
Risk Management

A two day programme

Risk management enables people to manage risk by responding to it in a controlled way. The benefits of a risk management strategy are that there is a reduction in risk exposure because the risks are analysed, planned for, and costed. These actions enable the formulation of an adequate response to any known risk and create a culture to respond effectively to unknown risks when they occur. The programme covers the four steps to risk management, Risk Identification, Risk Analysis, Risk Response and the Management and Control of Risk. We also show you a completely new approach, developed by us for BAE Systems, for use in the software development programme for the Euro-fighter, which creates a way of turning qualitative risk into quantitative risk measurement. These new measurements form the basis of a method and a process that helps you pre-empt risk and construct effective mitigation strategies. We show how risk management is the key to a balanced view of any business undertaking and how, by constant monitoring and control, the risks to a project's goal can be minimised. Risk management also gives warning signals about when to stop and cut your losses. Using case studies, we show how people ignore or overlook risk with catastrophic consequences.

Key elements of risk management

People are optimistic in most aspects of life, and business activities such as projects are no exception. When we are involved in something new and exciting, especially if we help to design the change, we see only the good and positive aspects and we minimise the shortcomings and risks. Unless of course we are on the receiving end of other people's new reality, then we view it very differently. We had no hand in its design or conception so we look for risk, faults, and reasons why it will not work for us. Between these two extremes, lies a path to change that will be acceptable to both parties and this path is the acceptable risk.

The programme enables participants to:

- Identify risk - What could go wrong?
- Follow the processes of risk analysis - What would be the consequences?
- Respond to risk - What should we do about the risk?
- The risk - How do we control contingency and back up?
- Develop a 'Hazard Rating' so you can determine the mitigation strategy

Learning outcomes:

At the end of the programme, you will be able to create back up and contingency plans with more confidence, because of the methodologies learnt. This improved planning method will generate a more professional image for you and your team. In addition, we equip you with strategies so that when things go wrong, as they undoubtedly do on all projects, you know the actions to take.

Programme Agenda

Step 1 - Risk Identification

Risk Identification - Generic
The four pillars of a project
The source of specific risks

Step 3 - Risk Analysis

Detailed risk analysis
Hazard matrix
Types of Probability

Step 5 - Risk response

Risk avoidance
Risk prevention
Devise a back up plan
Design a contingency plan

Step 2 - The causes of the risk

Cause and effect diagram (Ishikawa)
Root cause analysis (The 5 Why's)
Moving house - Risk recording

Step 4 - Risk attitude

Exercise in utility theory
Loss aversion
Risk analysis techniques summary

Step 6 - Monitoring and controlling risk

The cost of risk
Budgeting and accounting for risk
Risk monitoring & Control

Typical delegates are:

All people who need to plan the risk element of a project. In addition, those people who are looking for ways to improve their effectiveness in supporting others. Effective risk management means the probabilities of delivering the project on time and within budget are greatly increased.