



Risk Maturity Now!

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Risk Maturity Now! - Better Risk Workshops (Lessons Learned)

The following are high level lessons learned that may help with improving your risk workshops.



Preparation and Collaboration Time Prior to Analysis

It is helpful to establish an ideal timeframe to accomplish schedule reviews, cost reviews, integration (cost/schedule), and risk reviews. The goal is to engage the correct resources early enough in the process to ensure that the group meetings will have well prepared data that will minimize the confusion and time needed.



Training Session to Set Expectations

Before going down any path it would be good plan a session with the team in order to set expectations for each type of meeting and the process in general. Documents should be created to outline the process, so all parties understand the inputs and outputs of each session. Any process should have a separate executive summary document so all parties can familiarize with the information. It is assumed that attendees will not have time to read massive amounts of technical documentation.

Basis of Schedule and Basis of Estimate Prior to Risk Workshop

If the uncertainty ranges are gathered prior to the risk identification workshop, then the basis of schedule and basis of cost estimate should be clearly documented in the same meeting. The risk analyst can document the basis of the minimum, likely, and maximum value so there is no confusion relative to the numbers in future sessions. The basis documents should be updated and aligned based on scope changes moving forward.

The basis documents will ensure that all attendees will have documentation relative to the cost and schedule prior to the risk identification workshop. The documents should be distributed to the workshop team. If team members read the documentation in advance, then the session will go very quickly. For those who did not read the documentation (which should be expected), the information can be referenced very quickly and efficiently in the risk meeting.

Less Data to Collect in the Risk Meeting

If the basis of schedule and basis of cost estimate exist prior to risk meetings, then the risk workshop will be focused on identification of risk events outside of the uncertainty ranges only. A list of risk event talking points can be captured in the cost and schedule reviews. It would be helpful for attendees to document their top risk events and distribute to the risk analyst prior to the session. The risk analyst could gather some of the information in quick informal sessions.

Combining Schedule, Cost, and Risk Reviews

There is often a feeling in sessions that attendees are not aligned relative to their knowledge of the schedule and estimate. The risk review sessions may take longer than desired due to confusion on the base data set. These issues may lead to side conversations as everyone is brought up to speed on the estimate and other project issues. Many areas might go unanswered during the risk session if the correct resource is not in the room.

Cost, schedule, and risk should be done in an integrated environment. During a schedule review it is quite easy to put a range around a number that has just been reviewed. It is harder to put a range around a number in a separate session where people have not just scrutinized this number. The inputs will be better,

and will not feel like additional work, as they will come naturally in the session.

It is useful for the same group to go through a formal schedule review session to ensure durations, logic, and assumptions are understood by all parties. This group should be involved in the cost estimate review as well. Prior to a risk identification workshop, all parties would have a detailed understanding of the schedule and cost as a starting point.

The uncertainty ranging on the cost and schedule can be done as part of the review sessions to avoid having a separate uncertainty review period. The best time to range a number is immediately, as it has just been reviewed. It is suggested that the risk analyst collect the minimum and maximums for cost and schedule during the cost and schedule data reviews.



Integration of Cost and Schedule

Attendees often have issues deciding the degree to which schedule slippage would impact the cost in a pure cost risk analysis. The integration of schedule review into the equation allows the attendees to more clearly understand the cost information. The introduction of a schedule will require review, audit, and integration to start before the analysis time window.

Repetition of the Process

The process should save time. The process should also stop confusion on the base data set as well as duplication of effort in meetings. It is expected that there will be a learning curve; however streamlined sessions and agreed output expectations will increase the speed. The process should become quick and natural after the team has repeated it on multiple projects. Usually the process is perceived as new and painful. Delivering concise sessions will increase team buy-in relative to the process.