

Advanced Risk Management

Course Overview

This course explains how to effectively manage risk in any project. It moves beyond the standard project management curriculum by diving deeply into the effective management of both threats and opportunities based on a detailed assessment of project risk exposure. Participants use a professional risk management tool to carry out a series of exercises each of which contributes to establishment of an effective Risk Management Practice. As participants build proactive and contingency responses, they simultaneously measure the reduction of overall project risk exposure in their project. Topics include:

- The origins of risk
- Risk's dual nature: threat and opportunity
- Risk at three levels: project, business, project value
- Developing a Risk Management Plan
- How to use a comprehensive Risk Register
- Detailed assessment of project threats and opportunities
- Managing threats
- Managing opportunity
- Measuring net project risk exposure
- How to calculate a contingency reserve
- Convincing management to fund the risk strategy

Who should attend

This advanced project management course is of value to anyone who wants to control the cost of risk in major projects, including Project Managers, Managers of Project Managers, Functional Managers and Executives with project responsibility, Project Management Office staff, Risk Managers, and Risk Management Office staff

Prerequisites

This course assumes familiarity with basic project management concepts as well as some experience in the planning and execution of projects.

Class Information

- **Course I.D. Number:** 3027
- **Duration:** 4 days
- **Participants receive:**
 - PMP®-certified instructor
 - Comprehensive Participant Guide
 - 28 PDUs (Technical: 21 Leadership: 5 Strategic: 2)
- **Typical class size:** 6 to 20 attendees
- **Delivery:** Virtual and onsite
- High-quality Risk Management templates
- Certificate of Participation

Why should I take this course?

- **Advanced Risk Management** presents a comprehensive approach for the management of risk in any project. When done effectively, risk management can eliminate up to 90% of the cost of project risk.
- You have the option of using your own current project as the basis for risk management exercises. As a result, you can accomplish project work while you learn about the topic.
- Course content is fully consistent with the PMI® Practice Standard for Risk Management.
- The course includes a practical approach to uncovering and leveraging opportunities, a topic virtually untouched in standard project management training. Take home a whole new set of tools and techniques.

Course Outline

Section 1: Introduction

- Personal Risk Profile
- Origin of project risk
- Project success factors
- The risk management value proposition

Section 2: Basic Concepts

- Threat and opportunity
- Relationship between issues and risks
- Risks to project, business, and project value
- The work of Risk Management
- Budgeting for Risk Management

Section 3: Planning for Risk Management

- Identifying risk stakeholders
- Risk tolerance; Risk appetite
- Engaging stakeholders in risk management
- Proactive vs. reactive risk planning
- Developing a Risk Management Plan

Section 4: Risk Identification

- Sources of risk
- Tools for risk identification
- Composing a risk statement
- The Comprehensive Risk Register
- Project threats and opportunities

Section 5: Risk Analysis

- Impact, probability, and detectability
- Risk analysis data
- Establishing risk scores: The Risk Matrix
- Risk ranking and Heat Maps
- Risk triggers
- Determining root cause

Section 6: Identifying and Analyzing Threats

- Threat identification
- Screening threats with qualitative analysis
- Methods for estimating impact
- Threat prioritization
- Risk categorization, timing, urgency
- Impact on cost, time and labor hours

- Unavoidable costs
- Measuring risk exposure

Section 7: Threat Response Planning

- Proactive and reactive responses to Threats
- Cost effectiveness of response plans
- Secondary and residual risk
- Creating contingency plans
- Building a Contingency Reserve
- Cost of threat management
- Threat Management Strategy

Section 8: Understanding Opportunity

- Value of opportunity
- Two kinds of opportunity
- Why opportunities are missed
- Enhanced model of risk

Section 9: Identifying and Analyzing Opportunity

- Tools for finding opportunity
- Screening opportunities
- Opportunity prioritization
- Impact on cost, time and labor hours
- Opportunity and risk exposure

Section 10: Opportunity Response Planning

- Proactive and reactive responses
- Cost effectiveness of response plans
- Secondary and residual risk
- Contingency plans; the contingency reserve
- The budget for managing opportunities
- Opportunity Management Strategy

Section 11: Risk Monitoring and Control

- Watching for change to the risk landscape
- Responding to risk events
- Reporting risk status
- Tracking reserves
- Managing risk to Business Value
- Risk audits

Wrap-Up Discussion

Learning Approach

- A highly experienced instructor will use interactive lecture format, numerous hands-on exercises, team activities, group discussions and other techniques to drive home the essential points of this material.
- Participants are encouraged to focus all risk management exercises on actual, current projects. When this is done, project work is accomplished while participants learn.
- Participants learn how to use a professional risk management tool, the Comprehensive Risk Register.