

# **Practical Project Risk Management™**

*Update your PMP® with 18 PDUs*

*This three day course is written by one of the editors of the Risk Management section of the Project Management Institute's standard PMBOK® Guide.*

Risk management is one of the most often least understood aspects of project management. Risk must be divided into two components: ADVERSITY that may hinder the project and OPPORTUNITY that may be lost if the project is not executed. This course provides attendee with a practical approach to managing project risk. At the end of the course, the attendee will be able to return to work with the skills necessary to effectively manage potential project adversity and discover new opportunities.

## **Summary of Course Topics**

### **Overview of Risk Management**

- Defining risk terminology
- Forms of risk
- Analysis of assumptions
- Working within constraints
- Planning to manage risk

### **Psychological Aspects of Risk**

- Differentiation of risk preferences
- Determining when risks are taken
- Considering how to sell a high risk project
- Reviewing how a problem is framed

### **Finding Project Risks**

- Determining where to look inside the project
- Implementing tools and techniques
- Effects of external events on the project
- Exploring lost opportunities
- Exploiting adversity to your advantage

### **Assigning Value to the Project Risks**

- Using qualitative techniques
- Assigning values with the probability-impact matrix
- Interpretation of vague terminology
- Using basic probability concepts
- Applying concepts of unity
- Using prospect theory
- Defining the risk premium
- Implementing Earned Value Management

### **Building Responses to Risks**

- Mitigating to reduce the impact to the organization
- Passive acceptance
- Developing contingency plans
- Avoiding risks
- Writing the risk response plan

### **Monitoring and Control**

- Implementing the risk responses
- Discovering secondary risks
- Reducing project uncertainty
- Discovering new opportunity
- Finding interaction among risks

## Who Should Attend?

**Experienced project managers** learn skills that reinforce their existing knowledge base and develop new skills to successfully lead and manage their projects and the associated risks.

**New project managers** learn the best practices needed to get a proper start in their project management career. Previous attendance on a basic project management class is encouraged.

**Project team members** will benefit from this course as they learn proper techniques for proactive approaches to working within potential project adversity.

## Sample Exercises For Skills Development

**Identify risk at several levels of the project.** Risk management must begin at the start of the project and does not stop until the project is closed. Exercises are introduced to demonstrate methods of risk identification during various phases of the project.

**Explore the impact of risk propensity.** Various stakeholders have differing propensity for willingness to assume risks within the organization. The result is conflict among the stakeholders. These differing positions must be negotiated to an acceptable solution.

**Use various tools and techniques to identify risk.** Adopt common quality control tools to find risk within the project. Influence diagrams are used to find the interaction of apparently separate risk events. Explore the risks inherent in poorly written contracts.

**Use qualitative risk valuation.** Many project risks are described in qualitative terms such as "high, medium, low." Exercises demonstrate the variation in the interpretation of these terms. Learn to implement the probability-impact matrix.

**Implement Earned Value techniques.** Apply EVA techniques to determine current project status and estimate cost to complete and cost at completion. Determine risk of missing contractual obligations.

**Apply quantitative risk valuation.** Historical data is used to extrapolate the potential actuarial value of the risk to the project and organization. Apply basic concepts of probability to calculate project reserve requirements.

**Develop methods by which the risks will be managed.** Examine the risks that were discovered and valued. For each risk determine the best method of proactively implementing the risk response.

**Explore ongoing risk.** Apply the risk management process throughout the ongoing project.

## Course Pricing

Description – Public Courses	Days	Price per attendee
Practical Risk Management	3	\$995 USD

Description - On Site Courses	Days	Price up to 15 attendees
Practical Risk Management	3	\$9,950 USD