

High Level Risk Identification Process

Risk Management Responsibility

The project manager is responsible for the overall risk management of the project. The project core team members are responsible for providing input for identifying, quantifying, and mitigating all risks. At project inception, risk assessments should not be performed alone. The entire project team should be assembled for the analysis. The objective is to obtain unbiased and uninfluenced assessment from each member of the team. This is not a session for undue optimism and “command pressure” to downplay risks.

Process

The Risk Management Process begins with the high-level risk assessment performed during the initial planning phase. If the decision is made to proceed with the project, a detailed assessment is then performed later.

High-level risk identification is a project core team function. The project core team will brainstorm project risks, utilize historical data and rely on previous experience to assist in the risk identification process. The project core team will utilize the overall risk management assessment for identifying high-level risk.

High-Level Risk Assessment

During the early phases of project planning, assessments must be made as to whether the project can be completed successfully. Usually these are GO/ NO GO decisions.

While very little detail may be known at this point, the high-level risks should attempt to be identified and assessed. These steps include: identifying risks at the highest level of the work tasks; analyzing the associated costs and benefits of the project to determine the relative risks of potential gains; and developing high-level mitigation strategies to reduce the impact of potential events. This information should be documented in the Project Charter.