The Risk Management Plan describes how the project wll identify, prioritize, and manage risks throughout the life of the project.

Note: Instructions for what to include in each section appear in gold italics. Samples appear in regular black text.

risk management plan:

Project name

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# **Risk Management Approach**

This section provides a general description for the approach taken to identify and manage the risks associated with the project. It should be a short paragraph or two summarizing the approach to risk management on this project.

The approach we have taken to manage risks for this project included a methodical process by which the project team identified, scored, and ranked the various risks. The most likely and highest impact risks were added to the project schedule to ensure that the assigned risk managers take the necessary steps to implement the mitigation response at the appropriate time during the schedule. Risk managers will provide status updates on their assigned risks in the bi-weekly project team meetings, but only when the meetings include their risk’s planned timeframe.

# **Risk Identification**

This section explains the process by which the risks associated with this project were identified. It should describe the method(s) for how the project team identified risks, the format in which risks are recorded, and the forum in which this process was conducted. Typical methods of identifying risks are expert interview, review historical information from similar projects and conducting a risk assessment meeting with the project team and key stakeholders.

For this project, risk identification was conducted in the initial project risk assessment meeting. The methods used by the project team to identify risks were:

**Expert Interview**

Two Expert Interviews were held for this project. The interviews revealed several risks which were then mitigated by making changes to the project plan. The remaining risks are included in the Risk Register.

**Risk Assessment Meeting**

A risk assessment meeting was held with key team members and stakeholders. The risks identified during this meeting were added to the project plan and Risk Register.

**Historical Review of Similar Projects**

The project team reviewed the history of similar projects in order to determine the most common risks and the strategies used to mitigate those risks.

## Risk Register

Every project must maintain a risk register in order to track risks and associated mitigation strategies. This section describes the risk register criteria as well as where the risk register is maintained and how these risks are tracked in the project schedule.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Risk** | **Risk Category** | **Probability** | **Impact** | **Score** | **Response** | **Trigger** | **Risk Owner** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

# **Risk Qualification and Prioritization**

Once risks are identified it is important to determine the probability and impact of each risk in order to allow the project manager to prioritize the risk avoidance and mitigation strategy. Risks which are more likely to occur and have a significant impact on the project will be the highest priority risks while those which are more unlikely or have a low impact will be a much lower priority. This is usually done with a probability – impact matrix. This section explains risks were qualified and prioritized for this project. Sample probability impact matrix appears below:

|  |  |
| --- | --- |
|  | **Impact** |
| **Probability** | **Negligible**(Insignificant, manageable by daily operations) | **Minor**(Some disruption to workflow possible) | **Moderate**(Will disrupt workflow for some or hinder project success)  | **Serious**(Significant workflow disruption for many; project endangered) | **Critical**(Serious work disruption across enterprise) |
| **Very likely**(Facts) | [Enter risks here] |  |  |  |  |
| **Probable**(75% chance of occurring) |  |  |  |  |  |
| **Possible**(50% chance) |  |  |  |  |  |
| **Unlikely**(25% chance) |  |  |  |  |  |
| **Very unlikely**(<10% chance) |  |  |  |  |  |

# **Risk Mitigation Strategy**

Once risks have been qualified, the team must determine how to address those risks which have the greatest potential probability and impact on the project. This section explains the considerations which must be made and the options available to the project manager in managing these risks. A table could be included to align the mitigation, avoidance, or acceptance strategies based on the probability/impact matrix in the previous section.

Sample strategy table:

|  |  |  |
| --- | --- | --- |
|  | **Overall Risk Level** | **Action** |
|  | **Negligible** | **Accept** risk. Take no action. |
|  | **Minor** | **Accept and monitor**. Mitigate frustration and eliminate work disruption through training. Document feedback and escalate risk level if necessary. |
|  | **Moderate** | **Monitor and control**. Develop workaround solutions to alleviate workflow disruptions.  |
|  | **Serious** | **Control closely**. Proactively solicit feedback and implement continuous improvements based on feedback. |
|  | **Critical** | **Avoid**. Take action to reverse issues causing the risk.  |

# **Approvals**

|  |  |  |  |
| --- | --- | --- | --- |
| **Role** | **Name** | **Signature** | **Date** |
| Executive Sponsor |  |  |  |
| Project Sponsor |  |  |  |
| Project Manager |  |  |  |
| Operational Leader |  |  |  |