

# PROJECT RISK MANAGEMENT

## Memo

### Cluster Alignment

<b>1. Risk Management</b> (16 credits)	<ul style="list-style-type: none"><li>• 121905000-KM-09</li><li>• 121905000-PM-11</li></ul>
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### Assignment Alignment

<b>Risk Management</b> (16 credits)	Assignment 19: 121905000-KM-09 Assignment 20: 121905000-PM-11
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**Practical Question: PM-11-PS01 - Identify Project Risks**

*Scenario: You are the project manager for the development of a new software application. The project is in its early stages, and your team has not yet identified the potential risks. Given your knowledge in risk identification and analysis, you have been tasked to lead this exercise.*

**Question:**

1. **Risk Identification [4 marks]**

- Using appropriate **tools and techniques for risk identification** (AK0101), list at least four potential risks that could affect the project. Ensure that they are categorized appropriately (IAC0102).

2. **Trend Analysis and Reporting [2 marks]**

- Based on your understanding of **trend analysis and reporting** (AK0102), outline how the identified risks might show a pattern or trend that could affect the project's timeline or quality.

3. **Risk Analysis [2 marks]**

- Choose two of the risks identified above. Utilize both **qualitative and quantitative risk analysis tools and techniques** (AK0103) to determine their potential impact on the project. This should include a consideration of **risk probability and impact** (AK0104).

4. **Risk Response Plan [2 marks]**

- For one of the risks analyzed in the previous step, develop a brief risk response plan ensuring that it aligns with the overall project needs (IAC0101). Your plan should indicate whether you would choose to accept, avoid, transfer, mitigate, or exploit the risk.

*Note: In your answers, consider incorporating aspects like probability assumptions testing (AK0105), data precision ranking (AK0106), interviewing techniques (AK0107), and sensitivity analysis (AK0108) where relevant to enhance the comprehensiveness of your risk identification process.*

Total: 10 marks.

## Grading Guidelines for Project Management Exercise

Total Marks: 10

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### 1. Risk Identification [Total: 4 marks]

- **Identification of Risks (2 marks):** Award 0.5 marks for each correctly identified risk, up to a maximum of 2 marks. Risks should be relevant to the software application development project.
- **Appropriate Categorization (2 marks):** Award 0.5 marks for each risk that is correctly and appropriately categorized, up to a maximum of 2 marks. Categories could include technical, operational, financial, external, etc.

### 2. Trend Analysis and Reporting [Total: 2 marks]

- **Understanding of Trend Analysis (1 mark):** Award 1 mark for a clear and concise explanation of how trend analysis could be applied to the identified risks, indicating potential patterns or trends.
- **Implications for Project (1 mark):** Award 1 mark for correctly outlining the potential impact of these trends on the project's timeline or quality.

### 3. Risk Analysis [Total: 2 marks]

- **Application of Risk Analysis Tools (1 mark):** Award 0.5 marks for the application of qualitative risk analysis and 0.5 marks for the application of quantitative risk analysis on the chosen risks.
- **Consideration of Probability and Impact (1 mark):** Award 1 mark for a thorough consideration of both the probability and impact of each chosen risk, using appropriate tools and techniques.

### 4. Risk Response Plan [Total: 2 marks]

- **Development of Risk Response Plan (1 mark):** Award 1 mark for creating a relevant and realistic risk response plan for one of the analyzed risks. The plan should clearly indicate whether the risk will be accepted, avoided, transferred, mitigated, or exploited.
- **Alignment with Project Needs (1 mark):** Award 1 mark for ensuring that the risk response plan aligns with the overall project needs and objectives.

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### Additional Notes for Assessors:

- Assessors should look for evidence of depth and understanding in the answers.
- Consideration should be given to the integration of advanced concepts such as probability assumptions testing, data precision ranking, interviewing techniques, and sensitivity analysis where relevant.
- Partial marks can be awarded for answers that demonstrate some understanding but are not completely accurate or comprehensive.
- Marks should be deducted for irrelevant or incorrect information.

## Practical Question: PM-11-PS02 - Control Project Risks

*Scenario: You are the project manager for the renovation of a historic building. As the project progresses, you recognize the need to implement controls to manage identified risks. Your team looks up to your expertise in risk control to ensure the project stays on track.*

### Question:

1. **Risk Control Tools and Techniques [5 marks]**
  - Describe two **risk control tools and techniques** (AK0201) that you would implement for this project. For each tool or technique, provide a brief explanation of how it works and why it's suitable for this type of project.
2. **Integration with Project Plans and Delivery [3 marks]**
  - Discuss how you would integrate the chosen risk control tools and techniques with the existing **project plans and delivery** methods (AK0202). Consider any adjustments or changes that might be necessary to ensure effective risk control.
3. **Risk Control Practices and Actions [2 marks]**
  - Based on one of the risks you've identified for the renovation project, demonstrate your understanding of **risk control practices** (IAC0201). Describe a specific control action you'd recommend and motivate why this action is crucial for successful project delivery.

Total: 10 marks.

### Grading Guidelines for Project Management Exercise: Risk Control

Total Marks: 10

1. Risk Control Tools and Techniques [Total: 5 marks]
  - **Description of Two Tools/Techniques (3 marks):** Award 1.5 marks for each well-described risk control tool or technique. The description should include how it works and its relevance to the renovation of a historic building.
  - **Suitability Explanation (2 marks):** Award 1 mark for each tool or technique for a clear and convincing explanation of why it is suitable for this specific type of project.
2. Integration with Project Plans and Delivery [Total: 3 marks]
  - **Integration Strategy (1.5 marks):** Award marks for a detailed discussion on how the chosen risk control tools and techniques will be integrated into the existing project plans and delivery methods.
  - **Adjustments for Effective Control (1.5 marks):** Award marks for identifying and explaining any necessary adjustments or changes to the project plans to ensure effective risk control.
3. Risk Control Practices and Actions [Total: 2 marks]
  - **Understanding of Risk Control Practices (1 mark):** Award marks for demonstrating a clear understanding of risk control practices through the context of the identified risk.
  - **Specific Control Action and Justification (1 mark):** Award marks for recommending a specific control action for the identified risk and providing a strong motivation as to why this action is crucial for successful project delivery.

### Additional Notes for Assessors:

- Assessors should evaluate the depth and accuracy of the responses. The answers should demonstrate a clear understanding of risk control in the context of a historic building renovation project.
- Marks should reflect the relevance and practicality of the tools, techniques, and actions described.
- Comprehensive and well-justified responses should be awarded full marks, while partial marks should be given for answers that show some understanding but lack detail or justification.

- Incorrect, irrelevant, or overly vague responses should not receive any marks.
- It's important to ensure that the responses are specific to the scenario of renovating a historic building, as generic answers may not fully apply to such a specific context.