

Controlling Project Risk: Managing Threats and Promoting Opportunities

Course Summary

Description

Every project has issues. Issues are threats to a project that have materialized, and they can drain a project team of needed energy and time. Experience has shown us that proactive management of project risk can reduce the incidence and severity of issues by up to 90%. Every project has opportunities. When found, opportunities can lead us to lower cost, savings in time, higher quality and a happier customer. The advantages to proactive management of risk are enormous, but how can we do this in a way that actually works?

This course moves beyond the standard project management curriculum by explaining how to manage both sides of risk: threats and opportunities. You will be led through a series of exercises, each of which contributes to establishment of an effective Risk Management Practice. Among other things, you will discover that projects are filled with opportunities, if you know where to look for them.

Objectives

After taking this course, students will be able to:

- Understanding the origins of risk
- An appreciation of risk's dual nature: negative and positive
- Developing a Risk Management Plan
- Identifying and characterizing project risks
- Qualifying risks to set priorities
- Quantifying the potential cost of threats and value of opportunities
- Building a threat register
- Building an opportunity register
- Developing proactive risk plans
- When contingency plans are needed
- Secondary and residual risk
- How to calculate risk contingency funds
- An understanding of the two kinds of project opportunities
- Finding and leveraging project opportunities

Topics

- Introduction
- Basic Concepts
- Planning for Risk Management
- Risk Identification
- Risk Analysis
- Risk Response Planning
- Risk Monitoring and Control
- Understanding Opportunity
- Finding Opportunity

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Course Summary (cont'd)

Audience

This course is of special value to project managers who want a more complete understanding of Risk Management; experienced project managers who want to add to their toolkit of Risk Management tools and techniques; functional managers with project responsibility who want to understand what they can do to manage risk in their projects; and Project Management Office staff who want to better manage the risks in their project portfolio.

Prerequisites

This course assumes familiarity with basic project management concepts as well as some experience in the planning and execution of projects. The Effective Project Management course or the equivalent is suggested to ensure a firm grounding in Project Management concepts.

Duration

Three days
21 PDUs

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Course Outline

- I. Introduction**
 - A. Personal Risk Profile
 - B. Our relationship with risk
 - C. CHAOS study
 - D. Sources of project risk
 - E. Project success factors
 - F. The risk management value proposition
- II. Basic Concepts**
 - A. The Standard Risk Model
 - B. Threat and opportunity
 - C. Relationship between issues and risks
 - D. Risk at three levels: project, business, and business value
 - E. Impact of risk on project plans
 - F. The work of Risk Management
 - G. Risk Management timing
- III. Planning for Risk Management**
 - A. Planning for Risk Management
 - B. Identifying risk stakeholders
 - C. Risk Management Plan
- IV. Risk Identification**
 - A. Sources of risk
 - B. Tools for risk identification
 - C. The Risk Register
 - D. Characterizing project threats and opportunities
- V. Risk Analysis**
 - A. Evaluating risk
 - B. Establishing risk scores
 - C. Risk Ranking
 - D. Risk triggers
 - E. Determining root cause
 - F. Quantitative methods
- VI. Risk Response Planning**
 - A. Managing risk
 - B. Responses to Threats
 - C. Responses to Opportunities
 - D. Secondary and residual risk
 - E. The Contingency Reserve
 - F. Risk Budget
- VII. Risk Monitoring and Control**
 - A. Monitoring risks
 - B. Responding to issues
 - C. Impact of proactive risk control
 - D. Tools that control threats
 - E. Reporting risk status
 - F. Controlling risk to Business Value
- VIII. Understanding Opportunity**
 - A. Value of opportunity
 - B. Standard Risk Model
 - C. What we believe about opportunity
 - D. Beliefs versus behaviors
 - E. Opportunity versus Threat
 - F. Two kinds of opportunity
 - G. Examples of overt opportunity
 - H. Why opportunities are missed
- IX. Finding Opportunity**
 - A. A different view of risk
 - B. Managed and unplanned risk
 - C. Enhanced model of risk
 - D. How we can find opportunity
 - E. Tools for finding opportunity
- X. Wrap-Up Discussion**