4. Monitoring & Control
5. Close-out

What causes risks?

- Things you don't know
 - Quality, specifications, ...
 - Methods
 - Costs
 - Personnel capabilities
- Resources you don't have
 - Personnel, Materials, Equipment, Money, Real Estate, ...
- Life
 - Vacations, job transfers, illnesses, ...
 - Political events, management changes, weather, ...

Mitigating Risks

- Identify the impact & likelihood of risks
- Plans
 - Avoiding risks
 - Reducing the impact
 - Recovery from risks
- Indicators
 - Detecting risks (as early as possible)
- Communication of risks

Basic Steps

- Identification
- Assessment
- Mitigation

Slightly less basic steps

- identify, characterize, and assess threats
- assess the vulnerability of critical assets to specific threats
- determine the risk (i.e. the expected likelihood and consequences of specific types of attacks on specific assets)
- identify ways to reduce those risks
- prioritize risk reduction measures based on a strategy

Risk Management Line Items

- Risks
- Probability (0-100%)
- Impact (0-10)
- Select risks high in probability & impact
- Mitigation Plan

Risk Communication

Accept and involve the public/other consumers as legitimate partners (e.g. stakeholders).

Plan carefully and evaluate your efforts with a focus on your strengths, weaknesses, opportunities, and threats (SWOT).

Listen to the stakeholders specific concerns.

Be honest, frank, and open.

Coordinate and collaborate with other credible sources.

Meet the needs of the media.

Speak clearly and with compassion.

Risk Analysis Plans

- Risk
 - An uncertain occurrence which could adversely affect project objectives (time, cost & quality), the degree of exposure to these events and their probable consequences
- Risk Analysis
 - The identification of possible risks, assessment of their likelihood and impact on time, cost & quality, and identification of methods to avoid or reduce them
- Risk Analysis Plan
 - A document that lists the risks, their impact, likelihood, indicators that the risk has occurred and methods to avoid or mitigate the risks