

# Risk Analysis and Management

Cost and schedule risk management focuses on the identification, assessment, and mitigation of the project-related issues that can have the biggest impact to project objectives. Our project control specialists work with clients and stakeholders to facilitate brainstorming sessions that identify key risks before they occur and then work with team members to monitor and reduce the impact of these risks.

## The benefits of risk management include:

- Brainstorming opportunity with multiple stakeholders and key players
- Minimize impact of highest-scoring risks before they occur
- Great communication tool
- Proactive schedule management



## RISK REDUCTION IS THE GOAL

There are risks on every project. If left unaddressed, these risks can quickly come to fruition and adversely affect project objectives. A proven technique for successful project control involves identifying potential major schedule delays and cost risks, followed by development of action plans designed to reduce risks through all phases of the project.

The overall approach consists of three steps:

**Step 1** – Facilitate a risk brainstorming and prioritization workshop with all key stakeholders to identify and score risk and issues related to the project. Risks are identified and scored as a collective group during the workshop, and each high-priority risk is assigned to appropriate team members who act as the risk owner.

**Step 2** – Risk owners create mitigation plans to identify risk reduction opportunities and return on investment (ROI) cost estimates.

**Step 3** – Track progress through periodic check-ins with risk owners, and report progress to stakeholders on a quarterly basis.

		Level of Impact				
		Trivial	Minor	Moderate	Major	Severe
Probability of Occurrence	Almost certain	5	10	15	20	25
	Likely	4	8	12	16	20
	Possible	3	6	9	12	15
	Unlikely	2	4	6	8	10
	Rare	1	2	3	4	5

Probability of Occurrence matrix

