

# Managing Project Risk

IP120 | Length: 1-2 days | Credits: 14 PDUs | Talent Triangle – Strategic

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## Overview

Virtually every project encounters unplanned events and as a result, suffers some impact to scope, time, or resources. Occasionally, the impact may be favourable, but typically it is negative.

To a large extent, this negative impact and even the events themselves can be influenced through proactive risk management. Today, many organizations are recognizing the wisdom of taking off the "rose-coloured glasses" and increasing the likelihood of project success by removing the "un"s from the unexpected.

This course provides participants with a practical approach to managing risks:

- Plan Risk Management
- Identify Risks
- Perform Qualitative Risk Analysis
- Perform Quantitative Risk Analysis
- Plan Risk Responses
- Control Risks

Participants learn practical techniques for each of these elements. Both qualitative and numerical methods for assessing the potential value of each risk are presented. The instructor, experienced in risk management, provides examples and facilitates practical application exercises. Throughout the course the role of the Project Manager in the risk management process is examined.

## Learning Objectives

- Employ a project risk management strategy that acknowledges and manages uncertainty and potential problems.
- Lead the project team through a systematic process of identifying risks in the areas of project management, deliverables, business, and external factors.
- Express risk probability and impact both qualitatively and numerically.
- Prepare preventive, mitigating, and contingency plans.
- Monitor risk throughout the project.

## Instructional Strategies

This workshop utilizes short lectures, guided discussions, and hands-on application activities in small teams. Team activities are debriefed by the instructor through occasional team presentations. A risk management worksheet is used in the class as a structured tool.

## Audience

Current and aspiring project managers, sub-team leaders, and team members. Project clients, sponsors, and other stakeholders may also benefit.

## Prerequisites

None, although a course in project management basics is recommended.

## Content Outline

### Module 1 - Introduction and Background to Risk Management

- Definitions
- Types of Risk Tolerance
- SEI 7 Principles of Risk Management
- Framework for Assessing and Managing Project Risk
- PMI Perspective Overview

### Module 2 - Plan Risk Management

- The What, Why, and How of Risk Management Planning
- Components of a Risk Management Plan

### Module 3 - Identify Risks

- Definitions
- Risk Events and Triggers
- Risk Categories

### Module 4 - Perform Risk Assessment

- Risk Event Probability and Impact
- Qualitative Risk Analysis Process

- Quantitative Risk Analysis Process
- Expected Monetary Value

### Module 5 - Plan Risk Responses

- Project Manager's Role in Risk Response Planning
- Risk Response, Management and Contingency Reserves
- Risk Response Options
- Response Strategy Options
- Mitigation Planning
- Contingency Planning and Reserves

### Module 6 - Control Risks

- The What and Why of Risk Monitoring and Control
- Implement Risk Response Strategies
- Track Identified Risk Events
- Responding to Changes in Risk

### Module 7 - Summary and Back-On-The-Job

- Review of Key Points